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2003-05 Revised Omnibus Operating Budget (2004 Supp)
House of Representatives
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	56,342	56,387	56,342	56,387	56,342	56,387
2004 Policy Changes:						
1. National Conference of Legislatures	75	75	75	75	75	75
Total Policy Changes	75	75	75	75	75	75
2003-05 Revised Appropriations	56,417	56,462	56,417	56,462	56,417	56,462
Difference from Original Appropriations	75	75	75	75	75	75
% Change from Original Appropriations	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

Comments:

1. National Conference of Legislatures - One-time start-up funding is provided for the costs associated with the Legislature's hosting of the 2005 National Conference of State Legislatures in Seattle. This amount will be repaid from sponsorship revenue.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Senate**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	45,174	45,219	45,174	45,219	45,174	45,219
2004 Policy Changes:						
1. National Conference of Legislatures	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>	<u>75</u>
Total Policy Changes	75	75	75	75	75	75
2003-05 Revised Appropriations	45,249	45,294	45,249	45,294	45,249	45,294
Difference from Original Appropriations	75	75	75	75	75	75
% Change from Original Appropriations	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Comments:

1. National Conference of Legislatures - One-time start-up funding is provided for the costs associated with the Legislature's hosting of the 2005 National Conference of State Legislatures in Seattle. This amount will be repaid from sponsorship revenue.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Jt Leg Audit & Review Committee**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	3,344	3,344	3,344	3,344	3,344	3,344
2004 Policy Changes:						
1. Basic Health Plan Studies	100	100	0	0	0	0
2. Developmental Disability Prevalence	0	0	50	50	50	50
3. Fire Suppression Policy Study	0	0	150	150	150	150
4. Gambling Revenue Distribution Study	25	25	0	0	25	25
5. Tax Preferences (ESHB 1869)	0	0	250	250	0	0
6. High School Voc Centers (EHB 3094)	0	0	21	21	0	0
7. Govt Accountability (3ESHB 1053)	0	0	152	152	150	150
8. Contractor Licensing Study	25	25	0	0	25	25
9. Forest Fire Studies	150	150	0	0	0	0
10. WASL Study	50	50	0	0	0	0
11. Alternative Learning Study	0	0	0	0	100	100
12. Bus Replacement Study	0	0	0	0	25	25
13. Title II School District Spending	0	0	0	50	0	0
14. State Institutions Impact Study	125	125	0	0	0	0
Total Policy Changes	475	475	623	673	525	525
2003-05 Revised Appropriations	3,819	3,819	3,967	4,017	3,869	3,869
Difference from Original Appropriations	475	475	623	673	525	525
% Change from Original Appropriations	14.2%	14.2%	18.6%	20.1%	15.7%	15.7%

Comments:

1. Basic Health Plan Studies - Funding is provided for a review of the basic health plan to examine the plan's policies and procedures and their impact on the health care provided to the plan's enrollees.

2. Developmental Disability Prevalence - Funding is provided for a study of the prevalence of developmental disabilities.

3. Fire Suppression Policy Study - Expenditures charged for direct fire suppression costs have averaged \$31.0 million per year for the past three years. During the ten years prior to this period, fire suppression costs averaged \$11.0 million per year and only once exceeded \$20.0 million. Although forest health issues may be contributing to the higher cost of fire suppression, it is not likely to explain such a sudden increase. Funding is provided for a program performance audit of the policies and practices of the state wildfire suppression program.

4. Gambling Revenue Distribution Study - Funding is provided for a study of current distributions of gambling revenues in Washington and other states.

7. Govt Accountability (3ESHB 1053) - Funding is provided for performance audits, contingent on the enactment of Third Engrossed Substitute House Bill 1053 (government accountability).

8. Contractor Licensing Study - One-time funding is provided for a study of the licensing and testing requirements for heating, ventilation, and air conditioning contractors.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Jt Leg Audit & Review Committee

11. Alternative Learning Study - Funding is provided for the Joint Legislative Audit and Review Committee (JLARC) and the State Auditor's office to conduct a legal and financial review of alternative learning experience programs. The topics for review include: (1) the numbers of students served, variations in program types, and funding patterns for alternative learning experience programs, including digital curriculum and online courses; (2) the adequacy of current rules, regulations, and procedures to safeguard against the misuse of public resources based on any deficiencies identified in state auditor's audit of alternative learning experience programs due to be completed in May 2004; (3) identification of policy and administrative options to address and correct such identified deficiencies; and (4) the potential fiscal impacts of any proposed options for changes to alternative learning experience programs. JLARC will submit an interim report of their finding and recommendations by February 1, 2005 and a final report will be by July 1, 2005.

12. Bus Replacement Study - Funding is provided for provided for the Joint Legislative Audit and Review Committee (JLARC) to study current and potential methods of bidding and purchasing school buses for home-to-school transportation. The purpose of the study is to recommend methods and systems for obtaining competitive prices for state reimbursement purposes and for district purchasing purposes while at the same time allowing local school district control over decisions concerning the management of pupil transportation systems and the make up of bus fleets. The study shall examine bidding and purchasing methods and procedures used in other states and compare the results of those methods with the results of current and past methods employed by OSPI, purchasing organizations and school districts in this state. A preliminary report, including recommendations, shall be available by December 2004.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**LEAP Committee**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	3,455	3,455	3,455	3,455	3,455	3,455
2004 Policy Changes:						
1. Regional Cost of Living Index	<u>0</u>	<u>0</u>	<u>-50</u>	<u>-50</u>	<u>-50</u>	<u>-50</u>
Total Policy Changes	0	0	-50	-50	-50	-50
2003-05 Revised Appropriations	3,455	3,455	3,405	3,405	3,405	3,405
Difference from Original Appropriations	0	0	-50	-50	-50	-50
% Change from Original Appropriations	0.0%	0.0%	-1.4%	-1.4%	-1.4%	-1.4%

Comments:

1. Regional Cost of Living Index - Funding provided in the 2003-05 biennial budget for the Committee to develop a regional cost-of-living index for each region served by an Educational Service District of the K-12 system is removed.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Joint Legislative Systems Comm
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	13,507	15,320	13,507	15,320	13,507	15,320
2004 Policy Changes:						
1. Leg. Network Equip. Wiring Closets	0	0	410	410	0	0
2. Legislative Audio System	0	0	300	300	0	0
3. Legislative Cable TV Connectivity	0	0	65	65	0	0
4. DAS Connectivity to Network	0	0	125	125	0	0
5. Distributed Antenna System (DAS)	0	0	500	500	0	0
Total Policy Changes	0	0	1,400	1,400	0	0
2003-05 Revised Appropriations	13,507	15,320	14,907	16,720	13,507	15,320
Difference from Original Appropriations	0	0	1,400	1,400	0	0
% Change from Original Appropriations	0.0%	0.0%	10.4%	9.1%	0.0%	0.0%

Comments:

1. Leg. Network Equip. Wiring Closets - The computing network equipment servicing the thin-net network from the Legislative Building's wiring closets, which are located on each floor, will be replaced so that new wiring for the legislative computing network will be capable of serving legislative users upon their return to the building.

2. Legislative Audio System - To ensure an adequate legislative audio system upon return to the Legislative Building, Senate and House chamber audio equipment, some of which was installed prior to 1989, is replaced and relocated to the fifth floor above each chamber.

3. Legislative Cable TV Connectivity - Cable television service existed in the Legislative Building prior to the Legislative Building Rehabilitation Project (LBRP). The LBRP includes the cabling portion of this service, but does not include the amplifiers and multiplexers to make the system functional. Funding is provided for these components.

4. DAS Connectivity to Network - Funding is provided for the telecommunications equipment (access points, switches, and management software) required to connect the distributed antenna system (DAS) antennas and cabling to the wired network.

5. Distributed Antenna System (DAS) - Funding is provided for a distributed antenna system (DAS) which will include cabling and antennas to enable wireless emergency, cellular, and local area network (LAN) communications throughout the building. The Legislative Building Rehabilitation Project affords a cost-effective opportunity to install the infrastructure for emerging information technologies while walls and conduits are exposed.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Supreme Court**
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	11,127	11,127	11,127	11,127	11,127	11,127
Total Maintenance Changes	40	40	40	40	40	40
2004 Policy Changes:						
1. Editorial Assistant	41	41	0	0	0	0
2. Reclassify Reporter of Decisions	16	16	0	0	0	0
3. Capital Counsel Panel	18	18	28	28	0	0
4. Capital Panel/Personnel Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28</u>	<u>28</u>
Total Policy Changes	75	75	28	28	28	28
2003-05 Revised Appropriations	11,242	11,242	11,195	11,195	11,195	11,195
Difference from Original Appropriations	115	115	68	68	68	68
% Change from Original Appropriations	1.0%	1.0%	0.6%	0.6%	0.6%	0.6%

Comments:

4. Capital Panel/Personnel Items - Funding is provided for the following: (1) travel and meeting costs for the Capital Counsel Panel, which recruits and maintains a list of attorneys qualified for death penalty trials, appeals, and personal restraint petitions; (2) additional staff support to meet increased workload in the Office of Reporter of Decisions; and (3) reclassification and a salary increase to the Reporter of Decisions position. Although the Reporter of Decisions has similar responsibilities to other Supreme Court department heads, this position's salary is not in-line with other department heads.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**State Law Library**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	4,095	4,095	4,095	4,095	4,095	4,095
Total Maintenance Changes	4	4	4	4	4	4
2003-05 Revised Appropriations	4,099	4,099	4,099	4,099	4,099	4,099
Difference from Original Appropriations	4	4	4	4	4	4
% Change from Original Appropriations	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Court of Appeals**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	25,257	25,257	25,257	25,257	25,257	25,257
Total Maintenance Changes	54	54	54	54	54	54
2004 Policy Changes:						
1. Additional Staff	0	0	95	95	0	0
2. Division II Workload	190	190	0	0	143	143
Total Policy Changes	190	190	95	95	143	143
2003-05 Revised Appropriations	25,501	25,501	25,406	25,406	25,454	25,454
Difference from Original Appropriations	244	244	149	149	197	197
% Change from Original Appropriations	1.0%	1.0%	0.6%	0.6%	0.8%	0.8%

Comments:

2. Division II Workload - Funding to meet additional workload is provided for one staff and contracted assistance for Division II of the Court of Appeals, which includes Thurston County. Since 2001, the division's workload has increased about 9 percent, although its staffing level has remained relatively constant. The additional staff will keep workload to staffing ratios for Division II in line with previous biennia, and prevent further delays in resolution of cases. Other divisions are not able to shift staff to Division II without compromising resolution of cases, as they have already decreased their own staffing levels for efficiency reductions.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Administrator for Courts**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	34,635	105,927	34,635	105,927	34,635	105,927
Total Maintenance Changes	775	824	775	824	775	824
2004 Policy Changes:						
1. Disaster Recovery	0	1,100	0	1,100	0	1,100
2. JIS Migration Phase II Extension	0	1,400	0	1,400	0	1,400
3. JIS Migration Phase III	0	1,400	0	1,400	0	1,400
4. Continuing Education General Rule	0	96	0	96	0	96
5. New Lease Costs	0	0	0	89	0	0
Total Policy Changes	0	3,996	0	4,085	0	3,996
2003-05 Revised Appropriations	35,410	110,747	35,410	110,836	35,410	110,747
Difference from Original Appropriations	775	4,820	775	4,909	775	4,820
% Change from Original Appropriations	2.2%	4.6%	2.2%	4.6%	2.2%	4.6%

Comments:

1. Disaster Recovery - Funding is provided to cover costs for disaster recovery planning, equipment, backup systems, and testing for the Judicial Information System (JIS). JIS is the state repository for criminal and judicial records, and links the courts, the State Patrol, Department of Corrections, Department of Licensing, and local governments. The goal of disaster planning is to insure that criminal records and JIS applications can be recovered in less than 48 hours after a major service interruption, such as a natural or manmade disaster. (Judicial Information Systems Account-State)

2. JIS Migration Phase II Extension - Funding is provided to continue implementation of JIS projects authorized in previous budget cycles. Revenue uncertainties during the 2001-2003 Biennium caused the AOC to delay the implementation of JIS Migration Phase II. Finishing these projects is essential to avoid counties from pursuing stand-alone systems that are not interoperable with the state or each other. (Judicial Information Systems Account-State)

3. JIS Migration Phase III - Funding is provided to continue the third phase of implementation of JIS projects. Phase III funding will migrate the current district court information system (DISCIS) from an outdated legacy platform to a web-based platform, improving access and reliability, in accordance with recommendations of the Washington Integrated Justice Information Board. (Judicial Information Systems Account-State)

4. Continuing Education General Rule - Funding is provided for implementation of Supreme Court General Rule (GR 26) enacted in July 2002. GR 26 requires 45 continuing education hours every three years for all judicial officers. The level of funding provided will add courses for 150 judges and 50 court commissioners or magistrates. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Public Defense**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,550	13,945	1,550	13,945	1,550	13,945
Total Maintenance Changes	0	388	0	388	0	388
2003-05 Revised Appropriations	1,550	14,333	1,550	14,333	1,550	14,333
Difference from Original Appropriations	0	388	0	388	0	388
% Change from Original Appropriations	0.0%	2.8%	0.0%	2.8%	0.0%	2.8%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of the Governor**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	7,549	12,543	7,549	12,543	7,549	12,543
2004 Policy Changes:						
1. Hood Canal Early Actions	100	100	100	100	100	100
2. Kindergarten Readiness Guidelines	0	0	100	100	0	0
3. Governor's Transition Team	135	135	135	135	135	135
Total Policy Changes	235	235	335	335	235	235
2003-05 Revised Appropriations	7,784	12,778	7,884	12,878	7,784	12,778
Difference from Original Appropriations	235	235	335	335	235	235
% Change from Original Appropriations	3.1%	1.9%	4.4%	2.7%	3.1%	1.9%

Comments:

1. Hood Canal Early Actions - Funding is provided to begin implementation of early corrective action projects to reduce and/or prevent major sources of human-related pollution and nutrients from entering Hood Canal.

3. Governor's Transition Team - Funding is provided to cover the costs of the new governor's transition team for the period of November 2004 through January 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of the Secretary of State**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	41,428	81,907	41,428	81,907	41,428	81,907
Total Maintenance Changes	0	625	0	625	0	625
2004 Policy Changes:						
1. Savings - 2004 Presidential Primary	-6,038	-6,038	-6,038	-6,038	-6,038	-6,038
2. Eastern Regional/Digital Archive	0	1,756	0	1,756	0	1,756
3. Security Microfilm Inspection	0	125	0	125	0	125
4. Security Microfilm Storage Vault	0	100	0	100	0	100
5. Security Microfilm Repairation	0	198	0	198	0	198
6. Help America Vote Act Compliance	0	23,140	0	23,140	0	23,140
7. New State Primary	0	0	580	580	0	0
Total Policy Changes	-6,038	19,281	-5,458	19,861	-6,038	19,281
2003-05 Revised Appropriations	35,390	101,813	35,970	102,393	35,390	101,813
Difference from Original Appropriations	-6,038	19,906	-5,458	20,486	-6,038	19,906
% Change from Original Appropriations	-14.6%	24.3%	-13.2%	25.0%	-14.6%	24.3%

Comments:

1. Savings - 2004 Presidential Primary - The enactment of House Bill 2297 in December 2003 cancelled the presidential preference primary to be held in 2004. As a result, the state will realize a savings of \$6.038 million.

2. Eastern Regional/Digital Archive - The new Eastern Regional Archives and Digital Archive facility, located on the campus of Eastern Washington University, will be completed and become operational in Spring 2004. The Eastern Regional Archives will provide traditional paper-based records management services and historical records preservation and research capabilities to the eleven easternmost counties of the state. The new Digital Archives will serve as a central repository for electronic "essential" records and archival/historical records, which require long-term retention (over six years). Funds are provided for additional facility capital costs, digital archive technology architecture costs, additional digital archive staff, operational costs, site preparation costs, and building plan changes resulting from building code changes. An Information Services Board feasibility study documents the need for a digital archives information technology architecture for public records created and/or maintained by state and local governments in electronic format. The Digital Archives activity will procure a storage area network, automated tape library, communications equipment, and associated servers, using a four-year Certificate of Participation through the Office of the State Treasurer, at an estimated cost of \$2.8 million (\$700,000 is appropriated in the 2003-05 biennium for this purpose). (Archives and Records Management Account-State, Local Government Archives Account-State)

3. Security Microfilm Inspection - Security microfilm provides the back-up copy of essential state and local government records. Film is required to be inspected upon receipt by security microfilm program staff to ensure that it meets archival standards, and then it is catalogued in a database and placed into the temperature and humidity-controlled archives security microfilm vaults. Funds are provided for additional staff to perform these inspections. (Archives and Records Management Account-State, Local Government Archives Account-State)

4. Security Microfilm Storage Vault - Funds are provided to construct a new temperature-controlled vault within the State Archives' building for the growing volume of local government security microfilm for long-term storage. (Local Government Archives Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of the Secretary of State

5. Security Microfilm Reparation - The local government security microfilm inspection program has determined the need for reparation work on a significant number of older security microfilm. Funds are provided to conduct reparation work on a sample of poor quality security microfilm to assess a range of problems and determine appropriate treatment for all impaired film in the archives' holdings. (Local Government Archives Account-State)

6. Help America Vote Act Compliance - The federal Help America Vote Act (HAVA) of 2002 was enacted by Congress to improve election administration, voter outreach, and education. During the 2001-03 biennium, the state received \$13.1 million General Fund-Federal for election reform purposes. These funds will be used primarily to replace punchcard voting machines and to develop a statewide voter registration database. The state is also eligible to receive up to \$62.8 million General Fund-Federal during the 2003-05 biennium to help the state meet the new federal election mandates. These payments require a state matching amount of five percent, or \$3.14 million General Fund-State, which is provided in the Special Appropriations agency budget. The five percent state General Fund match and \$20 million of federal funds are provided to the voter registration program and the HAVA local grant program for the following purposes: development of a statewide voter registration database; procurement of direct recording electronic equipment or other disability access devices; improvement of voter registration lists; and implementation of a local government grants for local election administration, voter outreach, and education. Both the state and federal funds will be transferred into, and expended out of, the new Elections Account, established for this purpose by the 2003 Legislature. (Elections Account-State, Elections Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of the State Treasurer**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	13,149	0	13,149	0	13,149
Total Maintenance Changes	0	314	0	314	0	314
2003-05 Revised Appropriations	0	13,463	0	13,463	0	13,463
Difference from Original Appropriations	0	314	0	314	0	314
% Change from Original Appropriations	0.0%	2.4%	0.0%	2.4%	0.0%	2.4%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of the State Auditor
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,403	45,133	1,403	45,133	1,403	45,133
2004 Policy Changes:						
1. Forest Fire Studies	<u>100</u>	<u>100</u>	<u>0</u>	<u>0</u>	<u>100</u>	<u>100</u>
Total Policy Changes	100	100	0	0	100	100
2003-05 Revised Appropriations	1,503	45,233	1,403	45,133	1,503	45,233
Difference from Original Appropriations	100	100	0	0	100	100
% Change from Original Appropriations	7.1%	0.2%	0.0%	0.0%	7.1%	0.2%

Comments:

1. Forest Fire Studies - Funding is provided for a review of emergency fire suppression costs in the Department of Natural Resources.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Comm Salaries for Elected Officials
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	240	240	240	240	240	240
2004 Policy Changes:						
1. Office Operations	29	29	29	29	29	29
2. Evaluate Elected Positions	35	35	35	35	35	35
Total Policy Changes	64	64	64	64	64	64
2003-05 Revised Appropriations	304	304	304	304	304	304
Difference from Original Appropriations	64	64	64	64	64	64
% Change from Original Appropriations	26.7%	26.7%	26.7%	26.7%	26.7%	26.7%

Comments:

1. Office Operations - Additional funds are provided to the Office of the Citizens' Commission on Salaries for Elected Officials for operations and staffing to ensure sufficient office coverage during the Commission's slow season. This additional funding will allow the Office to maintain office hours from 8 a.m. to 4 p.m., Monday through Friday, during FY 2004.

2. Evaluate Elected Positions - Funding is provided to conduct a point factor job evaluation of the positions of legislator, Supreme Court Justice, and judges of the Court of Appeals, Superior Court, and District Court. The resulting information will be used by future commissions in setting elected officials' salary schedules.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of the Attorney General**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	8,166	182,263	8,166	182,263	8,166	182,263
2004 Policy Changes:						
1. County Prosecutor Tort Costs	0	0	61	61	0	0
2. Pacific Sound Resources Litigation	0	818	0	818	0	818
3. Violent Video Games Litigation	231	231	231	231	231	231
4. Return of Office Relocation Funding	0	-179	0	-179	0	-179
5. Licensing Caseload Increases	0	600	0	600	0	600
6. Hallett Case	0	40	0	40	0	40
7. Homicide Investigative Tracking	0	0	0	187	0	187
8. Correctional Industries	0	0	0	70	0	70
9. Health Care Actions (EHB 2839)	0	0	88	88	0	0
10. Instream Flows (SHB 2396)	0	0	0	137	0	0
11. Spokane County Litigation	114	114	48	48	114	114
12. Self-Insurance Cases	0	943	0	0	0	0
Total Policy Changes	345	2,567	428	2,101	345	1,881
2003-05 Revised Appropriations	8,511	184,830	8,594	184,364	8,511	184,144
Difference from Original Appropriations	345	2,567	428	2,101	345	1,881
% Change from Original Appropriations	4.2%	1.4%	5.2%	1.2%	4.2%	1.0%

Comments:

1. County Prosecutor Tort Costs - Funding is not provided to reimburse the Liability Account for tort defense costs relating to the defense of certain tort actions brought against county prosecuting attorneys. The payment of tort defense costs is a proper expense of the Liability Account under RCW 4.92.130.

2. Pacific Sound Resources Litigation - Pacific Sound Resources and the Port of Seattle have filed suit against the state of Washington and the Department of Natural Resources, in addition to other parties, claiming state liability for cleanup of hazardous substances on state-owned property under the State Model Toxics Control Act. Funding is provided for legal defense costs. (Legal Services Revolving Account)

3. Violent Video Games Litigation - In 2003, the Legislature enacted the violent video game statute, chapter 365, Laws of 2003, which prohibits the sale or rental of video or computer games to minors where the player causes physical harm to a human form depicted as a law enforcement officer. The Video Software Dealers Association filed a lawsuit in United States District Court challenging the statute as unconstitutional. Funding is provided for legal defense costs.

4. Return of Office Relocation Funding - In the 2003-05 biennial budget, the Attorney General received funding for relocating the Torts Division. The relocation will not be achieved in the current biennium; therefore these funds will not be used. (Legal Services Revolving Fund)

5. Licensing Caseload Increases - The Department of Licensing's driver license cases increased 21 percent in fiscal year 2002, 35 percent in fiscal year 2003, and are continuing to increase. This increase is due to driving under the influence (DUI) implied consent and administrative DUI caseloads, including an increase of cases in the appellate courts. Funding is provided to address these cases. This item affects the Legal Services to State Agencies activity. (Legal Services Revolving Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of the Attorney General

6. Hallett Case - In August 2002, the United States Court of Appeals remanded sections of the Hallett class action lawsuit back to the United States District Court for further litigation. The lawsuit was originally brought forth in 1993 and alleges that officials at the Washington Corrections Center for Women violated the inmates protection against cruel and unusual punishment because of inadequate health care. A settlement was reached in November 2003. Funding is provided to pay legal costs incurred prior to the final settlement. (Legal Services Revolving Account)

7. Homicide Investigative Tracking - Funding is provided for two investigators to increase the timely collection of data and to provide training for local jurisdictions and assistance to law enforcement agencies related to the Homicide Investigative Tracking System (HITS). HITS is the statewide central repository for information related to violent crimes against persons. (Public Safety and Education Account-State)

8. Correctional Industries - Funding is provided to implement Engrossed Second Substitute Senate Bill 6489 (correctional industries), which revises requirements pertaining to the operation of correctional industries inmate work programs. (Legal Services Revolving Account-State)

11. Spokane County Litigation - Legal defense costs are provided to defend the state in litigation brought by Spokane County for reimbursement of program costs.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Caseload Forecast Council
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,277	1,277	1,277	1,277	1,277	1,277
Total Maintenance Changes	32	32	32	32	32	32
2004 Policy Changes:						
1. Retirement Buyout Costs	0	0	31	31	31	31
2. Retirement Buy-Out Costs	30	30	0	0	0	0
Total Policy Changes	30	30	31	31	31	31
2003-05 Revised Appropriations	1,339	1,339	1,340	1,340	1,340	1,340
Difference from Original Appropriations	62	62	63	63	63	63
% Change from Original Appropriations	4.9%	4.9%	4.9%	4.9%	4.9%	4.9%

Comments:

1. Retirement Buyout Costs - \$13,455 for annual leave buy-out is funded, \$8,428 for sick leave buy-out is funded, and \$8,439 for salary and benefits for one month of over-lap between directors. Funding for DOP recruiting services, advertising, candidate travel, and relocation costs is not included due to the likelihood of local and informal recruitment.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Dept Community, Trade, Econ Dev**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	122,260	396,606	122,260	396,606	122,260	396,606
2004 Policy Changes:						
1. Study of Homelessness	0	0	80	80	0	0
2. Military Base Reviews	500	500	500	500	500	500
3. Federal Programs Increase	0	22,977	0	22,977	0	22,977
4. Private/Local Programs Increase	0	4,501	0	4,501	0	4,501
5. Community Services Block Grant	0	0	120	120	0	0
6. Developmental Disability Endow Fund	0	-208	0	-208	0	-208
7. Major Economic Development Projects	715	715	0	0	0	0
8. EFSEC	0	0	10	10	0	0
9. 7E7 Project Implementation	0	0	614	614	614	614
10. Homeless Families	0	0	3,000	3,000	2,000	2,150
11. Homeless Families Admin (2SHB 2818)	0	0	0	150	0	0
12. Small Bus Incubator (ESHB 2784)	0	0	150	150	150	150
13. Annexation	0	0	60	60	60	60
14. Landlord/Tenant Disputes (SHB 3082)	0	0	0	-136	0	0
15. Military Assistance (SHB 3084)	0	0	300	300	0	0
16. Mobile Home Relocation Assistance	0	300	0	300	0	300
17. Weatherization Assistance Increase	0	5,000	0	5,000	0	5,000
18. Public Works Loans	0	175	0	200	0	175
19. Employability Skills Center	0	0	50	50	0	0
20. Civil Indigent Legal Services	0	0	2,000	2,000	2,000	2,000
21. Manufacturers Study	0	0	125	125	0	0
22. Agricultural Land Study (SB 6488)	0	0	0	0	75	75
23. Transfer to Archaeology Department	-613	-1,348	0	0	0	0
24. Overhead Funding	373	373	0	0	0	0
25. Youth Assessment Center	300	300	0	0	300	300
26. Community Voice Mail	163	163	0	0	163	163
27. NW Orthopaedic Institute	150	150	0	0	150	150
28. RSVP	99	99	0	0	99	99
29. BRE Adjustment	0	0	0	0	0	0
Total Policy Changes	1,687	33,697	7,009	39,793	6,111	39,006
2003-05 Revised Appropriations	123,947	430,303	129,269	436,399	128,371	435,612
Difference from Original Appropriations	1,687	33,697	7,009	39,793	6,111	39,006
% Change from Original Appropriations	1.4%	8.5%	5.7%	10.0%	5.0%	9.8%

Comments:

2. Military Base Reviews - Funding is provided to coordinate the collection and reporting of information in preparation for a round of state military base closures in 2005 as proposed by the Department of Defense. At least two-thirds of the appropriation will be passed through to affected communities.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept Community, Trade, Econ Dev

3. Federal Programs Increase - The federal appropriation level for the Department of Community Trade and Economic Development (CTED) is increased due to additional funding from the following federal sources: Low Income Home Energy Assistance Program (LIHEAP) which provides payments to utility companies on behalf of low-income households who cannot afford to pay energy bills; the Community Development Block Grant (CDBG) which provides competitive grants to communities for projects including housing development, facility maintenance, etc.; Services-Training-Officers-Prosecutors (STOP) Grant, which provides funds and technical assistance to local law enforcement, prosecutors, and victim services to improve the criminal justice system's response to violence against women; the HOME program which distributes funds for tenant-based rental assistance, first time homebuyers, new construction, etc.; and six competitive special projects awards under the State Energy Program grant program for the Puget Sound Clean Cities Coalition; the Washington Industries of the Future project, assessing and ensuring compliance with the Washington Energy Code; a Rebuild America project to improve schools and public housing; Regional Combined Cooling, Heating, and Power Application Centers; and a Fuel Cell Public Education and Technology Promotion project. (General Fund-Federal)

4. Private/Local Programs Increase - CTED has received increased funding from the following private and local sources: Pierce County Alliance of Tacoma to fund the local methamphetamine initiatives through the Community Mobilization Program; Sound Transit Authority to survey historic properties that may be impacted by the development of the mass transportation plan for King County; the Bond Cap Allocation Program to administer the program, which is increasing at a rate of \$5 to 6 million each year; the Economic Development Training and Education Program to provide comprehensive professional development to communities; the Bonneville Power Administration, Energy Northwest, and the Energy Facility Siting Evaluation Council (EFSEC) to conduct off-site mitigation estimated to cost \$3.5 million. Of these projects, the Pierce County Alliance, Sound Transit Authority, and EFSEC are one-time costs. (General Fund-Private/Local)

6. Developmental Disability Endow Fund - Enrollments in the Developmental Disabilities Endowment Fund are below initial estimates. As a result, fee income is insufficient to support the program. One-time funding is provided from the Developmental Disabilities Endowment Trust Account-State to provide the minimum necessary administrative support for the program, and the appropriation from the Community and Economic Development Fee Account-State is decreased in accordance with the reduced amount of fees collected. Fees are anticipated to be sufficient in the 2005-07 biennium to support the program. (Developmental Disabilities Endowment Trust Account-State, Community and Economic Development Fee Account-State)

9. 7E7 Project Implementation - Funding is provided for staff to coordinate the state's role in siting Boeing's 7E7 Dreamliner final assembly plant, which was awarded to Washington in December 2003.

10. Homeless Families - Pursuant to Second Substitute House Bill 2818 (homeless families services), a General Fund-State appropriation is made to the Homeless Families Services Fund-Nonappropriated to support the Homeless Families Services Fund Advisory Board and to provide state matching funds for housing-based supportive services for homeless families over a period of at least ten years. Of the state general fund funding, \$150,000 is provided to set up the administrative functions necessary to administer the requirements of the bill, including choosing a contractor to administer the program after the 2003-05 biennium. (General Fund-State, Homeless Families Services Fund-State)

12. Small Bus Incubator (ESHB 2784) - Pursuant to Engrossed Substitute House Bill 2784 (small business incubator), funding is provided to create a small business incubator program to provide start-up and operating assistance to qualified small business incubators.

13. Annexation - Funding is provided to study the progress in each of the buildable land counties toward achieving annexation or incorporation of urban growth areas. A report is due to the Legislature by December 1, 2004.

16. Mobile Home Relocation Assistance - One-time spending authority is provided for relocation assistance to approximately 60 families in two mobile home parks in Wenatchee whose homes will be dislocated when the parks close. The current appropriation does not provide sufficient authority to relocate these parks and assist the original number of families projected in the 2003-05 biennial budget. (Mobile Home Park Relocation Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept Community, Trade, Econ Dev

17. Weatherization Assistance Increase - The Low-Income Weatherization Assistance activity improves the energy efficiency and affordability of low-income housing through energy conservation measures in homes, and includes insulation, air sealing, space and water heating system modification, and energy conservation education. Puget Sound Energy has committed \$2 million per year for increasing this program over the next several years. (Low-Income Weatherization Assistance Account)

18. Public Works Loans - Spending authority is provided for additional staff to support an increased number of public works projects and to design a new financing database system that will replace a six-year-old contract management system. The Public Works Board makes loans to local governments for infrastructure improvements, and currently has 1,300 contracts in the program's loan portfolio. (Public Works Assistance Account-State)

20. Civil Indigent Legal Services - Funding is provided for increased civil legal services for low income people who cannot afford to hire legal counsel. This funding will allow more people to access representation in civil matters.

22. Agricultural Land Study (SB 6488) - Pursuant to Senate Bill 6488 (Agricultural Land Study), funding is provided for the Department of Community Trade and Economic Development to develop a report regarding the designation of agricultural resource lands in King, Lewis, Chelan, and Yakima counties.

25. Youth Assessment Center - One-time funding is provided for start-up and initial operation of a Youth Assessment Center in Pierce County . This funding will leverage an equal amount from private sources and will support youth assessment center program activities related to reducing the rate of incarceration of juvenile offenders.

26. Community Voice Mail - One-time funding is provided to community voice mail agencies in order to provide people in crisis and transition free, personalized voice mail services.

27. NW Orthopaedic Institute - One-time funding is provided to NW Orthopaedic Institute for development of additional organizational infrastructure to assist its community-based musculoskeletal health research.

28. RSVP - Funding for the Retired Senior Volunteer Program is increased to restore funding to FY 2002 appropriation level.

29. BRE Adjustment - Funding is shifted from FY 2004 to FY 2005 to account for a delay in selecting projects to be funded. Shifting the funding reflects the actual budget and expenditure plans of the projects selected for funding.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Financial Management**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	25,045	75,318	25,045	75,318	25,045	75,318
Total Maintenance Changes	0	17,424	0	17,424	0	17,424
2004 Policy Changes:						
1. Sustainability Indicators	0	0	250	250	0	0
2. Permit Assistance Integration	0	0	0	0	0	0
3. K-12 Finance Study (SHB 2955)	0	0	438	438	0	0
4. State Budgeting (ESHB 3080)	0	0	150	150	0	0
5. Govt Accountability (3ESHB 1053)	0	0	98	98	0	0
6. Transfer Collective Bargaining	0	120	0	0	0	0
7. Land Use & Local Govt Finance Study	0	0	250	250	252	252
8. Medicaid Forecasting	15	15	15	15	15	15
9. Task Force on Nonecon Damages	0	0	75	75	75	75
10. Regulatory Improvement Project	50	50	0	0	50	50
11. K-12 Health Care Benefit Study	75	75	0	0	40	40
Total Policy Changes	140	260	1,276	1,276	432	432
2003-05 Revised Appropriations	25,185	93,002	26,321	94,018	25,477	93,174
Difference from Original Appropriations	140	17,684	1,276	18,700	432	17,856
% Change from Original Appropriations	0.6%	23.5%	5.1%	24.8%	1.7%	23.7%

Comments:

2. Permit Assistance Integration - The 2003-05 budget included funds for the Office of Financial Management permit assistance center to implement 2SSB 5694, which requires the establishment of an integrated environmental permit system through an economically significant pilot project. To date, no projects have met the criteria for this pilot. Funding is transferred to fiscal year 2005 to be available once a project is selected.

7. Land Use & Local Govt Finance Study - One-time funding is provided for a study of land use and local government finance. The study shall include recommendations for state and local government fiscal partnerships to encourage cooperation between jurisdictions in meeting the goals of the Growth Management Act (GMA), and how the state and local government fiscal structure can better meet the responsibilities of providing services to citizens and meeting the goals of the GMA.

8. Medicaid Forecasting - Funding is provided for a project team comprised of the legislative and executive branch fiscal staff to review the DSHS Medical Assistance Administration (MAA) budget development practices. The review team will use a contractor to assist in making recommendations to improve the fiscal information necessary for budgeting, forecasting, and monitoring the MAA budget. The recommendations shall be submitted for executive branch and legislative fiscal committee approval by July of 2004.

9. Task Force on Nonecon Damages - Funding is provided to implement EHB 2839 (task force on noneconomic damages), contingent on enactment of the bill by June 30, 2004.

10. Regulatory Improvement Project - Funding is provided to implement 2SSB 6217, which establishes the Washington Regulatory Improvement Project. This is a collaborative effort of private industry, state universities, and government to streamline environmental permit processes. Existing funding provided in the biennial budget for integrating permit processes will also be used for this project.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of Financial Management

11. K-12 Health Care Benefit Study - Funding is provided for the Office of Financial Management to contract for an evaluation of the costs and benefits of additional efforts aimed at encouraging K-12 employee collective bargaining units to elect coverage under public employee benefits board (PEBB) administered health care plans. The Office of Financial Management will report regarding the results of this study to the Governor and the fiscal committees of the Legislature by December 1, 2004.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Administrative Hearings**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	24,669	0	24,669	0	24,669
Total Maintenance Changes	0	1,687	0	1,687	0	1,687
2004 Policy Changes:						
1. DSHS-APS Fair Hearings	0	677	0	677	0	677
Total Policy Changes	0	677	0	677	0	677
2003-05 Revised Appropriations	0	27,033	0	27,033	0	27,033
Difference from Original Appropriations	0	2,364	0	2,364	0	2,364
% Change from Original Appropriations	0.0%	9.6%	0.0%	9.6%	0.0%	9.6%

Comments:

1. DSHS-APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. (Administrative Hearings Revolving Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Retirement Systems**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	48,572	0	48,572	0	48,572
2004 Policy Changes:						
1. LEOFF 2 Disability Benefits	0	0	0	188	0	188
2. LEOFF 2 Duty Death Benefits	0	0	0	7	0	7
3. State Patrol Death Benefits	0	0	0	5	0	5
4. HB 2538 - \$1000 Minimum Benefit	0	0	0	128	0	0
5. Public Safety Employees	0	0	0	403	0	403
6. Five-Year Vesting in Plans 3	0	98	0	0	0	0
7. \$1,000 Minimum Benefit in Plans 1	0	128	0	0	0	128
8. Disability Benefits in LEOFF RS 2	0	188	0	0	0	0
Total Policy Changes	0	414	0	731	0	731
2003-05 Revised Appropriations	0	48,986	0	49,303	0	49,303
Difference from Original Appropriations	0	414	0	731	0	731
% Change from Original Appropriations	0.0%	0.9%	0.0%	1.5%	0.0%	1.5%

Comments:

1. LEOFF 2 Disability Benefits - Funding is provided for administrative costs associated with paying disability benefits to members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF Plan 2) pursuant to House Bill 2418 (LEOFF Plan 2 disability benefits). (Department of Retirement Systems Expense Fund-State)

2. LEOFF 2 Duty Death Benefits - Funding is provided for administrative costs associated with paying line-duty death benefits to members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF Plan 2) pursuant to House Bill 2419 (LEOFF Plan 2 line-duty death benefit). (Department of Retirement Systems Expense Fund-State)

3. State Patrol Death Benefits - Funding is provided for administrative costs associated with paying line-duty death benefits to members of the Washington State Patrol Retirement System pursuant to Senate Bill 6254 (State Patrol death benefits). (Department of Retirement Systems Expense Fund-State)

5. Public Safety Employees - Funding is provided for administrative costs associated with creating the Public Safety Employees' Retirement System for specified members of the Public Employees' Retirement System Plans 2 and 3, pursuant to House Bill 2537 (Public Safety Employees' Retirement System). (Department of Retirement Systems Expense Fund-State)

7. \$1,000 Minimum Benefit in Plans 1 - Funding is provided for administrative costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (\$1,000 minimum benefit). (Department of Retirement Systems Expense Fund-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Printer
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
Total Maintenance Changes	0	66,000	0	66,000	0	66,000
2003-05 Revised Appropriations	0	66,000	0	66,000	0	66,000
Difference from Original Appropriations	0	66,000	0	66,000	0	66,000
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Revenue**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	164,560	175,679	164,560	175,679	164,560	175,679
2004 Policy Changes:						
1. Senior Citizen Property (SB 5034)	0	0	0	0	120	120
2. Retired Pers Prop Tax (HB 2436)	0	0	96	96	0	0
3. Streamlined Sales Tax (SHB 2500)	0	0	80	80	0	0
4. Local Fuel Tax Option (SHB 2531)	0	0	149	149	0	0
5. Timber Taxation (ESHB 2693)	0	0	0	136	0	136
Total Policy Changes	0	0	325	461	120	256
2003-05 Revised Appropriations	164,560	175,679	164,885	176,140	164,680	175,935
Difference from Original Appropriations	0	0	325	461	120	256
% Change from Original Appropriations	0.0%	0.0%	0.2%	0.3%	0.1%	0.1%

Comments:

1. Senior Citizen Property (SB 5034) - Funding is provided for SB 5034 (Senior citizen property tax exemption) for county reimbursement and filing notices of deferral.

5. Timber Taxation (ESHB 2693) - Timber tax account funding is provided to implement Engrossed Substitute House Bill 2693 (timber taxation). (Timber Tax Distribution Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Board of Tax Appeals**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	2,129	2,129	2,129	2,129	2,129	2,129
2004 Policy Changes:						
1. Restoration of Budget Cut	90	90	0	0	90	90
Total Policy Changes	90	90	0	0	90	90
2003-05 Revised Appropriations	2,219	2,219	2,129	2,129	2,219	2,219
Difference from Original Appropriations	90	90	0	0	90	90
% Change from Original Appropriations	4.2%	4.2%	0.0%	0.0%	4.2%	4.2%

Comments:

- 1. Restoration of Budget Cut** - \$90,000 and 1.1 FTEs are provided to restore the Board of Tax Appeals staff to 11.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Dept of General Administration**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	468	129,245	468	129,245	468	129,245
Total Maintenance Changes	0	1,876	0	1,876	0	1,876
2004 Policy Changes:						
1. Legislative Building Security	0	770	0	333	0	770
Total Policy Changes	0	770	0	333	0	770
2003-05 Revised Appropriations	468	131,891	468	131,454	468	131,891
Difference from Original Appropriations	0	2,646	0	2,209	0	2,646
% Change from Original Appropriations	0.0%	2.0%	0.0%	1.7%	0.0%	2.0%

Comments:

1. Legislative Building Security - One-time funding is provided for security staff for the Legislative building, per recommendations of the Legislative Building Security Committee. The Legislative Building will be reopened by the 2005 session, and new security measures are expected to include security screening of persons and packages entering the building. To the extent possible, the Department of General Administration (GA) is encouraged to utilize contracted staff where appropriate and cost effective. It is assumed that the GA will not increase revolving fund charges in the 2003-05 biennium and will use the existing fund balance to hire the additional staff. (General Administration Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Information Services**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	2,000	207,447	2,000	207,447	2,000	207,447
2004 Policy Changes:						
1. Small Agency Information Technology	0	0	0	450	0	450
2. Digital Learning	0	0	0	0	650	650
Total Policy Changes	0	0	0	450	650	1,100
2003-05 Revised Appropriations	2,000	207,447	2,000	207,897	2,650	208,547
Difference from Original Appropriations	0	0	0	450	650	1,100
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.2%	32.5%	0.5%

Comments:

1. Small Agency Information Technology - Funding is provided for Phase II of the Small Agency Initiative to continue addressing information technology and facility requirements of small agencies. (Data Processing Revolving Account-Nonappropriated)

2. Digital Learning - The Digital Learning Commons is a nonprofit corporation that provides a web-based portal where students, parents, and teachers have access to resources, learning tools, and on-line classes. In its first year of operation, the Digital Learning Commons is providing services to 5,000 students and 500 teachers in 17 schools. Funding is provided to expand the pilot project in the 2004-05 school year to serve additional students and teachers. The expansion also will provide additional resources for parents and increase parent participation in the second year of the project.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Insurance Commissioner**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	32,938	0	32,938	0	32,938
2004 Policy Changes:						
1. Compliance/Enforcement Program	0	139	0	139	0	139
2. Economic Analysis	0	94	0	94	0	94
3. HP 3000 Computer Replacement	0	469	0	469	0	469
4. Liability Insurance Markets	0	200	0	200	0	200
Total Policy Changes	0	902	0	902	0	902
2003-05 Revised Appropriations	0	33,840	0	33,840	0	33,840
Difference from Original Appropriations	0	902	0	902	0	902
% Change from Original Appropriations	0.0%	2.7%	0.0%	2.7%	0.0%	2.7%

Comments:

1. Compliance/Enforcement Program - Funding is provided to the Insurance Commissioner's Legal Affairs Division to address its enforcement caseload, which has increased significantly over the past 18 months. (Insurance Commissioner's Regulatory Account-State)

2. Economic Analysis - Increased expenditure authority is granted to provide the specialized expertise necessary to conduct economic impact analysis within the Policy and Enforcement activity. Funding is provided to meet the demand caused by substantive changes in rules affecting the Office of Insurance Commissioner, and an increased number of rules due for review. (Insurance Commissioner's Regulatory Account-State)

3. HP 3000 Computer Replacement - Funding is approved to replace the Office of Insurance Commissioner's Hewlett Packard 3000 mainframe computer, which will no longer be supported by the manufacturer, effective December 2006. (Insurance Commissioner's Regulatory Account-State)

4. Liability Insurance Markets - Funding is provided to assess conditions in the liability insurance markets in Washington. The Insurance Commissioner will develop and provide information to stakeholders to assist them in obtaining liability insurance coverage. (Insurance Commissioner's Regulatory Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**WA State Liquor Control Board**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	2,909	159,608	2,909	159,608	2,909	159,608
Total Maintenance Changes	0	283	0	283	0	283
2004 Policy Changes:						
1. Additional Security Cameras	0	793	0	793	0	793
2. Beer/Wine Manufacturers (ESSB 6655)	0	0	0	0	0	385
3. Operate Liquor Stores on Sundays	0	0	0	875	0	0
Total Policy Changes	0	793	0	1,668	0	1,178
2003-05 Revised Appropriations	2,909	160,684	2,909	161,559	2,909	161,069
Difference from Original Appropriations	0	1,076	0	1,951	0	1,461
% Change from Original Appropriations	0.0%	0.7%	0.0%	1.2%	0.0%	0.9%

Comments:

1. Additional Security Cameras - \$783,000 is appropriated for the purchase and installation of six digital security cameras and one recorder in each of the 161 liquor stores in the state. Several benefits are expected to result from this, including 1) increased customer and employee safety; 2) collection of revenues on products that would otherwise be stolen: at least \$127,000 per year to state and locals; and 3) decreased local criminal justice costs as thieves are either deterred or caught quickly. Recorders will need to be replaced in five years at a cost of \$600,000. (Liquor Revolving Account-State)

2. Beer/Wine Manufacturers (ESSB 6655) - Appropriation is provided for ESSB 6655 (beer/wine manufacturers).

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Utilities and Transportation Comm**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	29,481	0	29,481	0	29,481
Total Maintenance Changes	0	101	0	101	0	101
2004 Policy Changes:						
1. Certification-Transportation Cos #	0	0	0	-4	0	0
2. National Energy Policy Development	0	60	0	60	0	60
3. Additional Workload-QPAP	0	625	0	625	0	625
4. Performance Audit (SHB 1013)	0	0	0	200	0	0
Total Policy Changes	0	685	0	881	0	685
2003-05 Revised Appropriations	0	30,267	0	30,463	0	30,267
Difference from Original Appropriations	0	786	0	982	0	786
% Change from Original Appropriations	0.0%	2.7%	0.0%	3.3%	0.0%	2.7%

Comments:

2. National Energy Policy Development - Funding is provided to further the state's interest in national energy policy development in Congress. The WUTC has been involved in a coordinated effort of public officials in Washington, the Pacific Northwest and nationwide to oppose initiatives to restructure the electricity industry in ways damaging to Washington's electricity consumers. The funding requested is for one-time expenses for coalition efforts, and for monitoring and research on a variety of federal legislative and regulatory issues related to electricity regulation. (Public Service Revolving Account)

3. Additional Workload-QPAP - Funding is provided for the additional workload created by the Federal Communications Commission's (FCC) requirements for performance standards and elimination of market entry barriers for residential and business customers. FCC requirements of Qwest have made funds available to the Utilities and Transportation Commission to meet these obligations. (Public Service Revolving Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Military Department**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	16,709	185,462	16,709	185,462	16,709	185,462
Total Maintenance Changes	45	25,690	45	25,690	45	25,690
2004 Policy Changes:						
1. October 2003 Floods	0	6,659	0	7,802	0	6,659
2. Search and Rescue Reimbursements	90	90	90	90	90	90
3. Emergency Management Perform Grant	200	2,713	200	2,713	200	2,713
4. Homeland Security	0	60,434	0	60,434	0	60,434
5. National Guard Fire Fight Training	0	197	0	197	0	197
6. Natl Guard Enviro Pgm Increase	0	676	0	676	0	676
7. Winter 2004 Storm Damage	0	4,198	0	4,198	0	4,198
Total Policy Changes	290	74,967	290	76,110	290	74,967
2003-05 Revised Appropriations	17,044	286,119	17,044	287,262	17,044	286,119
Difference from Original Appropriations	335	100,657	335	101,800	335	100,657
% Change from Original Appropriations	2.0%	54.3%	2.0%	54.9%	2.0%	54.3%

Comments:

1. October 2003 Floods - Funding from the Federal Emergency Management Agency (FEMA) and required state matching funds are provided for response and recovery expenses for the October 2003 floods. The state funding level also covers half of the required federal match for local projects. The total cost through FY 2009 is projected to be \$18 million, including \$12.5 million in federal funding, \$4 million in state funding, and \$1.5 million in local funding. (Disaster Response Account-State, Disaster Response Account-Federal)

2. Search and Rescue Reimbursements - One-time funding is provided to reimburse three extraordinary claims for emergency workers. Under Chapter 28.52 RCW, the Washington State Military Department provides protection and cost reimbursement for volunteers supporting emergency management activities, including search and rescue. Routine claims, generally ranging from \$25 to \$1,500, include such items as fuel reimbursement, damaged or lost personal property, and medical expenses. In November 2003, the Department received three extraordinary claims for emergency management volunteers, including surgery, hospitalization, and funeral expenses. These types of claims are very infrequent, and sufficient funding is not available in the agency's current appropriation.

3. Emergency Management Perform Grant - Additional federal grant funding is provided for disaster and emergency preparedness. Of the total, \$1.2 million will be passed through to local jurisdictions. The remaining federal funds and the required state match of \$200,000 will be used for state emergency management training, exercises, planning, and program support to local jurisdictions. (General Fund-State, General Fund-Federal)

4. Homeland Security - The federal fiscal year 2004 budget includes \$60.4 million in grants to the Washington State Military Department, with at least 80 percent required to be passed through to local governments. Funding includes: \$33.4 million for equipment, exercises, training and planning; \$16.4 million for the Urban Area Security Initiative (UASI), for the City of Seattle; \$9.9 million in Terrorism Prevention and Deterrence funds; and \$694,000 for the Citizen Corps and Community Emergency Response Team. (General Fund-Federal)

5. National Guard Fire Fight Training - One-time funding is provided to train 250 Washington National Guard members with wildland firefighter level II training. Many of the Guard members who were already trained have been deployed to active military duty. Providing additional trained members will insure timely deployment to firefighting, and providing the training in advance costs less than training members at the outset of a fire emergency. (Disaster Response Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Military Department

6. Natl Guard Enviro Pgm Increase - Funding is provided to reflect an increase in the federal award for projects in the National Guard Environmental Program. (General Fund-Federal)

7. Winter 2004 Storm Damage - The Governor has requested a federal disaster declaration related to damage from the winter 2004 storm. Provided that the President and FEMA approve the disaster declaration, \$3.5 million in federal funding is expected to be available to reimburse local jurisdictions for damages. \$700,000 in state funding is required to match the federal funding; local jurisdictions are expected to provide an additional \$576,000 in matching funds. (Disaster Response Account-State, Disaster Response Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Employment Relations Comm
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	4,758	7,300	4,758	7,300	4,758	7,300
2004 Policy Changes:						
1. Charter Schools	0	0	0	0	41	41
Total Policy Changes	0	0	0	0	41	41
2003-05 Revised Appropriations	4,758	7,300	4,758	7,300	4,799	7,341
Difference from Original Appropriations	0	0	0	0	41	41
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.9%	0.6%

Comments:

1. Charter Schools - Funding is provided for the implementation of 2SHB 2295 (charter schools) which authorizes the establishment of a limited number of charter schools. It is anticipated that the Public Employees' Relations Commission will have additional certification, mediation, and hearing workload as a result of new bargaining units associated with new charter schools and as a result of variances from existing collective bargaining agreements in existing schools that convert to charter schools.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**LEOFF 2 Retirement Board**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
Total Maintenance Changes	0	889	0	889	0	889
2003-05 Revised Appropriations	0	889	0	889	0	889
Difference from Original Appropriations	0	889	0	889	0	889
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Archaeology & Historic Preservation
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
2004 Policy Changes:						
1. Establishment of Agency	<u>613</u>	<u>1,348</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Policy Changes	613	1,348	0	0	0	0
2003-05 Revised Appropriations	613	1,348	0	0	0	0
Difference from Original Appropriations	613	1,348	0	0	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**WA State Health Care Authority**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	538,159	0	538,159	0	538,159
Total Maintenance Changes	0	2,011	0	2,011	0	1,561
2004 Policy Changes:						
1. Community Clinic Grants	0	0	5,000	5,000	0	2,500
2. Canadian Prescription Purchasing	0	0	0	145	0	0
3. Employees Receiving BHP	0	0	0	150	0	0
4. Innovative Clinic Model	0	0	50	50	0	50
5. Pharmacy Connections Adjustment	0	0	0	250	0	250
Total Policy Changes	0	0	5,050	5,595	0	2,800
2003-05 Revised Appropriations	0	540,170	5,050	545,765	0	542,520
Difference from Original Appropriations	0	2,011	5,050	7,606	0	4,361
% Change from Original Appropriations	0.0%	0.4%	0.0%	1.4%	0.0%	0.8%

Comments:

1. Community Clinic Grants - Funding is provided for an approximately 25% increase in direct state grant support to low-income community clinics. (Health Services Account-State)

4. Innovative Clinic Model - Funding is provided to support the operation of an innovative clinic model in an urban underserved area. The model is to operate as a department or subsidiary of a hospital, and to rely upon mid-level practitioners, volunteers, and students to offer services, including group visits for common conditions. (Health Services Account-State)

5. Pharmacy Connections Adjustment - Funding is provided to enhance the capacity of the Pharmacy Connections program to respond to the many questions seniors are expected to have as they review their prescription drug coverage options in light of the federal Medicare Prescription Drug Act of 2003. (Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Bd of Industrial Insurance Appeals
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	30,149	0	30,149	0	30,149
2004 Policy Changes:						
1. Self-Insurance Claims	<u>0</u>	<u>2,357</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Policy Changes	0	2,357	0	0	0	0
2003-05 Revised Appropriations	0	32,506	0	30,149	0	30,149
Difference from Original Appropriations	0	2,357	0	0	0	0
% Change from Original Appropriations	0.0%	7.8%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Criminal Justice Training Comm**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	18,686	0	18,686	0	18,686
2004 Policy Changes:						
1. Criminal Background Checks	0	0	0	50	0	50
2. Ecoterrorism Assessment	50	50	0	0	0	0
3. Corrections Capacity Support	25	25	0	0	0	25
Total Policy Changes	75	75	0	50	0	75
2003-05 Revised Appropriations	75	18,761	0	18,736	0	18,761
Difference from Original Appropriations	75	75	0	50	0	75
% Change from Original Appropriations	0.0%	0.4%	0.0%	0.3%	0.0%	0.4%

Comments:

1. Criminal Background Checks - Funding is provided to implement Engrossed Substitute House Bill 2556 (criminal background checks), which directs the Washington Association of Sheriffs and Police Chiefs (WASPC) to conduct a study on how to improve the criminal background check process and to report its findings and recommendations by December 31, 2004, to a newly created Joint Task Force on Criminal Background Checks. (Public Safety and Education Account-State)

3. Corrections Capacity Support - One-time funding is provided for WASPC to coordinate jail and prison capacity and population projects with local governments, the Sentencing Guidelines Commission, and the Department of Corrections. Additionally, WASPC will provide a progress report on options for managing state and local correctional capacity issues to the Legislature by December 1, 2004. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Labor and Industries**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	11,723	472,399	11,723	472,399	11,723	472,399
Total Maintenance Changes	0	-222	0	-222	0	-222
2004 Policy Changes:						
1. Other Fund Adjustments	285	0	285	0	285	0
2. Cholinesterase Monitoring	0	781	0	0	0	0
3. Prevailing Wage Customer Service	0	0	292	292	0	0
4. Cholinesterase	0	0	0	653	0	653
5. Self Insurance Elec Data Intrchnge	0	214	0	214	0	214
6. Preventing Workers Comp Fraud	0	0	0	498	0	498
7. Self-insurance Claims	0	2,378	0	0	0	0
Total Policy Changes	285	3,373	577	1,657	285	1,365
2003-05 Revised Appropriations	12,008	475,550	12,300	473,834	12,008	473,542
Difference from Original Appropriations	285	3,151	577	1,435	285	1,143
% Change from Original Appropriations	2.4%	0.7%	4.9%	0.3%	2.4%	0.2%

Comments:

1. Other Fund Adjustments - Based on recommendations in a finding from the State Auditor's Office, the Department of Labor and Industries (L&I) is revising the manner in which it charges certain funding sources for the costs of providing indirect or administrative services. The L&I has developed a two-phase methodology to reallocate the indirect costs of support to L&I direct service programs. Funding and expenditure authority are provided for the first phase of this reallocation. (General Fund-State, various other funds)

4. Cholinesterase - Funding is increased to contract with providers for cholinesterase medical monitoring of certain farm workers. Funding is provided to reimburse agricultural employers for training, record keeping, and travel related to cholinesterase medical monitoring of certain farm workers. (Accident Account-State)

5. Self Insurance Elec Data Intrchnge - Spending authority is provided to conduct a feasibility study on using an electronic data interchange to collect and report on claims data for self-insured employers in Washington. Currently there is no mechanism for self-insured employers to receive data on their performance and outcomes. It is assumed that the L&I will fund this item with the self-insured employer administrative assessment. (Accident Account-State, Medical Aid Account-State)

6. Preventing Workers Comp Fraud - Spending authority is provided to hire additional auditors and investigators to combat fraud in the industrial insurance, or workers' compensation, system. The auditors will pursue cases of worker and employer fraud and the investigators will identify additional unpaid premiums. The department is expected to use funding from the ergonomics rule implementation to supplement the costs of the fraud investigators. (Accident Account-State, Medical Aid Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Home Care Quality Authority
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	671	671	671	671	671	671
Total Maintenance Changes	0	0	0	0	0	0
2004 Policy Changes:						
1. Home Care Referral Registry	160	160	160	160	160	160
2. Workers Comp Administrator	571	571	0	0	0	0
3. Additional Homecare Worker Training	252	252	0	0	0	0
4. Dispute Resolution & Legal Costs	22	22	0	0	0	0
5. Transfer Collective Bargaining	-75	-75	0	0	0	0
Total Policy Changes	930	930	160	160	160	160
2003-05 Revised Appropriations	1,601	1,601	831	831	831	831
Difference from Original Appropriations	930	930	160	160	160	160
% Change from Original Appropriations	138.6%	138.6%	23.8%	23.8%	23.8%	23.8%

Comments:

1. Home Care Referral Registry - Funding is provided to complete design and development of a computerized system through which persons in need of in-home care will be able to locate individual providers of that service in their area. The system is expected to be completed by the end of the current biennium, and to come "on line" in the summer or fall of 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Health**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	118,367	729,616	118,367	729,616	118,367	729,616
Total Maintenance Changes	-337	7,347	-337	7,347	-337	7,347
2004 Policy Changes:						
1. Children's Health Collaborative	0	0	25	25	25	25
2. Childhood Lead Poisoning Prevention	0	0	0	100	0	0
3. Drinking Water Protection	-830	2,072	-831	2,071	-830	2,072
4. Federal Grants Spending Authority	0	36,181	0	36,181	0	36,181
5. Farmers Market Expansion	100	333	0	0	0	0
6. Family Planning Pilot	0	0	500	500	0	0
7. Eastern Wa. Family Outreach Pilot	0	0	0	0	250	250
8. Instream Flow	0	0	65	65	0	0
9. Health Profession Discipline	0	0	0	203	0	0
10. Methamphetamine Control #	0	188	0	188	0	188
11. Naturopaths	0	0	0	83	0	0
12. Nursing Resource Center	0	0	0	35	0	0
13. Patient Safety Practices	0	0	0	100	0	0
14. Volunteer Retired Providers	250	250	0	300	300	300
15. Federal Vaccine Funding Shortfall	0	2,700	0	2,700	0	2,700
16. Zoonotic Disease Program	424	424	439	439	424	424
Total Policy Changes	-56	42,148	198	42,990	169	42,140
2003-05 Revised Appropriations	117,974	779,111	118,228	779,953	118,199	779,103
Difference from Original Appropriations	-393	49,495	-139	50,337	-168	49,487
% Change from Original Appropriations	-0.3%	6.8%	-0.1%	6.9%	-0.1%	6.8%

Comments:

1. Children's Health Collaborative - Funding is provided to develop and implement best practices in preventative health care for children. The Department of Health and the Kids Get Care Program of Public Health - Seattle and King County will work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health care expenditures. DOH will provide a report by June 30, 2005 on the program's effectiveness and cost savings. This funding will be matched by an equal amount of local funding.

3. Drinking Water Protection - Additional funding is available from a variety of sources to increase efforts to assure the safety of the state's drinking water. As approved by the Public Works Board, \$325,000 is appropriated from the Drinking Water State Revolving Fund (DWSRF) loan fee account to administer the growing number of open capital loans funded through the account. An additional \$420,000 is appropriated from the Waterworks Operator Certification Account to test and certify the operators of very small water systems, as required by a recent change in federal law. Finally, the availability of a new federal grant, together with unspent federal funds from prior years, will support a 50 percent increase in technical assistance and training for the operators of very small water systems, and approximately 20 percent increases in quality assurance activities with larger systems, while reducing some of the amount by which state general fund support exceeds federal matching requirements. (General Fund-State, Waterworks Operator Certification Account-State, Drinking Water Assistance Administrative Account-State, Drinking Water Assistance Account-Federal)

4. Federal Grants Spending Authority - Updated estimates of available federal funds exceed the agency's current federal expenditure authority. An increase in the appropriation will allow the Department of Health to spend additional federal funds for many department activities. Examples include the Women, Infants, and Children (WIC) nutrition program; and disease prevention in the areas of heart disease, obesity, diabetes, cancer, HIV/AIDS, tuberculosis, and sexually-transmitted disease. (General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Department of Health

7. Eastern Wa. Family Outreach Pilot - Funding is provided for family planning pilot project in Yakima county. The projects will target services to low-income women and men who are not likely to qualify for Medicaid services through the Department of Social and Health Services. The pilot project shall be designed to improve family planning services for an additional 1,000 people in areas of the state with a large under-served population.

10. Methamphetamine Control # - Funding is provided to implement the provisions of SB 6478, which gives the Department of Health and the Board of Pharmacy additional authority to prevent wholesale and retail transactions in excessive quantities of ephedrine products, for potential use in the illegal production of methamphetamine. Data suggest that some convenience stores are acquiring massive quantities of these products, far exceeding any plausible demand for legitimate consumption. The funds will be used for periodic on-site inspections, and for tracking of data on unusual sales patterns. (Health Professions Account-State)

14. Volunteer Retired Providers - The Volunteer Retired Provider program pays some or all of their professional licensing and malpractice insurance costs for retired health care professionals who volunteer their services in non-profit clinics serving low-income and other under-served populations. Funding is provided to more than triple the number of retired providers assisted through the program, to approximately 300 per year.

15. Federal Vaccine Funding Shortfall - The federal government has reduced the amount of funding Washington receives for the purchase of childhood vaccines. State funding is provided to assure continued availability of medically-necessary immunizations for all the state's children, regardless of family income, in keeping with the state's universal distribution policy. (Health Services Account-State, General Fund-Federal)

16. Zoonotic Disease Program - The recent emergence of zoonotic diseases (diseases transmitted from insects and animals to humans), such as West Nile virus, St. Louis Encephalitis, and monkeypox, has greatly increased demands on the Department of Health and its Infectious Disease Control activity. Additional funding will help ensure rapid identification, response, and prevention of these diseases in Washington.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Veterans' Affairs**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	21,576	78,593	21,576	78,593	21,576	78,593
Total Maintenance Changes	75	233	75	233	75	233
2003-05 Revised Appropriations	21,651	78,826	21,651	78,826	21,651	78,826
Difference from Original Appropriations	75	233	75	233	75	233
% Change from Original Appropriations	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Corrections**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,164,069	1,199,364	1,164,069	1,199,364	1,164,069	1,199,364
Total Maintenance Changes	77,716	73,060	77,716	73,060	77,716	73,060
2004 Policy Changes:						
1. Transfer Youthful Offender Program	-2,633	-2,633	-2,633	-2,633	-2,633	-2,633
2. Drug Offender Sentencing Altern	3,077	3,077	3,077	3,077	3,077	3,077
3. Apply New Criteria to Misdemeanors#	-1,478	-1,478	-1,478	-1,478	-1,478	-1,478
4. Correctional Industries	0	0	107	107	70	70
5. Fugitive Web Site	0	0	174	174	0	0
Total Policy Changes	-1,034	-1,034	-753	-753	-964	-964
2003-05 Revised Appropriations	1,240,751	1,271,390	1,241,032	1,271,671	1,240,821	1,271,460
Difference from Original Appropriations	76,682	72,026	76,963	72,307	76,752	72,096
% Change from Original Appropriations	6.6%	6.0%	6.6%	6.0%	6.6%	6.0%

Comments:

1. Transfer Youthful Offender Program - Funding is reduced to reflect the transfer of inmates under age eighteen in the Department of Corrections' Youthful Offender Program (YOP) at Clallam Bay Corrections Center to facilities managed by Department of Social and Health Services-Juvenile Rehabilitation Administration (JRA). YOP inmates transferred to JRA will remain under the jurisdiction of the Department of Corrections (DOC). The transfer will not change their sentences or time spent in total confinement, and the YOP inmates will return to DOC facilities after their eighteenth birthday. The transfer provides up to an additional 99 beds of close custody capacity for adult offenders, reducing the need to send adult offenders to more expensive, out-of-state rental beds. If necessary, the Legislature expects DOC to implement water savings measures to mitigate the impact of the additional inmates on local water resources.

2. Drug Offender Sentencing Altern - Additional funding is provided to support supervision of offenders on the Drug Offender Sentencing Alternative (DOSA). With these additional resources, the Department of Corrections can supervise these offenders at a level acceptable to prosecutors and the courts in order to continue the use of this sentencing alternative. Continuing the use of DOSA supports treatment for offenders and avoids longer and more costly sentences for drug offenders.

3. Apply New Criteria to Misdemeanors# - Savings are achieved in accordance with Engrossed Senate Bill 6290 (misdemeanors). Chapter 379, Laws of 2003 (ESSB 5990) relieved DOC of supervision responsibilities for certain low-risk felons, but did not change the requirements for supervision of gross misdemeanants. Senate Bill 6290 applies the same supervision criteria in ESSB 5990 to gross misdemeanants sentenced in superior court, eliminating supervision for an estimated 2,026 low-risk misdemeanor cases. Supervision will continue for high-risk misdemeanants and offenders with treatment orders or current or prior convictions for sex offenses, violent offenses, crimes against persons, residential burglary, felony domestic violence, methamphetamine manufacture/delivery/possession with intent to deliver, and certain other offenses.

4. Correctional Industries - Funding is provided to implement Engrossed Second Substitute Senate Bill 6489 (correctional industries), which revises requirements pertaining to the operation of correctional industries inmate work programs.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Employment Security**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	520,472	0	520,472	0	520,472
2004 Policy Changes:						
1. Employer Outreach Activities	0	0	0	0	0	0
2. UI Technology Infrastructure	0	3,537	0	4,453	0	3,988
Total Policy Changes	0	3,537	0	4,453	0	3,988
2003-05 Revised Appropriations	0	524,009	0	524,925	0	524,460
Difference from Original Appropriations	0	3,537	0	4,453	0	3,988
% Change from Original Appropriations	0.0%	0.7%	0.0%	0.9%	0.0%	0.8%

Comments:

1. Employer Outreach Activities - \$3.5 million of federal Reed Act funds is appropriated for employer outreach activities, employment service activities, and to prevent, detect, and collect unemployment insurance benefit overpayments that are currently funded with penalty and interest account funds through the Administrative Contingency Account-State. (Unemployment Compensation Administration Account-Federal, Administrative Contingency Account-State)

2. UI Technology Infrastructure - One-time funding is provided using recent distribution of federal Reed Act funds to replace obsolete information technology infrastructure, thereby improving customer service capabilities and mitigating the risk of critical system failures. (Unemployment Compensation Administration Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Children and Family Services

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	464,034	910,037	464,034	910,037	464,034	910,037
Total Maintenance Changes	-18,448	-12,102	-18,448	-12,102	-18,448	-12,102
2004 Policy Changes:						
1. Domestic Violence Activities	2,000	2,000	1,500	1,500	2,000	2,000
2. Family Policy Council Transfer	-12	-6,596	-12	-6,608	-12	-6,596
3. Child Support For DD Children #	-132	-182	-132	-182	-132	-182
4. Program Improvement Plan	<u>1,000</u>	<u>1,300</u>	<u>3,021</u>	<u>4,784</u>	<u>1,773</u>	<u>2,304</u>
Total Policy Changes	2,856	-3,478	4,377	-506	3,629	-2,474
2003-05 Revised Appropriations	448,442	894,457	449,963	897,429	449,215	895,461
Difference from Original Appropriations	-15,592	-15,580	-14,071	-12,608	-14,819	-14,576
% Change from Original Appropriations	-3.4%	-1.7%	-3.0%	-1.4%	-3.2%	-1.6%

Comments:

1. Domestic Violence Activities - An additional \$2.0 million is provided for shelters and other services for victims of domestic violence. These services shall be provided as a part of the Victim Assistance Program, which provides support for community-based shelters, emergency counseling, and legal advocacy to children and families who have experienced domestic violence. The majority of funds will be distributed according to the department's formula, with at least \$65,000 in operating funds provided to Mason County to support capital expenditures.

2. Family Policy Council Transfer - The Family Policy Council is transferred from the Children's Administration to the Administration and Supporting Services budget. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Education Account-State)

3. Child Support For DD Children # - Savings are assumed in recognition of Substitute House Bill 2554 (child support/dev disabled). This agency request legislation allows the Division of Child Support to collect child support for some, but not all, developmentally delayed children in foster care. (General Fund-State, General Fund-Federal)

4. Program Improvement Plan - \$2.3 million is provided for foster care system improvements in response to the recently released federal Child and Family Services Review and for implementation of Engrossed Substitute Senate Bill 6642 (case conferences). Funding is available to implement family team meetings at initial placement and placement moves, which is expected to improve outcomes for children by increasing the capability and support of families to stay intact when appropriate. Funding is also provided for case conferences and to expedite CAMIS user interface improvements. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	146,792	204,951	146,792	204,951	146,792	204,951
Total Maintenance Changes	-1,933	-2,243	-1,933	-2,243	-1,933	-2,243
2004 Policy Changes:						
1. Youthful Offender Program	312	312	312	312	312	312
2. Mental Health Needs	0	0	220	220	0	0
3. Transfer Office of Juvenile Justice	0	0	-2,244	-7,736	-2,244	-7,736
Total Policy Changes	312	312	-1,712	-7,204	-1,932	-7,424
2003-05 Revised Appropriations	145,171	203,020	143,147	195,504	142,927	195,284
Difference from Original Appropriations	-1,621	-1,931	-3,645	-9,447	-3,865	-9,667
% Change from Original Appropriations	-1.1%	-0.9%	-2.5%	-4.6%	-2.6%	-4.7%

Comments:

1. Youthful Offender Program - Funding is added to reflect the transfer of inmates under age eighteen to Juvenile Rehabilitation Administration facilities from the Department of Corrections (DOC) Youthful Offender Program (YOP). The transfer of thirteen YOP inmates will empty a prison unit and provide bed space for up to 99 adult offenders. The transfer will not change the YOP inmates' sentences or time spent in total confinement, and the YOP inmates will return to DOC facilities after their eighteenth birthday. Net savings when combined with the reduction in DOC is \$2.3 million General Fund-State.

3. Transfer Office of Juvenile Justice - The Office of Juvenile Justice (OJJ) is transferred from the Department of Social and Health Services' Juvenile Rehabilitation Administration to the Administration and Support Services program. The OJJ provides staff support to the Governor's Juvenile Justice Advisory Committee and administers a variety of state and federal juvenile justice and violence prevention grant programs. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Mental Health

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	674,685	1,229,646	674,685	1,229,646	674,685	1,229,646
Total Maintenance Changes	-8,724	8,818	-8,724	8,818	-8,724	8,818
2004 Policy Changes:						
1. Additional DSH Funding	-12,114	0	0	0	-12,114	0
2. Acute Care Plan	53	100	100	100	53	100
3. Children's Medical Premiums	600	1,382	937	2,180	778	1,723
4. Restore Ratable Reduction	2,849	5,698	0	0	0	0
5. Restore RSN Ratable Reduction	0	0	2,194	4,388	2,849	5,698
6. Offender Collaborative Treatment	164	200	0	0	164	200
7. SCHIP Match	-2,509	0	-2,504	-1,144	-2,509	0
8. CSTC Patient Care	316	652	331	685	316	652
9. Staff Training Requirement	284	408	1,331	1,688	284	408
10. Legal Fees	1,780	1,780	1,780	1,780	1,780	1,780
11. SCTF Mitigation (King Co)	245	245	245	245	245	245
12. Hospital Billing Systems Compliance	579	643	774	859	579	643
Total Policy Changes	-7,753	11,108	5,188	10,781	-7,575	11,449
2003-05 Revised Appropriations	658,208	1,249,572	671,149	1,249,245	658,386	1,249,913
Difference from Original Appropriations	-16,477	19,926	-3,536	19,599	-16,299	20,267
% Change from Original Appropriations	-2.4%	1.6%	-0.5%	1.6%	-2.4%	1.6%

Comments:

1. Additional DSH Funding - Because Congress has increased the amount of federal disproportionate share hospital (DSH) funding available to the state, more federal and less state funding is required to support operation of the state psychiatric hospitals. (General Fund-State, General Fund-Federal)

2. Acute Care Plan - Funding is provided for development of a plan for maintaining and increasing the number of beds available for treatment of persons experiencing acute psychiatric emergencies. The plan is to provide an estimate of the number of acute care facilities needed to serve different areas of the state, and to estimate the construction and operating cost of meeting that need under alternative operating arrangements (for example, state hospital-based vs. community hospital-based vs. free-standing; publicly- vs. privately-operated). (General Fund-State, General Fund-Federal)

3. Children's Medical Premiums - The federal government has approved the state's proposal to charge monthly premiums for medical, dental, and mental health coverage of children whose family incomes are above the poverty level. The budget provides additional state funds, so that families' monthly premium responsibilities will be lower for those families with incomes greater than 150 percent of the poverty level and will be eliminated for those with incomes between 100 and 150 percent of the poverty level. The new premium levels are to be \$10 per child per month for families with incomes between 150 and 200 percent of poverty, rather than \$20 per month as originally budgeted; and \$15 per month, rather than \$25, for families with incomes between 200 and 250 percent of poverty. The maximum amount due from any family will remain capped at three children per household and premium implementation is delayed until July 2004. (Health Services Account-State, General Fund-Federal)

5. Restore RSN Ratable Reduction - Funding is provided to return Medicaid payment rates for community mental health services to the level originally budgeted for the biennium. Rates would otherwise be reduced by 1.7 percent in the second year of the biennium in order to implement the Governor's veto of the legislative provision that community mental health administrative costs be limited to 10 percent of public spending. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Mental Health

6. Offender Collaborative Treatment - Substitute Senate Bill 6358 seeks to improve information-sharing and collaborative treatment when offenders under supervision by the Department of Corrections are also subject to court-ordered mental health or chemical dependency treatment. Funding is provided to (1) develop and train community mental health and chemical dependency treatment providers in the information-sharing and collaborative treatment methods required by the legislation; and to (2) conduct additional risk assessments before a person who has been admitted from a correctional facility and who has a history of violent acts is discharged from a state hospital.

7. SCHIP Match - A recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children with family incomes over 150 percent of the federal poverty level. Because the federal matching funds rate is higher for SCHIP expenditures than for the regular Medicaid program, this reduces required state funding. This is a one-time savings, as the federal statutory provision is due to expire in September 2005. (General Fund-State, General Fund-Federal)

8. CSTC Patient Care - Funding is provided to employ six additional direct care staff at the Child Study and Treatment Center (CSTC). The additional staffing is needed to provide safe and appropriate care for an increasingly disturbed and assaultive adolescent population. (General Fund-State, General Fund-Federal)

9. Staff Training Requirement - Funding is provided for the Mental Health Division to provide consultation and specialized training for all supervisory staff at the state hospitals in the identification, prevention, and effective response to sexual harassment in the workplace. Such training is necessary to resolve organizational problems at the state hospitals, such as those identified in a recent lawsuit at Western State Hospital. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

10. Legal Fees - Funding is provided to increase the payment rate to counties for hourly prosecution and defense costs for sexually violent predator civil commitment. The Department of Social and Health Services (DSHS) currently pays attorneys a maximum allowable rate of \$49.41/hour, a rate established 13 years ago in WAC and not increased. Defense attorneys have recently argued before the courts that the low reimbursement rate negatively affects the defense work for their clients and may impair their clients' constitutional right to counsel. The additional funding assumes that the hourly prosecution and defense attorney payment rates are increased to \$65/hour.

11. SCTF Mitigation (King Co) - Funding is provided for mitigation costs to the City of Seattle for the siting of the Secure Community Transition Facility (SCTF) site on Spokane Street. The SCTF provides a less restrictive alternative for persons civilly committed as sexually violent predators who are transitioning from the Special Commitment Center on McNeil Island. This funding will provide training for law enforcement, utility costs for improved lighting, an additional detective at the Seattle Police Department, victims counseling, and meeting costs for an advisory committee of community stakeholders. Total mitigation funding for this facility is \$385,000 (\$140,000 of this funding was assumed in the 2003-05 enacted budget and is provided at maintenance level; the resulting additional funding is \$245,000).

12. Hospital Billing Systems Compliance - Funding is provided for additional nurses and health records technicians to improve Western State Hospital business operations in the areas of patient utilization review and billing documentation. An independent review of the hospitals' systems has identified weaknesses in these areas that could jeopardize the continued availability of non-state revenues that support hospital operations. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	678,562	1,291,739	678,562	1,291,739	678,562	1,291,739
Total Maintenance Changes	-16,427	-3,387	-16,427	-3,387	-16,427	-3,387
2004 Policy Changes:						
1. Placement and Waiver Block Grant	1,035	2,076	0	0	0	0
2. Community Protection Placements	826	1,658	1,032	2,016	826	1,658
3. Increase Employment & Day Services	0	0	1,000	1,000	0	0
4. Employment and Day Programs	1,000	1,000	0	0	1,000	1,300
5. Residential Vendor Rate Increase	0	0	0	0	3,227	6,213
6. Agency Provider Increase	0	0	263	507	312	602
7. Agency Provider Health Benefits	0	0	0	-306	0	-134
8. SCHIP Match	-545	0	-545	0	-545	0
9. Cost of Boarding Home Rule Implemen	0	0	3	7	0	0
10. Comprehensive Assessment Tool	1,241	2,504	1,241	2,499	1,241	2,499
11. Agency Homecare Worker Wages	312	602	0	0	0	0
12. Residential Care Worker Wages	2,850	5,450	0	0	0	0
13. Expand Community Services	0	0	1,474	2,957	1,035	2,076
Total Policy Changes	6,719	13,290	4,468	8,680	7,096	14,214
2003-05 Revised Appropriations	668,854	1,301,642	666,603	1,297,032	669,231	1,302,566
Difference from Original Appropriations	-9,708	9,903	-11,959	5,293	-9,331	10,827
% Change from Original Appropriations	-1.4%	0.8%	-1.8%	0.4%	-1.4%	0.8%

Comments:

2. Community Protection Placements - Funding is provided for expanded community services for 20 clients who are: (1) being diverted or discharged from the state psychiatric hospitals; (2) participants in the Dangerous Mentally Ill Offender program; (3) participants in the Community Protection program; or (4) mental health crisis diversion outplacements. In order to increase the number of clients served and ensure the cost-effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

4. Employment and Day Programs - Funding is provided for employment and day services to clients with developmental disabilities. Priority consideration for this new on-going funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided proportionately between home and community-based waiver program clients and non-waiver clients. Federal funds may be used to enhance this funding to the extent that a client is already receiving services from a home and community-based waiver program. (General Fund-State, General Fund-Federal)

5. Residential Vendor Rate Increase - Funding is provided for residential providers, including supported living, group homes, adult family homes, adult residential centers, and out-of-home voluntary placement program providers, to receive an inflationary vendor rate increase of 2.4 percent on July 1, 2004. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Developmental Disabilities

6. Agency Provider Increase - Funding is provided to increase compensation for direct care workers employed by homecare agencies by an average of 50 cents per hour, effective October 2004. The total amount provided also includes (1) the employer share of payroll taxes on the increased compensation; and (2) ten cents per direct service hour to address the impact of this and of the October 2003 compensation increase on the cost of sick leave, annual leave, and travel time for direct care workers. (General Fund-State, General Fund-Federal)

7. Agency Provider Health Benefits - Currently, contracted agency home care workers who work at least 20 hours per week receive subsidized health care coverage through the Basic Health Plan (BHP) or through alternative plans with substantially equivalent benefits. Premium payments for substantially equivalent plans in 2005 are projected to be as much as 61 percent more expensive than for the BHP. Funding is adjusted under the assumption that agency providers will increase their participation in the BHP or purchase substantially equivalent health care benefits that have substantially equivalent premium payments. (Health Services Account-State, General Fund-Federal)

8. SCHIP Match - A recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children with family incomes over 150 percent of the federal poverty level. Because the federal matching funds rate is higher for SCHIP expenditures than for the regular Medicaid program, this reduces required state funding. This is a one-time savings, as the federal statutory provision is due to expire in September 2005. (General Fund-State, General Fund-Federal)

10. Comprehensive Assessment Tool - Funding is provided to modify and expand the Comprehensive Assessment Reporting Evaluation (CARE) tool for use in all client assessments for individuals with developmental disabilities. A recent Joint Legislative Audit and Review Committee (JLARC) study of the Division of Developmental Disabilities (DDD) found that a consistent assessment instrument was not being used by the Department to determine client service needs. Currently, all adult clients with developmental disabilities who are eligible for Medicaid Personal Care (MPC) are being assessed with the CARE instrument. Implementation of the modified assessment will occur in three phases: 1) use of the current CARE tool on children while developing help screens with age appropriate information; 2) modification of the CARE assessment tool for children, development of a mini-assessment, and the use of the CARE tool for adults who are not currently on MPC; and 3) completion of the modified children and adult CARE assessment tool. A total of \$3.7 million will be required through Fiscal Year 2006, of which \$2.6 million are for one-time costs. Six FTEs are added for ongoing support of the new system. (General Fund-State, General Fund-Federal)

13. Expand Community Services - Funding is provided for community residential and support services for a minimum of 29 clients. Priority consideration for these placements shall be as follows: (1) children who are aging out of other state services; (2) clients without residential services who are in crisis or immediate risk of needing and institutional placement; and (3) current waiver clients who have been assessed as having an immediate need for residential services or increased support services. In order to increase the number of clients served and ensure the cost-effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Long-Term Care

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,128,314	2,314,357	1,128,314	2,314,357	1,128,314	2,314,357
Total Maintenance Changes	-41,143	-30,659	-41,143	-30,659	-41,143	-30,659
2004 Policy Changes:						
1. In-Home Care Legal Settlement	842	1,685	677	1,354	696	1,392
2. APS Fair Hearings	408	672	513	834	513	834
3. Residential Vendor Rate Increase	0	0	0	0	9,762	19,345
4. Agency Provider Increase	0	0	1,645	3,280	1,952	3,893
5. Agency Provider Health Benefits	0	0	-992	-1,983	-433	-866
6. Home Care Worker Contract	0	0	23,955	47,194	0	0
7. Cost of Boarding Home Rule Implemen	0	0	123	247	0	0
8. Boarding Home Licensing Fee	0	0	0	106	0	0
9. Estate Adjudication Provisions #	0	0	-200	-400	-200	-400
10. AAA Nursing/Case Mgmt Services	2,890	6,070	2,205	4,631	2,205	4,552
11. Nursing Home Rate Increase	11,134	22,820	0	0	0	0
12. Agency Homecare Worker Wages	1,952	3,893	0	0	0	0
13. Kinship Caregivers	500	500	500	500	500	500
Total Policy Changes	17,726	35,640	28,426	55,763	14,995	29,250
2003-05 Revised Appropriations	1,104,897	2,319,338	1,115,597	2,339,461	1,102,166	2,312,948
Difference from Original Appropriations	-23,417	4,981	-12,717	25,104	-26,148	-1,409
% Change from Original Appropriations	-2.1%	0.2%	-1.1%	1.1%	-2.3%	-0.1%

Comments:

1. In-Home Care Legal Settlement - The 9th Circuit Court of Appeals has found that the state is legally obligated to participate in the cost of community-based long-term care for persons whose incomes are too high to qualify for such services under the regular Medicaid program, but who would receive Medicaid-funded assistance if they were to enter a nursing home. The executive branch chose not to appeal this ruling, and has instead agreed in principle to a settlement under which up to 200 persons will receive Medicaid-funded in-home care and medical services. Continuing these services in the 2005-07 biennium will cost an estimated \$3.1 million in state funds. (General Fund-State, General Fund-Federal)

2. APS Fair Hearings - In response to a Superior Court order, and a settlement agreement reached upon appeal, the Department of Social and Health Services now provides a fair hearing opportunity to persons against whom Adult Protective Services (APS) has made a substantiated finding of abuse, abandonment, neglect, or financial exploitation of a vulnerable adult. Based upon the three months of experience to date, the department anticipates that an administrative hearing will need to be conducted in approximately 10 percent (180) of the annual APS investigations in which there is a substantiated finding, and that approximately one-third of the cases heard will subsequently be appealed. This item provides funding for APS staff to prepare and present the findings at hearing and appeal; and for programming of an electronic registry so that information about substantiated cases will be available to potential employers. In addition to the funds provided here, approximately \$1 million (\$0.5 million state) is provided in the department's central administrative budget for review judges to conduct hearings and appeals. (General Fund-State, General Fund-Federal)

3. Residential Vendor Rate Increase - Funding is provided for adult family homes, adult residential centers, and assisted living facilities to receive an inflationary vendor rate increase of 2.4 percent on July 1, 2004. Additionally, nursing facilities will receive a corresponding 2.4 percent increase to noncapital payment rates, increasing average nursing home payments from \$144.93 per day to \$148.11 per day in FY 2005. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Long-Term Care

4. Agency Provider Increase - Funding is provided to increase compensation for direct care workers employed by homecare agencies by an average of 50 cents per hour, effective October 2004. The total amount provided also includes (1) the employer share of payroll taxes on the increased compensation; and (2) ten cents per direct service hour to address the impact of this and of the October 2003 compensation increase on the cost of sick leave, annual leave, and travel time for direct care workers. (General Fund-State, General Fund-Federal)

5. Agency Provider Health Benefits - Currently, contracted agency home care workers who work at least 20 hours per week receive subsidized health care coverage through the Basic Health Plan (BHP) or through alternative plans with substantially equivalent benefits. Premium payments for substantially equivalent plans in 2005 are projected to be as much as 67 percent more expensive than for the BHP. Funding is adjusted under the assumption that agency providers will increase their participation in the BHP or purchase substantially equivalent health care benefits that have substantially equivalent premium payments. (General Fund-State, General Fund-Federal)

8. Boarding Home Licensing Fee - The Governor's budget proposes an increase in the annual boarding home licensing fee from \$79 per bed now to \$82 per bed in Fiscal Year 2005. The additional funds would be used to improve the timeliness of the boarding home licensing process. The Senate budget does not authorize such an increase, because (1) state funding does not permit a commensurate increase in boarding home payment rates; and (2) the number of facilities awaiting initial licensure has decreased in each of the past two years.

9. Estate Adjudication Provisions # - In accordance with Substitute House Bill 2904 (estate adjudication), savings are achieved by requiring that notices of estate adjudications for deceased clients who received publicly-funded long-term care and medical assistance services be sent to the DSHS and that heirs of such estates wait four months after providing notice of adjudication before being released from liability for assets transferred from the estate. These changes will allow the DSHS to increase the number of claims (approximately 20 additional claims per year) against the estates of deceased elderly and disabled clients who received services from the Department, as required by federal and state statutes. The changes to the probate code close a loophole in the law that allows for the premature distribution of assets, and provide the Department an opportunity to make claims for payments from the estates of former clients when no personal representative has been appointed to administer the estate. (General Fund-State, General Fund-Federal)

10. AAA Nursing/Case Mgmt Services - Funding is provided for a 15 percent increase in state funding for Area Agency on Aging (AAA) case management services, beginning July 2004. The state contracts with the AAAs to provide case management and nurse oversight for persons who receive in-home long-term care. This increases funding level will support AAA's in meeting contracted requirements for client assessment, service implementation/coordination, and monitoring of client care. (General Fund-State, General Fund-Federal)

13. Kinship Caregivers - Funding is provided to assist grandparents, and other non-parental relatives who are caring for a child, gain access to counseling, support groups, respite care, and other support services. These services shall be provided by Area Agencies on Aging (AAAs), or organizations that contract with them. The AAAs shall give priority to relatives who, in the absence of such services, are at the greatest risk of no longer being able to maintain the primary caregiving role.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Dept of Social and Health Services
Economic Services Administration**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	815,547	2,059,185	815,547	2,059,185	815,547	2,059,185
Total Maintenance Changes	66,682	65,993	66,682	65,993	66,682	65,993
2004 Policy Changes:						
1. Distribution of Child Support #	-423	-834	-423	-834	-423	-834
2. Child Care Subsidy Rate Increase	900	900	900	900	500	500
3. Child Care Wage Ladder	0	0	1,000	1,000	0	0
4. Child Support For DD Children #	36	108	36	108	36	108
5. LEP Pathway Program	0	0	2,000	2,000	1,250	1,250
6. Children's Medical Premiums	0	0	-951	-1,698	0	0
7. Food Assistance #	112	112	0	0	96	123
8. Time Limit for General Assistance	-7,383	-7,383	0	0	0	0
Total Policy Changes	-6,758	-7,097	2,562	1,476	1,459	1,147
2003-05 Revised Appropriations	875,471	2,118,081	884,791	2,126,654	883,688	2,126,325
Difference from Original Appropriations	59,924	58,896	69,244	67,469	68,141	67,140
% Change from Original Appropriations	7.3%	2.9%	8.5%	3.3%	8.4%	3.3%

Comments:

1. Distribution of Child Support # - Savings are assumed in recognition of House Bill 2553 (child support distribution). This agency request legislation allows the Department to consider income levels when distributing past-due child support collections for cases enforced on behalf of another state or jurisdiction. This is expected to reduce state Temporary Assistance to Needy Families payments for child support enforcement. (General Fund-State, General Fund-Federal)

2. Child Care Subsidy Rate Increase - Funding is provided for a Working Connections Child Care subsidy rate increase for child care providers in urban areas of Region 1.

3. Child Care Wage Ladder - Funding is provided to partially reinstate the child care career and wage ladder program discontinued in 2003. DSHS and participating child care centers will provide wage increments to child care workers based on their work experience, level of responsibility, and education.

4. Child Support For DD Children # - Under SB 6379 (child support payments), families with developmentally disabled children living in foster care or other out of home settings will be required to pay child support if SB 6379 is enacted. Implementation of this bill necessitates a collections officer in the Child Support Enforcement activity to handle the increased volume of collections caseload. (General Fund-State, General Fund-Federal)

5. LEP Pathway Program - Funding is provided to continue specialized employment services through the WorkFirst/LEP Pathway program for refugees and other limited-English-proficient (LEP) families and individuals that receive Temporary Assistance for Needy Families, State Family Assistance, or Refugee Cash Assistance benefits. Provided services include, but are not limited to, English as a second language (ESL) training, job placement assistance, and work support services. LEP services are provided through contracts with governmental agencies, Voluntary Refugee Resettlement agencies, local community colleges, and community-based organizations involved in the resettlement of refugees and immigrants in Washington state.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Economic Services Administration

7. Food Assistance # - Pursuant to Engrossed Senate Bill 6411 (reducing hunger), food stamp assistance is made available to households who cease to receive temporary assistance for needy families and to convicted drug felons as a result of removing the state ban on food benefits. Funding is also provided to provide school lunches to qualified students. (General Fund-State, General Fund-Federal, General Fund-Local)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	80,640	232,354	80,640	232,354	80,640	232,354
Total Maintenance Changes	-510	2,963	-510	2,963	-510	2,963
2004 Policy Changes:						
1. Fund Shifts	0	0	1,200	0	300	0
2. Treatment for Problem Gambling	0	0	0	500	0	500
3. Washington State Mentoring Partners	250	250	250	250	250	250
4. Adjust TASC Funding Level	0	0	1,000	1,000	500	500
Total Policy Changes	250	250	2,450	1,750	1,050	1,250
2003-05 Revised Appropriations	80,380	235,567	82,580	237,067	81,180	236,567
Difference from Original Appropriations	-260	3,213	1,940	4,713	540	4,213
% Change from Original Appropriations	-0.3%	1.4%	2.4%	2.0%	0.7%	1.8%

Comments:

1. Fund Shifts - Funds are shifted between accounts in order to balance the state public safety and education account. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Drug Enforcement Account-State)

2. Treatment for Problem Gambling - Second Substitute House Bill 2776 (problem gambling) creates the problem gambling treatment account and establishes a study group to develop recommendations for a permanent funding source for treatment of problem gambling. The budget includes 1) a one-time transfer of \$500,000 from the state gambling revolving account to the state problem gambling treatment account; and 2) a \$500,000 appropriation from the new account for treatment of problem gambling. (Problem Gambling Treatment Account-State)

3. Washington State Mentoring Partners - Funding is provided for the Washington State Mentoring Partnership, a program that provides mentoring relationships and support to youth. The partnership serves as a network to expand the field of mentoring throughout the state, advocate prevention benefits, and provide support services. This state investment is expected to leverage funds by encouraging private-sector participation.

4. Adjust TASC Funding Level - The Treatment Accountability for Safe Communities (TASC) program connects the criminal justice and chemical dependency treatment systems, providing assessment, case management, treatment referral, and urinalysis monitoring services. The Legislature decreased funding for TASC in the 2003-05 biennial budget. An additional \$500,000 is provided to continue the TASC program in FY 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Medical Assistance Payments

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	2,450,197	7,256,903	2,450,197	7,256,903	2,450,197	7,256,903
Total Maintenance Changes	-78,894	-126,097	-78,894	-126,097	-78,894	-126,097
2004 Policy Changes:						
1. Premera Law Suit Settlement	1,187	2,375	1,187	2,375	1,187	2,375
2. Additional Federal DSH Funding	0	44,763	0	73,418	0	42,584
3. Medically Indigent Hospital Grants	0	10,000	0	0	0	10,000
4. Increased Hospital DSH Grants	0	4,427	0	0	0	6,607
5. Teaching Hospitals Federal Match	0	0	0	0	0	20,000
6. In-Home Care Legal Settlement	208	417	226	452	180	360
7. Home Care Referral Registry	0	0	0	0	0	155
8. MMIS Replacement	1,817	16,853	1,817	18,171	1,817	18,171
9. Children's Medical Premiums	0	37,350	0	54,376	0	43,621
10. Labor & Delivery Rate Increase	0	0	10,000	20,000	0	0
11. Emergency Services Rate Increase	0	0	5,000	10,000	0	0
12. Increase Hospital Grants	0	0	10,000	10,000	0	0
13. Time Limit for General Assistance	-8,471	-8,471	0	0	0	0
14. State Drug Pricing Program	-3,910	-7,913	-6,655	-13,523	-3,910	-7,913
15. Improve Drug Rebate Collections	-2,744	-5,611	0	0	-2,744	-5,611
16. SCHIP Match	-130	0	-130	0	-130	0
17. Patient Transportation #	0	0	-120	-240	0	0
18. Estate Adjudication Provisions #	0	0	-50	-100	-50	-100
Total Policy Changes	-12,043	94,190	21,275	174,929	-3,650	130,249
2003-05 Revised Appropriations	2,359,260	7,224,996	2,392,578	7,305,735	2,367,653	7,261,055
Difference from Original Appropriations	-90,937	-31,907	-57,619	48,832	-82,544	4,152
% Change from Original Appropriations	-3.7%	-0.4%	-2.4%	0.7%	-3.4%	0.1%

Comments:

1. Premera Law Suit Settlement - The Department of Social and Health Services agreed on December 18, 2003 to settle a lawsuit that Premera Blue Cross filed on May 22, 2000. Under the settlement, the Department will pay Premera \$2,375,000. This payment will cover all of Premera's claims related to clients enrolled in their managed care plan who were subsequently determined to have been eligible for Supplemental Security Income payments for the time period beginning October 1, 1996, and ending June 30, 2000. (General Fund-State, General Fund-Federal)

2. Additional Federal DSH Funding - Congress has increased by approximately \$36 million the amount of federal disproportionate share hospital (DSH) revenue that will be available to the state this biennium. The budget uses \$12 million of the new revenue to support operation of the state psychiatric hospitals. Of the remainder, \$6.6 million is provided in direct transfers to public hospital districts, and the balance will be used to support the Basic Health Plan, children's Medicaid coverage, hospital grants, and other programs funded through the Health Services Account. (Health Services Account-State, General Fund-Federal)

3. Medically Indigent Hospital Grants - Additional funding is provided to assist hospitals provide charity care for persons who are uninsured or under-insured. (Health Services Account-State)

4. Increased Hospital DSH Grants - This represents the amount of increased federal disproportionate share hospital (DSH) funding that will be directly retained by public hospital districts. (Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Medical Assistance Payments

5. Teaching Hospitals Federal Match - Additional federal Medicaid funding is available to offset the cost of uncompensated care at Harborview Medical Center and at the the University of Washington Hospital. The hospitals will use state appropriations and tuition revenue to provide the required non-federal match. (General Fund-Federal, General Fund-Local)

6. In-Home Care Legal Settlement - The 9th Circuit Court of Appeals has found that the state is legally obligated to participate in the cost of community-based long-term care for persons whose incomes are too high to qualify for such services under the regular Medicaid program, but who would receive Medicaid-funded assistance if they were to enter a nursing home. The executive branch chose not to appeal this ruling, and has instead agreed in principle to a settlement under which up to 200 persons will receive Medicaid-funded in-home care and medical services. Continuing these services in the 2005-07 biennium will cost an estimated \$3.1 million in state funds. (General Fund-State, General Fund-Federal)

7. Home Care Referral Registry - Increased state expenditures by the Home Care Quality Authority to develop a referral registry of individual providers of home care services will be matched with federal Medicaid funds. (General Fund-Federal)

8. MMIS Replacement - Funding is provided to complete requirements analysis, systems specifications, contractor selection, and initial design and development work on a replacement Medicaid Management Information System (MMIS). The MMIS is the automated, federally-required system that pays approximately 29 million medical billings, totaling about \$3.5 billion, per year. The current system is over 20 years old, and is inefficient, subject to frequent break-downs, difficult to adapt to changes in policy, and does not provide timely and integrated data for budget and policy planning. Additionally, the federal government, which pays 90 percent of the cost of system development and 75 percent of the cost of ongoing operation, has notified the state that the contract for operation of the current MMIS cannot be extended beyond December 2006. (General Fund-State, General Fund-Federal)

9. Children's Medical Premiums - The federal government has approved the state's proposal to charge monthly premiums for medical, dental, and mental health coverage of children whose family incomes are above the poverty level. The budget provides additional state funds, so that families' monthly premium responsibilities will be lower for those families with incomes greater than 150 percent of the poverty level, and will be eliminated for those with incomes between 100 and 150 percent of the poverty level. The new premium levels are to be \$10 per child per month for families with incomes between 150 and 200 percent of poverty, rather than \$20 per month as originally budgeted; and \$15 per month, rather than \$25, for families with incomes between 200 and 250 percent of poverty. The maximum amount due from any family will remain capped at three children per household and premium implementation is delayed until July 2004. (Health Services Account-State, General Fund-Federal)

14. State Drug Pricing Program - Additional staff are authorized in order to increase the number of multi-source drug classes that are researched and priced at lower levels through the state maximum allowable cost process. The net savings result from purchasing more classes of drugs at prices closer to their actual acquisition cost, rather than at prices based on national guidelines that are often outdated. (General Fund-State, General Fund-Federal)

15. Improve Drug Rebate Collections - Funding is provided to assign four additional staff to collection of rebates due to the state under the Medicaid prescription drug program. The staff will reduce a backlog of approximately \$7 million of claims currently under dispute with the manufacturers, and initiate a number of process improvements that will result in faster recovery of rebates for a broader array of drugs in the future. (General Fund-State, General Fund-Federal)

16. SCHIP Match - A recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children with family incomes over 150 percent of the federal poverty level. Because the federal matching funds rate is higher for SCHIP expenditures than for the regular Medicaid program, this reduces required state funding. This is a one-time savings, as the federal statutory provision is due to expire in September 2005. (General Fund-State, General Fund-Federal, Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Medical Assistance Payments

18. Estate Adjudication Provisions # - In accordance with Substitute House Bill 2904 (estate adjudication), savings are achieved by requiring that notices of estate adjudications for deceased clients who received publicly-funded long-term care and medical assistance services be sent to the DSHS and that heirs of such estates wait four months after providing notice of adjudication before being released from liability for assets transferred from the estate. These changes will allow the DSHS to increase the number of claims (approximately 20 additional claims per year) against the estates of deceased elderly and disabled clients who received services from the Department, as required by federal and state statutes. The changes to the probate code close a loophole in the law that allows for the premature distribution of assets, and provide the Department an opportunity to make claims for payments from the estates of former clients when no personal representative has been appointed to administer the estate. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Vocational Rehabilitation
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	20,382	106,625	20,382	106,625	20,382	106,625
Total Maintenance Changes	-19	873	-19	873	-19	873
2003-05 Revised Appropriations	20,363	107,498	20,363	107,498	20,363	107,498
Difference from Original Appropriations	-19	873	-19	873	-19	873
% Change from Original Appropriations	-0.1%	0.8%	-0.1%	0.8%	-0.1%	0.8%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Administration/Support Svcs
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	61,894	108,456	61,894	108,456	61,894	108,456
Total Maintenance Changes	2,698	3,908	2,698	3,908	2,698	3,908
2004 Policy Changes:						
1. APS Fair Hearings	154	280	154	280	154	280
2. Family Policy Council Transfer	0	6,596	12	6,608	12	6,608
3. Marriage License Fees (ESHB 2481)	0	0	0	395	0	0
4. Transfer Office of Juvenile Justice	0	0	2,244	7,736	2,244	7,736
5. Children's Medical Premiums	0	0	-558	-1,117	0	0
Total Policy Changes	154	6,876	1,852	13,902	2,410	14,624
2003-05 Revised Appropriations	64,746	119,240	66,444	126,266	67,002	126,988
Difference from Original Appropriations	2,852	10,784	4,550	17,810	5,108	18,532
% Change from Original Appropriations	4.6%	9.9%	7.4%	16.4%	8.3%	17.1%

Comments:

1. APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, the DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. (General Fund-State, General Fund-Federal)

2. Family Policy Council Transfer - The Family Policy Council is transferred from the DSHS's Children's Administration budget to the Administration and Supporting Services budget. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Drug Education Account-State)

4. Transfer Office of Juvenile Justice - The Office of Juvenile Justice (OJJ) is transferred from the DSHS's Juvenile Rehabilitation Administration to the Administration and Supporting Services Program. The OJJ provides staff support to the Governor's Juvenile Justice Advisory Committee and administers a variety of state and federal juvenile justice and violence prevention grant programs. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Payments to Other Agencies
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	84,022	126,016	84,022	126,016	84,022	126,016
Total Maintenance Changes	2,552	3,575	2,552	3,575	2,552	3,575
2004 Policy Changes:						
1. APS Fair Hearings	<u>373</u>	<u>677</u>	<u>373</u>	<u>677</u>	<u>373</u>	<u>677</u>
Total Policy Changes	373	677	373	677	373	677
2003-05 Revised Appropriations	86,947	130,268	86,947	130,268	86,947	130,268
Difference from Original Appropriations	2,925	4,252	2,925	4,252	2,925	4,252
% Change from Original Appropriations	3.5%	3.4%	3.5%	3.4%	3.5%	3.4%

Comments:

1. APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, the DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. Funding is provided to reimburse the Office of the Attorney General for costs associated with these hearings. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
2003-05 Revised Appropriations	0	0	0	0	0	0
Difference from Original Appropriations	0	0	0	0	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Homecare Collective Bargain Agree
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
2004 Policy Changes:						
1. Individual Provider Contract	22,521	44,368	0	0	0	0
2. Transfer Collective Bargaining	75	75	0	0	0	0
3. Payment System Operations	<u>562</u>	<u>562</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Policy Changes	23,158	45,005	0	0	0	0
2003-05 Revised Appropriations	23,158	45,005	0	0	0	0
Difference from Original Appropriations	23,158	45,005	0	0	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Ecology**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	66,727	303,535	66,727	303,535	66,727	303,535
Total Maintenance Changes	0	0	0	0	0	0
2004 Policy Changes:						
1. Marine Fuel Facilities (2SHB 3112)	0	0	0	100	0	0
2. Oil Spill Management (SHB 3020)	0	0	0	100	0	0
3. Water Right Fees (HB 3202)	0	0	270	270	0	0
4. Vehicle Tires (ESHB 3054)	0	0	0	1,735	0	0
5. Electronic Products (ESHB 2488)	0	0	65	65	65	65
6. Instream Flow	0	0	2,012	2,012	1,043	1,043
7. Loan Tracking System Enhancements	0	41	0	41	0	41
8. Flood Control Emergency Grant Funds	0	0	0	140	0	140
9. Envirotest Settlement	2,500	2,500	2,500	2,500	2,500	2,500
10. Mercury/Rule/Chemical Action Plans	0	159	0	436	166	325
11. Hazardous Waste Mgmt Liability	0	350	0	350	0	350
12. Drought Response	0	0	0	323	0	323
13. Lummi/Tulalip Water Right Mediation	400	400	400	400	0	0
14. SVRP Aquifer Study	0	0	100	100	0	0
15. Tribal Water Rights Mediation	0	0	0	0	300	300
16. Mitigation Bank	120	120	0	0	120	120
17. Rathdrum Prairie Aquifer Study	100	100	0	0	100	100
18. Oil Spill Prevention (SSB 6641)	0	144	0	0	0	144
19. Storm Water Permits (ESSB 6415)	0	918	0	0	0	536
20. Water Data Quality (2SSB 5957)	203	977	0	0	218	218
21. Restore Water Rights Processing	500	500	0	0	500	500
Total Policy Changes	3,823	6,209	5,347	8,572	5,012	6,705
2003-05 Revised Appropriations	70,550	309,744	72,074	312,107	71,739	310,240
Difference from Original Appropriations	3,823	6,209	5,347	8,572	5,012	6,705
% Change from Original Appropriations	5.7%	2.0%	8.0%	2.8%	7.5%	2.2%

Comments:

5. Electronic Products (ESHB 2488) - Funding is provided for the Department to establish a subcommittee under the Solid Waste Advisory Committee to evaluate pilot projects and to develop recommendations for a statewide system for collecting, recycling, and reusing electronic products, pursuant to Engrossed Substitute House Bill 2488 (electronic product management).

6. Instream Flow - Ongoing funding is provided for the Department to (1) establish instream flows by rule for main stem rivers and their key tributaries in the state; (2) work with counties to map existing water rights and document current ownership and evaluating alternative administrative systems for determining existing water rights, and (3) for one additional water master.

7. Loan Tracking System Enhancements - Beginning in the 1999-01 Biennium, Ecology received funding to develop and implement a water quality loan tracking system to better manage approximately \$400 million in water quality loans. Additional enhancements to this system are necessary to ensure compatibility with Windows XP and Office of Financial Management Accounting and Fiscal Report System (AFRS) changes, and to address data transfer issues from Crystal Reports to Excel. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Department of Ecology

8. Flood Control Emergency Grant Funds - The Department of Ecology provides grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management plans. For the current biennium, grant funding was reduced from approximately \$4.0 million to \$2.0 million. To address local emergency flood control projects, the remaining \$140,000 of the one-time fund balance is provided for grants to local governments. (Flood Control Assistance Account-State)

9. Envirotest Settlement - Envirotest, the former contractor of the state's vehicle emission testing program, filed a breach of contract suit against the state in February 2002, alleging lost revenue due to legislative changes in the vehicle emission testing program that resulted in fewer vehicles being tested and less revenue being generated for Envirotest. After substantial discovery and dismissal of summary judgments requested by the state, mediation to resolve the matter was conducted. As a result of this mediation, the state has agreed to a one-time payment of \$2.5 million, subject to appropriation from the Legislature, to settle all claims.

10. Mercury/Rule/Chemical Action Plans - One-time funding of \$166,000 general fund-state funding is provided for rulemaking and the development of a chemical action plan for the chemical compound known as polybrominated diphenyl ethers (PBDE). \$84,000 of one-time state toxics control account funding is provided to complete a memorandum of understanding with the Washington State Hospital Association and the Auto Recyclers of Washington for the safe disposal of products containing mercury, and \$75,000 of ongoing state toxics control account funding is provided for coordinating fluorescent lamp recycling. (State Toxics Control Account, General Fund-State)

11. Hazardous Waste Mgmt Liability - In recent years, five hazardous waste management facilities have gone bankrupt or been abandoned, leaving property owners, customers, or the public with the responsibility of paying for cleaning up and removing wastes safely. Clean-up costs have ranged from several hundred thousand to millions of dollars. This enhancement will allow the department to amend rules to require closure plans, liability coverage, and financial assurances for such facilities. A temporary staff person will facilitate this process. In addition, a one-time contract for financial assurance expertise will be used to supplement the rule process and to develop technical assistance materials; assess and recommend pooled liability insurance options to lower costs for businesses; and assist in the review and approval of facility financial assurance documents. (Hazardous Waste Assistance Account)

12. Drought Response - One-time funding is provided for drought relief grants which will only be utilized if a drought is officially declared by the Governor. (State Drought Preparedness Account-State, State Emergency Water Projects Revolving Account-State)

15. Tribal Water Rights Mediation - Funding is provided to pursue resolution of federal and tribal water rights in Washington state consistent with comprehensive state water resources planning laws. Of this amount, \$200,000 of one-time funding is provided for mediation efforts with the Lummi Nation, and \$100,000 of ongoing funding is provided for coordination and staff support for the Nisqually River Council Watershed Initiative Program.

16. Mitigation Bank - The department shall work with representatives from involved state agencies, the army corps of engineers, business, mitigation banking organizations, and environmental organizations to develop and implement a wetland banking rule. The department shall report to the appropriate committees of the legislature on the progress of the pilot rule by December, 2004.

17. Rathdrum Prairie Aquifer Study - The Spokane Valley-Rathdrum Prairie (SVRP) aquifer represents the sole source of drinking water for over 400,000 residents in Spokane County, Washington and Kootenai County, Idaho. Recent and projected urban, suburban, and industrial/commercial growth has raised concerns about potential future impacts on water availability and water quality in the SVRP aquifer. The states of Washington and Idaho are partnering with the U.S. Geological Survey to study the aquifer. Funding is provided to match federal and Idaho state funding to support the initial phase of the federal United States Geological Survey study of the Spokane Valley-Rathdrum Prairie aquifer.

18. Oil Spill Prevention (SSB 6641) - Funding is provided to implement SSB 6641(Oil Spills) which requires the development of a "zero spill" strategy to prevent the release of oil or hazardous substances into marine waters (Oil Spill Prevention Account)

19. Storm Water Permits (ESSB 6415) - Funding is provided to implement the provisions of ESSB 6415 (storm water discharge permits). The bill authorizes the department to issue storm water general permits for industrial and construction dischargers within federal requirements. (Water Quality Permit Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Ecology

20. Water Data Quality (2SSB 5957) - Funding is provided to implement the provisions of E2SSB 5957 (water quality data). The bill requires the department to adopt rules and procedures that ensure water quality decisions are based on data that meet certain quality standards. (General Fund-State, Water Quality Account)

21. Restore Water Rights Processing - Funding is restored for reducing the backlog of applications for water rights change and transfers. The 2001 Legislature enacted a law allowing the agency to provide priority processing for water right changes and provided a budget increase that more than doubled the number of staff dedicated to processing water rights. The 2003-05 biennial budget reduce that funding by \$500,000 per year. This adjustment resorts that funding for Fiscal Year 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
WA Pollution Liab Insurance Program
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	1,894	0	1,894	0	1,894
2004 Policy Changes:						
1. UST Fee (SHB 2478)	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>
Total Policy Changes	0	0	0	2	0	0
2003-05 Revised Appropriations	0	1,894	0	1,896	0	1,894
Difference from Original Appropriations	0	0	0	2	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**State Parks and Recreation Comm**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	59,962	103,146	59,962	103,146	59,962	103,146
Total Maintenance Changes	87	227	87	227	87	227
2004 Policy Changes:						
1. Digital Government	0	72	0	72	0	72
2. Grants and Donations	0	750	0	750	0	750
Total Policy Changes	0	822	0	822	0	822
2003-05 Revised Appropriations	60,049	104,195	60,049	104,195	60,049	104,195
Difference from Original Appropriations	87	1,049	87	1,049	87	1,049
% Change from Original Appropriations	0.1%	1.0%	0.1%	1.0%	0.1%	1.0%

Comments:

1. Digital Government - State Parks recently replaced its aging network server. A combination of one-time and on going funding is provided for information technology upgrades for this server that will enable State Parks to improve computer security and utilize statewide, new-generation applications that currently cannot be used, such as the Travel Voucher System. (Parks Renewal and Stewardship Account-State)

2. Grants and Donations - State Parks periodically receives unrestricted donations as well as grants for specific park-related purposes. State law provides for donations to be deposited in the Parks Renewal and Stewardship Account. Expenditure authority is provided so the agency can expend these donations. (Parks Renewal and Stewardship Account-State, Parks Renewal and Stewardship Account-Private/Local)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Interagency Comm for Outdoor Rec
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	2,502	24,260	2,502	24,260	2,502	24,260
2004 Policy Changes:						
1. Biodiversity Strategy	125	250	125	250	125	250
2. Habitat Program (ESHB 2275)	0	0	100	100	0	0
3. Land Acquisition Study (SSB 6242)	190	190	0	0	0	0
Total Policy Changes	315	440	225	350	125	250
2003-05 Revised Appropriations	2,817	24,700	2,727	24,610	2,627	24,510
Difference from Original Appropriations	315	440	225	350	125	250
% Change from Original Appropriations	12.6%	1.8%	9.0%	1.4%	5.0%	1.0%

Comments:

1. Biodiversity Strategy - Chapter 287, Laws of 2002, created a temporary committee at the Interagency Committee for Outdoor Recreation to develop recommendations to the Governor and the Legislature in establishing the framework for the development and implementation of a statewide biodiversity conservation strategy. This strategy is intended to replace existing single-species or single-resource protection programs with a more holistic approach. On October 1, 2003, the committee finalized its report and recommendations. State funds will be matched by private funding to initiate a new activity within the agency that begins implementing the Biodiversity Committee's recommendations. (General Fund-State, General Fund-Private/Local)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Environmental Hearings Office**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,883	1,883	1,883	1,883	1,883	1,883
Total Maintenance Changes	15	15	15	15	15	15
2004 Policy Changes:						
1. Water Rights Permit Backlog	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>
Total Policy Changes	34	34	34	34	34	34
2003-05 Revised Appropriations	1,932	1,932	1,932	1,932	1,932	1,932
Difference from Original Appropriations	49	49	49	49	49	49
% Change from Original Appropriations	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%

Comments:

1. Water Rights Permit Backlog - Last biennium the Department of Ecology received funding to eliminate the backlog of water right change permits. In addition, the Environmental Hearings Office (EHO) received funding for one additional appeals judge to review the appeals of these additional decisions. Due to efficiency cuts, however, this position was reduced by 40 percent. This reduction cannot be sustained and still provide timely resolution of these complex appeals. This water right change appeals judge is increased from 60 percent to 80 percent time to provide independent review of these appeals, and to begin reducing the average of eight months for a decision back down to the agency goal of six months or less. Faster appeal decisions will allow some economic development projects to proceed and decrease the permit decision processing timelines.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**State Conservation Commission**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	4,479	6,641	4,479	6,641	4,479	6,641
2004 Policy Changes:						
1. Education/Tech Assistance for CAFO	<u>0</u>	<u>0</u>	<u>0</u>	<u>250</u>	<u>0</u>	<u>250</u>
Total Policy Changes	0	0	0	250	0	250
2003-05 Revised Appropriations	4,479	6,641	4,479	6,891	4,479	6,891
Difference from Original Appropriations	0	0	0	250	0	250
% Change from Original Appropriations	0.0%	0.0%	0.0%	3.8%	0.0%	3.8%

Comments:

1. Education/Tech Assistance for CAFO - One-time funding is provided for grants to conservation districts for education, outreach, and technical assistance programs to assist owners and operators of concentrated animal feeding operations (CAFO) with compliance issues related to federal CAFO requirements and the Department of Agriculture's livestock nutrient management program. (Water Quality Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Dept of Fish and Wildlife**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	81,632	277,840	81,632	277,840	81,632	277,840
Total Maintenance Changes	140	-267	140	-267	140	-267
2004 Policy Changes:						
1. Contract Management System	150	300	150	300	150	300
2. Hunter Education	0	43	0	43	0	43
3. Oyster Reserve	0	274	0	274	0	274
4. Select Fishery-Lake Wash & E. WA	30	150	0	150	0	150
5. Economic Rec Fisheries (SHB 2920)	0	0	60	60	0	0
6. Razor Clam License (SHB 2621)	0	0	0	16	0	16
7. Fish and Wildlife Moneys (SHB 2626)	0	0	0	70	0	0
8. Dungeness Crab Card (SHB 2431)	0	0	0	417	0	417
9. Commercial License Buyback	0	0	112	112	112	112
10. Facility & Operating Efficiencies	0	100	0	0	0	0
11. Fish Acclimation Pond Study	50	50	0	0	50	50
12. Mitigate Hatchery Reduction	50	50	0	0	50	50
13. Habitat Mitigation Agreements	0	200	0	200	0	200
14. Lease Payments & Facility Plan	50	50	0	0	50	50
15. Critical Wildlife Disease Testing	0	180	0	180	0	180
16. Wildfire	0	416	0	416	0	416
17. Access Area Maintenance	0	166	0	166	0	166
Total Policy Changes	330	1,979	322	2,404	412	2,424
2003-05 Revised Appropriations	82,102	279,552	82,094	279,977	82,184	279,997
Difference from Original Appropriations	470	1,712	462	2,137	552	2,157
% Change from Original Appropriations	0.6%	0.6%	0.6%	0.8%	0.7%	0.8%

Comments:

1. Contract Management System - The current contract management system within the department tracks approximately 1,300 contracts and amendments annually. However, the system does not provide timely and/or relevant management information about projects and funding. The Washington Department of Fish and Wildlife (WDFW) has developed the first phase of a revised system and seeks to complete the system. Existing resources within WDFW preclude completion of this project in a timely manner due to decreasing dedicated state, federal and private/local revenues. This item provides one-time funding for completion of the financial reporting components of the system. Future operations and maintenance needs for the system are to be absorbed by the department. (General Fund-State, State Wildlife Account-State)

2. Hunter Education - Increasing demand for hunter education has limited the Department's ability to provide adequate numbers of courses to the public and/or retain sufficient numbers of qualified instructors. This item provides one-time funding of \$40,000 for instructor training and recognition costs and an increase of \$3,500 in ongoing funding for classroom materials and out-of-pocket instructor costs. (State Wildlife Account-State)

3. Oyster Reserve - During the 2001-03 Biennium, revenues from the oyster reserve program exceeded initial projections by roughly \$160,000. The success of the program requires additional work to maintain existing revenues and to expand the program to increase revenues in future years. Initial authority allowed the department to use 40 percent of the revenue to administer the program, to return 10 percent to the state General Fund, and to transfer 50 percent to the Puget Sound Action Team for distribution as grants to improve septic systems in coastal areas of Southwest Washington. This item provides an increase of \$274,000 to continue and expand current activities and brings the total spending to \$411,000 per biennium. (Oyster Reserve Lands Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Fish and Wildlife

4. Select Fishery-Lake Wash & E. WA - Preliminary forecasts indicate a Lake Washington Sockeye salmon return of roughly 600,000 fish. The number of fish returning is expected to be 20-25 percent higher than the 1990 season. To provide this recreational opportunity to the public, the department must increase monitoring and sampling during the fishery to ensure that fish listed under the Endangered Species Act are adequately protected. This item provides one-time funding to conduct supplemental monitoring and sampling to open the Lake Washington Sockeye Fishery and one additional Eastern Washington recreational fishery during the 2004 season. The Lake Washington fishery is anticipated to generate increased fishing license revenue to help offset the additional costs. (General Fund-State, Recreational Fisheries Enhancement Account)

6. Razor Clam License (SHB 2621) - Funding is provided to administer a new razor clam license as outlined in Substitute House Bill 2621 (razor clam license). The bill establishes an annual and a three-day razor clam license, eliminates the two-day personal use shellfish and seaweed license, and limits the ability of the Department to collect personal information from an applicant. The three-day razor clam license is \$3.30 for both residents and non-residents and the annual razor clam license costs \$5.50 for a Washington resident and \$11.00 for a non-resident. In addition, razor clam licenses are assessed a surcharge for biotoxin testing and monitoring. (State Wildlife Account-State)

8. Dungeness Crab Card (SHB 2431) - Funding is provided to implement Substitute House Bill 2431 (dungeness crab endorsement). The bill requires the Department to use revenue from the sale of dungeness catch record cards for sampling and monitoring of the harvest associated with the dungeness crab recreational fisheries. The bill requires a catch record card endorsement for Puget Sound recreational fishers to take or possess dungeness crab. The endorsements may not exceed \$3.00. (State Wildlife Account-State)

9. Commercial License Buyback - One-time funding is provided to buy back purse seine fishing licenses as part of a commercial license buyback program. This program allows salmon fishers the opportunity to sell their licenses back to the state and exit from salmon fisheries.

11. Fish Acclimation Pond Study - Funding is provided for a feasibility study for an acclimation pond at or near the Chelan fish hatchery.

12. Mitigate Hatchery Reduction - Funding is provided to restore budget reductions that threatened hatchery production and public education opportunities at the Issaquah facility.

13. Habitat Mitigation Agreements - Funding for upland habitat mitigation agreements in the Snake River region is transferred from the capital budget to the operating budget. The \$500,000 capital appropriation from the wildlife account for this purpose is deleted. Instead, \$500,000 from the wildlife account is transferred to the special wildlife account--state to be available for appropriations for habitat mitigation agreements over multiple biennia. (Special Wildlife Account - State, Special Wildlife Account - Local)

14. Lease Payments & Facility Plan - Funding is provided for lease payments for the hatchery manager's residence at the Vancouver facility. Funding is also included for design work for an environmental education facility in cooperation with the Columbia Springs Environmental Education Center.

15. Critical Wildlife Disease Testing - In the 2002 supplemental budget, the department received \$180,000 for Fiscal Year 2003 to help control critical wildlife diseases such as Chronic Wasting Disease in deer and elk and swan lead poisoning. However, the supplemental funding was not fully recognized in the 2003-05 budget. This item fully funds these activities in the second year of the biennium. (State Wildlife Account-State)

16. Wildfire - Wildfires burned in excess of 6,250 acres of WDFW lands during the summer of 2003. To date, unanticipated fire suppression and rehabilitation costs amount to \$250,000. Within this amount, \$122,000 shall be paid to the Department of Natural Resources for their costs incurred for fire suppression related to Fish and Wildlife lands. These one-time funds will allow for immediate rehabilitation of lands to control erosion, restore native perennial vegetation, and to limit the spread of noxious weeds. Funding is also provided for restoration of deer, elk and boundary fencing on agency lands destroyed by wildfires. (Wildlife Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Fish and Wildlife

17. Access Area Maintenance - Increased use of agency access sites has resulted in steady deterioration of boat ramps, signs, fences, and restrooms as well as an erosion of agency weed control efforts at these sites. Revenue from the sale of vehicle use permits has increased substantially over the last two years. This item provides funding from dedicated revenues for additional maintenance and weed control at access sites. (State-Wildlife Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Natural Resources**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	64,540	280,145	64,540	280,145	64,540	280,145
Total Maintenance Changes	19	77	19	77	19	77
2004 Policy Changes:						
1. NRCA Fire Damage Restoration	60	60	60	60	60	60
2. Pacific Sound Resources Litigation	940	940	940	940	300	300
3. Emergency Fire Suppression	23,516	24,823	23,516	24,823	23,516	24,823
4. Access Roads (SHB 2506)	0	0	0	161	0	0
5. State-Owned Forest Land (ESHB 2753)	0	0	0	178	0	0
6. Marina Rent Study	0	0	0	40	0	40
7. Recreation Site & Trail Maintenance	0	0	450	450	200	200
8. Avoiding Camp & Trail Closures	200	200	0	0	0	0
9. Forest Health Study (2SSB 6144)	50	200	0	0	0	0
10. Mapping of Gravel & Stone Deposits	108	108	0	0	108	108
11. Pacific Sound Resources Settlement	0	0	0	0	2,000	4,750
Total Policy Changes	24,874	26,331	24,966	26,652	26,184	30,281
2003-05 Revised Appropriations	89,433	306,553	89,525	306,874	90,743	310,503
Difference from Original Appropriations	24,893	26,408	24,985	26,729	26,203	30,358
% Change from Original Appropriations	38.6%	9.4%	38.7%	9.5%	40.6%	10.8%

Comments:

1. NRCA Fire Damage Restoration - One-time funding is provided for habitat restoration in the department-managed Loomis Natural Resource Conservation Area (NRCA), which sustained damage as a result of fighting the Farewell Creek fire during the summer of 2003. Restoration work for this conservation area will meet a higher standard than restoration on non-conservation lands, and will include replanting with native vegetation, reshaping slopes to the natural contour, and obliterating a fire road.

2. Pacific Sound Resources Litigation - One-time funding is provided for legal defense costs related to a toxic-cleanup lawsuit filed in King County Superior Court by Pacific Sound Resources (PSR) and the Port of Seattle against the state of Washington, the Department of Natural Resources (DNR), and other defendants.

3. Emergency Fire Suppression - One-time funding is provided to the Fire Suppression activity for incurred and anticipated costs during Fiscal Year 2004, in excess of the department's existing fire suppression appropriations. Funding is also provided in the appropriations for the Department of Fish and Wildlife that will offset costs incurred by the Department of Natural Resources for fire suppression on Fish and Wildlife lands. Emergency fire suppression funding is not provided for indirect and administrative costs within the department. (General Fund-State, General Fund-Federal)

6. Marina Rent Study - One-time funding is provided for the Department of Natural Resources (DNR) to calculate the rent for DNR-leased marinas to be based on a percentage of a marina's income and to recommend an appropriate formula to the 2005 legislature. (Aquatic Lands Enhancement Account-State)

7. Recreation Site & Trail Maintenance - Funding is provided to avoid closures to camp sites and trails maintained by the department. This additional funding, along with increases provided in the biennial budget from the Off Road Vehicle Account more than restores 2003-05 reductions in General Fund-State support for camp sites and trails. If additional funding is required to avoid closures to camp sites and trails during the 2003-05 biennium, the department is directed to reduce expenditures for agency administration by five percent and redeploy those general fund resources to the recreation program prior to closing any camp sites or trails.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Natural Resources

10. Mapping of Gravel & Stone Deposits - Funding is provided for the mapping of gravel and stone resources for Clark and Yakima counties. The project should produce electronic geologic maps with databases that estimate thickness and volumes of the deposits.

11. Pacific Sound Resources Settlement - One-time funding is provided for settlement costs related to a toxic-cleanup lawsuit filed in King County Superior Court by Pacific Sound Resources (PSR) and the Port of Seattle against the State of Washington, the Department of Natural Resources (DNR), and other defendants. (State Toxics Control Account-State; Aquatic Lands Enhancement Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Agriculture**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	14,688	90,871	14,688	90,871	14,688	90,871
Total Maintenance Changes	0	232	0	232	0	232
2004 Policy Changes:						
1. BSE Ongoing Response	329	329	329	329	329	329
2. Animal Disease Emergency Response	150	150	150	150	150	150
3. Agricultural Economic Development	630	630	630	630	630	630
4. Agriculture Industry Assistance	0	0	3,000	3,000	1,500	1,500
5. Asparagus Technology Study	0	0	330	330	330	330
6. Spartina Eradication	0	0	0	85	0	85
7. Comprehensive Irrigation Plans	1,100	1,100	0	0	0	0
8. Hop Commission Assistance	0	0	0	0	400	400
9. Herbicide Study	0	0	0	0	50	50
10. Noxious Weed Control	0	0	0	0	500	500
11. Peshastin Irrigation Plan	75	75	0	0	0	0
Total Policy Changes	2,284	2,284	4,439	4,524	3,889	3,974
2003-05 Revised Appropriations	16,972	93,387	19,127	95,627	18,577	95,077
Difference from Original Appropriations	2,284	2,516	4,439	4,756	3,889	4,206
% Change from Original Appropriations	15.6%	2.8%	30.2%	5.2%	26.5%	4.6%

Comments:

1. BSE Ongoing Response - Bovine Spongiform Encephalopathy (BSE), also known as "mad cow" disease, was discovered in a Washington state dairy cow in late December 2003. The Department of Agriculture's initial response to the discovery of BSE highlighted gaps in the agency's ability to respond to emergencies of this type. Funding is provided for increased food safety and commercial feed inspections, policy and investigative work in animal identification, and legal costs.

2. Animal Disease Emergency Response - Bovine Spongiform Encephalopathy (BSE), also known as "mad cow" disease, was discovered in a Washington state dairy cow in late December 2003. This discovery set off an incident response by the Washington State Department of Agriculture (WSDA) and other state agencies. As a result, additional one-time staffing and funding is provided to cover estimated overtime and legal costs.

3. Agricultural Economic Development - Ongoing funding is provided to continue three agricultural promotion programs whose funding would otherwise expire, or be reduced, during the 2003-05 Biennium. "From the Heart of Washington" produces articles, advertisements, and events to "buy Washington," thereby promoting Washington agriculture. Within the International Marketing activity, the Southeast Asia/China trade representative assists international sales of Washington products to those areas of the world. The Small Farm and Direct Marketing activity connects small farmers directly with consumers, thereby increasing profitability and viability of small and family farms. Supplemental funding for Fiscal Year 2005 will: enable "From the Heart of Washington" to provide advertising and in-store labeling for Washington-produced agricultural products; provide trade representation for China and Southeast Asia; and allow the Small Farm and Direct Marketing activity to work on projects of importance to Washington stakeholders, in addition to federal priorities.

4. Agriculture Industry Assistance - One-time funding is provided to the Department for the purchase of agricultural products packing equipment. The department shall negotiate an appropriate agreement with the agricultural industry for the use of the equipment.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Agriculture

5. Asparagus Technology Study - Ongoing funding is provided to the Department to contract with Washington State University for research and development activities related to asparagus harvesting and automation technology.

6. Spartina Eradication - One-time funding is provided to the Department for spartina eradication efforts in Willapa Bay and Grays Harbor. (Aquatic Lands Enhancement Account-State)

8. Hop Commission Assistance - Funding is provided for the Hop Commission to research and develop new harvesting technologies.

9. Herbicide Study - One time funding is provided to assist the Washington State Water Resources Association in their study of the herbicide Xylene.

10. Noxious Weed Control - Funding is provided for the control of Japanese Knotweed in Southwest Washington.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Washington State Patrol
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	38,860	88,373	38,860	88,373	38,860	88,373
Total Maintenance Changes	0	712	0	712	0	712
2004 Policy Changes:						
1. Commercial License Compliance #	0	0	0	276	0	276
2. Equip Maintenance/Software Licenses	0	217	0	217	0	217
3. Fund Switch Crime Lab	0	0	0	0	0	0
4. Fund Switch Investigative Assist.	0	0	0	0	0	0
5. DNA Kits	0	376	0	376	0	376
Total Policy Changes	0	593	0	869	0	869
2003-05 Revised Appropriations	38,860	89,678	38,860	89,954	38,860	89,954
Difference from Original Appropriations	0	1,305	0	1,581	0	1,581
% Change from Original Appropriations	0.0%	1.5%	0.0%	1.8%	0.0%	1.8%

Comments:

1. Commercial License Compliance # - Funding is provided for processing an additional 10,900 criminal history records pursuant to Substitute House Bill 2532 (modifying commercial drivers license provisions), which establishes new requirements for commercial driver license applicants and school bus drivers. The changes will bring the state into compliance with new regulations promulgated by the Federal Motor Carrier Administration and the Transportation Security Administration. (Fingerprint Identification Account-State)

2. Equip Maintenance/Software Licenses - Funding is provided to cover increased vendor maintenance costs for the Washington State Identification System (WASIS) and Washington Crime Information Center (WACIC), known as the W2 system. Providing the additional funding will allow the State patrol to maintain its current level of vendor support, and insure the reliability of the W2 system. (Public Safety and Education Account-State)

3. Fund Switch Crime Lab - State funding is provided to cover a shortfall in federal narcotics seizure account revenues that currently support the state crime lab. Federal seizure account revenues have decreased due to stepped up border security imposed after September 11, 2001. Without the state funding, crime lab functions would have to be reduced. (Public Safety and Education Account-State, Federal Narcotics Seizure Account-Non-Appropriated)

4. Fund Switch Investigative Assist. - State funding is provided to cover a shortfall in federal narcotics seizure account revenues that currently support the State Patrol Special Weapons and Tactics (SWAT) Team and methamphetamine response. Without the state funding, these activities would have to be reduced. (Public Safety and Education Account-State, Federal Narcotics Seizure Account-Non-Appropriated)

5. DNA Kits - Funding is provided to the Crime Laboratory Division for the increasing demand for DNA casework services. DNA kits are needed for an increased number of DNA analysis cases, due to using a more advanced method which permits analysis of trace evidence. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Licensing**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	9,974	35,584	9,974	35,584	9,974	35,584
Total Maintenance Changes	74	-356	74	-356	74	-356
2004 Policy Changes:						
1. Bail Bond Agents (SHB 2313)	0	0	15	15	0	0
2. Landlord/Tenant Disputes (SHB 3082)	0	0	0	761	0	0
3. Appraiser Trainees (2SHB 1897)	0	0	0	95	0	0
4. Licensing Cosmetologists (SSB 6341)	0	0	0	0	318	318
Total Policy Changes	0	0	15	871	318	318
2003-05 Revised Appropriations	10,048	35,228	10,063	36,099	10,366	35,546
Difference from Original Appropriations	74	-356	89	515	392	-38
% Change from Original Appropriations	0.7%	-1.0%	0.9%	1.4%	3.9%	-0.1%

Comments:

4. Licensing Cosmetologists (SSB 6341) - Funding is provided to implement Substitute Senate Bill 6341 (cosmetology) which requires the Department of Licensing to produce and mail notices to all licensees (cosmetologists, manicurists, estheticians, and barbers) in good standing or in an inactive status of future statutory and regulatory changes concerning certification and renewal requirements.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools OSPI & Statewide Programs (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	41,538	129,190	41,538	129,190	41,538	129,190
Total Maintenance Changes	0	6,298	0	6,298	0	6,298
2004 Policy Changes:						
1. Reading Initiative	0	0	61	61	0	0
2. Mathematics Initiative	0	0	60	60	60	60
3. Kindergarten Readiness Guidelines	0	0	100	100	0	0
4. Alternative Routes to Certification	340	340	340	340	340	340
5. Charter Schools #	130	130	0	0	130	130
6. Washington Achievers Scholars	0	0	250	250	0	0
7. WWII Oral History Project	0	0	50	50	0	0
8. HB 2456 Sexual Misconduct	0	0	44	44	0	0
9. HB 2406 Tribal History Curriculum	0	0	25	25	0	0
10. HB 2455 Financial Literacy	0	0	48	48	0	0
11. HB 2596 Children with Disabilities	0	0	10	10	0	0
12. Teen Abstinence	0	0	194	194	0	0
13. Special Services Pilot Project Adj	0	0	0	0	-290	-290
14. Nature and Environmental Education	75	75	0	0	75	75
15. Child Abduction Materials	25	25	0	0	25	25
16. Nursing Corp	1,000	1,000	0	0	0	0
17. Virtual Classroom Consortium	100	100	0	0	100	100
18. Sexual Misconduct Legislation	44	44	0	0	44	44
Total Policy Changes	1,714	1,714	1,182	1,182	484	484
2003-05 Revised Appropriations	43,252	137,202	42,720	136,670	42,022	135,972
Difference from Original Appropriations	1,714	8,012	1,182	7,480	484	6,782
% Change from Original Appropriations	4.1%	6.2%	2.8%	5.8%	1.2%	5.2%

Comments:

2. Mathematics Initiative - The Washington Professional Educator Standards Board (WPESB) will submit a report regarding specific implementation strategies to strengthen the mathematics initiative by improving teacher knowledge and skill development including: a) teacher preparation program approval standard changes; b) teacher certification requirement changes and the development of new expertise credentials; c) state-established standards to guide the approval of professional development providers and offerings related to reading and mathematics; and d) other related recommendations. The WPESB will submit the report to the Governor, Superintendent of Public Instruction, State Board of Education, and the education and fiscal committees of the Legislature by November 1, 2004.

4. Alternative Routes to Certification - Funding is provided for the Washington Professional Educator Standards Board to expand the alternative routes to teaching program to provide more teacher certification opportunities in areas of the state without current access to an alternative route program. The expansion will add 40 additional internships to the alternative route to teaching program, building upon a federal grant to establish regional teacher preparation centers.

5. Charter Schools # - Funding is provided for the implementation of 2SHB 2295 or 2ESSB 5012 (charter schools), which authorize the establishment of a limited number of charter schools. Most of the fiscal impact comes from an anticipated increase in funded enrollment due to home-schooled and private school students switching to public charter schools. The Office of the Superintendent of Public Instruction will monitor the number of charter schools subject to the limits in the legislation and provide technical assistance to districts and charter schools.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
OSPI & Statewide Programs

13. Special Services Pilot Project Adj - Under Chapter 133, Laws of 2003 (2SHB 2012 - Special Services Pilot Program), two districts were selected to provide early intensive reading and language assistance to students who are struggling academically. In FY 2004, to date, the programs have been unable to spend all of the state funds provided for this purpose. An adjustment is made to reflect this underexpenditure.

14. Nature and Environmental Education - Chapter 22, Laws of 2003 (ESHB 1466) established a natural science, wildlife, and environmental education grant program. One-time startup funding is provided to initiate the grant program. After this biennium, it is assumed that donations and other sources of funding will support the grant program.

15. Child Abduction Materials - Funding is provided for the school safety center advisory committee to identify instructional materials and resources for students, parents and teachers that are designed to prevent the abduction of children.

17. Virtual Classroom Consortium - One-time funding is provided for the Washington Virtual Classroom Consortium which currently includes Adna, Concrete, Eatonville, Ocosta, North Franklin, Quillayute Valley, Quinault Lake, Wapato, Wellpinit, and White Salmon school districts.

18. Sexual Misconduct Legislation - Funding is provided to implement 2SSB 5533 (disclosure of misconduct).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools General Apportionment (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	7,945,276	7,945,276	7,945,276	7,945,276	7,945,276	7,945,276
Total Maintenance Changes	19,286	19,286	19,286	19,286	19,286	19,286
2004 Policy Changes:						
1. Charter Schools #	401	401	0	0	401	401
2. HB 2538 \$1000 Minimum Benefit	<u>0</u>	<u>0</u>	<u>193</u>	<u>193</u>	<u>193</u>	<u>193</u>
Total Policy Changes	401	401	193	193	594	594
2003-05 Revised Appropriations	7,964,963	7,964,963	7,964,755	7,964,755	7,965,156	7,965,156
Difference from Original Appropriations	19,687	19,687	19,479	19,479	19,880	19,880
% Change from Original Appropriations	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%

Comments:

1. Charter Schools # - Funding is provided for the implementation of 2SHB 2295 or 2ESSB 5012 (charter schools), which authorize the establishment of a limited number of charter schools. Most of the fiscal impact comes from an anticipated increase in funded enrollment due to home-schooled and private school students switching to public charter schools. The Office of the Superintendent of Public Instruction will monitor the number of charter schools subject to the limits in the legislation and provide technical assistance to districts and charter schools.

2. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 Pupil Transportation**
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	411,917	411,917	411,917	411,917	411,917	411,917
Total Maintenance Changes	23,436	23,436	23,436	23,436	23,436	23,436
2003-05 Revised Appropriations	435,353	435,353	435,353	435,353	435,353	435,353
Difference from Original Appropriations	23,436	23,436	23,436	23,436	23,436	23,436
% Change from Original Appropriations	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 School Food Services**
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	6,200	383,061	6,200	383,061	6,200	383,061
Total Maintenance Changes	0	-19,941	0	-19,941	0	-19,941
2003-05 Revised Appropriations	6,200	363,120	6,200	363,120	6,200	363,120
Difference from Original Appropriations	0	-19,941	0	-19,941	0	-19,941
% Change from Original Appropriations	0.0%	-5.2%	0.0%	-5.2%	0.0%	-5.2%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 Special Education**
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	861,198	1,270,835	861,198	1,270,835	861,198	1,270,835
Total Maintenance Changes	1,604	17,455	1,604	17,455	1,604	17,455
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	0	0	22	23	22	23
2. Integrating Federal Funds	0	0	0	0	-961	0
Total Policy Changes	0	0	22	23	-939	23
2003-05 Revised Appropriations	862,802	1,288,290	862,824	1,288,313	861,863	1,288,313
Difference from Original Appropriations	1,604	17,455	1,626	17,478	665	17,478
% Change from Original Appropriations	0.2%	1.4%	0.2%	1.4%	0.1%	1.4%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2. Integrating Federal Funds - The budget incorporates a portion of the increase in federal funds to pay for some of the increased costs of the Special Education Program. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Traffic Safety Education
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	0	0	0	0	0
2004 Policy Changes:						
1. HB 1796 Low-Income Drivers Ed	<u>0</u>	<u>0</u>	<u>0</u>	<u>831</u>	<u>0</u>	<u>0</u>
Total Policy Changes	0	0	0	831	0	0
2003-05 Revised Appropriations	0	0	0	831	0	0
Difference from Original Appropriations	0	0	0	831	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Educational Service Districts (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	7,075	7,075	7,075	7,075	7,075	7,075
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	0	0	1	1	1	1
Total Policy Changes	0	0	1	1	1	1
2003-05 Revised Appropriations	7,075	7,075	7,076	7,076	7,076	7,076
Difference from Original Appropriations	0	0	1	1	1	1
% Change from Original Appropriations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Levy Equalization (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	329,309	329,309	329,309	329,309	329,309	329,309
Total Maintenance Changes	-4,315	-4,315	-4,315	-4,315	-4,315	-4,315
2004 Policy Changes:						
1. SB 6211 Levy Equalization	0	0	0	0	3,633	3,633
2. Levy Equalization Restoration	<u>5,917</u>	<u>5,917</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Policy Changes	5,917	5,917	0	0	3,633	3,633
2003-05 Revised Appropriations	330,911	330,911	324,994	324,994	328,627	328,627
Difference from Original Appropriations	1,602	1,602	-4,315	-4,315	-682	-682
% Change from Original Appropriations	0.5%	0.5%	-1.3%	-1.3%	-0.2%	-0.2%

Comments:

1. SB 6211 Levy Equalization - Under SSB 6211 (levy base calculations), each district's levy base will be increased by (1) the difference between the amount the district would have received under I-728 as originally passed by voters and the amount the district actually receives under I-728 as amended in 2003; and (2) the difference between the amount the district would have received under I-732 as originally passed by voters and the amount the district actually receives under I-732 as amended in 2003. This change increases projected state levy equalization allocations by \$3.6 million in FY 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Elementary/Secondary School Improv
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	46,198	0	46,198	0	46,198
Total Maintenance Changes	0	-3,381	0	-3,381	0	-3,381
2003-05 Revised Appropriations	0	42,817	0	42,817	0	42,817
Difference from Original Appropriations	0	-3,381	0	-3,381	0	-3,381
% Change from Original Appropriations	0.0%	-7.3%	0.0%	-7.3%	0.0%	-7.3%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 Institutional Education**
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	37,688	37,688	37,688	37,688	37,688	37,688
Total Maintenance Changes	-1,306	-1,306	-1,306	-1,306	-1,306	-1,306
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Policy Changes	0	0	1	1	1	1
2003-05 Revised Appropriations	36,382	36,382	36,383	36,383	36,383	36,383
Difference from Original Appropriations	-1,306	-1,306	-1,305	-1,305	-1,305	-1,305
% Change from Original Appropriations	-3.5%	-3.5%	-3.5%	-3.5%	-3.5%	-3.5%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Ed of Highly Capable Students
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	13,211	13,211	13,211	13,211	13,211	13,211
Total Maintenance Changes	40	40	40	40	40	40
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Policy Changes	0	0	1	1	1	1
2003-05 Revised Appropriations	13,251	13,251	13,252	13,252	13,252	13,252
Difference from Original Appropriations	40	40	41	41	41	41
% Change from Original Appropriations	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Student Achievement Program
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	398,203	0	398,203	0	398,203
Total Maintenance Changes	0	4,157	0	4,157	0	11,439
2003-05 Revised Appropriations	0	402,360	0	402,360	0	409,642
Difference from Original Appropriations	0	4,157	0	4,157	0	11,439
% Change from Original Appropriations	0.0%	1.0%	0.0%	1.0%	0.0%	2.9%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Education Reform (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	74,767	204,129	74,767	204,129	74,767	204,129
Total Maintenance Changes	-275	35,410	-275	35,410	-275	35,410
2004 Policy Changes:						
1. WASL Changes	688	688	1,180	1,180	869	869
2. Reading Initiative	0	0	314	314	0	0
3. Mathematics Initiative	0	0	515	515	515	515
4. HB 2769 Reducing Hunger	0	0	11	11	0	0
5. Title II Expenditure Study in JLARC	0	0	0	-50	0	0
6. Reading and Math Software	250	250	0	0	250	250
Total Policy Changes	938	938	2,020	1,970	1,634	1,634
2003-05 Revised Appropriations	75,430	240,477	76,512	241,509	76,126	241,173
Difference from Original Appropriations	663	36,348	1,745	37,380	1,359	37,044
% Change from Original Appropriations	0.9%	17.8%	2.3%	18.3%	1.8%	18.1%

Comments:

1. WASL Changes - The Washington Assessment of Student Learning (WASL) system is augmented to implement the 2008 Certificate of Academic Achievement graduation requirement. The Certificate of Academic Achievement will require students to pass the 10th grade WASL in three subject areas (reading, writing, and mathematics) or demonstrate mastery by an alternate method when a standardized assessment is a barrier to demonstrating their mastery of education standards. To prepare for the implementation of the graduation requirement, the Office of the Superintendent of Public Instruction will offer Spring and Fall WASL retake opportunities for high school students, develop options for alternate assessments and/or an appeals procedure, and review the alignment between the assessments and our learning standards.

3. Mathematics Initiative - The OSPI will disseminate information on essential components of comprehensive, school-based mathematics programs and evaluate mathematics textbooks and other instructional materials to determine the extent to which they are aligned with the state standards. A scorecard with the analysis will be widely available and will inform school district decision-makers regarding curriculum purchases. In addition, the OSPI will work with mentor teachers from around the state to develop guidelines for eligibility, training, and professional development for mathematics mentor teachers.

6. Reading and Math Software - Funding is provided for the purchase of reading and math software in the Tukwila and Selah school districts. The software will be used in conjunction with other research-based reading and math intervention programs. The Office of Superintendent of Public Instruction will provide a report detailing the outcomes achieved in the two school districts.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Transitional Bilingual Instruction
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	101,853	148,162	101,853	148,162	101,853	148,162
Total Maintenance Changes	2,871	1,106	2,871	1,106	2,871	1,106
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	<u>0</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Total Policy Changes	0	0	4	4	4	4
2003-05 Revised Appropriations	104,724	149,268	104,728	149,272	104,728	149,272
Difference from Original Appropriations	2,871	1,106	2,875	1,110	2,875	1,110
% Change from Original Appropriations	2.8%	0.7%	2.8%	0.7%	2.8%	0.7%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Learning Assistance Program (LAP)
 (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	129,436	436,614	129,436	436,614	129,436	436,614
Total Maintenance Changes	-2,143	-7,999	-2,143	-7,999	-2,143	-7,999
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total Policy Changes	0	0	2	2	2	2
2003-05 Revised Appropriations	127,293	428,615	127,295	428,617	127,295	428,617
Difference from Original Appropriations	-2,143	-7,999	-2,141	-7,997	-2,141	-7,997
% Change from Original Appropriations	-1.7%	-1.8%	-1.7%	-1.8%	-1.7%	-1.8%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Compensation Adjustments (Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	145,181	145,740	145,181	145,740	145,181	145,740
Total Maintenance Changes	705	713	705	713	705	713
2004 Policy Changes:						
1. HB 2538 \$1000 Minimum Benefit	0	0	1	1	2	2
2. Hlth Benefit Parity	0	0	24,376	24,483	0	0
3. Hlth Benefit Rate Parity/Increase	0	0	0	0	9,495	9,539
4. Integrating Federal Funds	0	0	0	0	-29	0
5. Classified Staff Salary Increase	5,453	5,475	0	0	5,452	5,475
Total Policy Changes	5,453	5,475	24,377	24,484	14,920	15,016
2003-05 Revised Appropriations	151,339	151,928	170,263	170,937	160,806	161,469
Difference from Original Appropriations	6,158	6,188	25,082	25,197	15,625	15,729
% Change from Original Appropriations	4.2%	4.2%	17.3%	17.3%	10.8%	10.8%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

3. Hlth Benefit Rate Parity/Increase - The health benefit funding rate for school district employees is increased from \$481.31 per employee per month in the 2003-04 school year to \$582.47 in the 2004-05 school year. The new rate provides parity with state employees. (The only difference between the K-12 and state employee funding rates is that the K-12 rate does not include the \$2.11 that is in the state employee rate for the settlement of a lawsuit.) The state employee funding rate is expected to result in no increase in the average employee co-premium from 2004 to 2005. K-12 health benefits, including employee premiums and co-pays, are bargained locally. (General Fund-State, General Fund-Federal)

4. Integrating Federal Funds - The budget incorporates a portion of the increase in federal funds to pay for some of the increased costs of the Special Education Program. (General Fund-State, General Fund-Federal)

5. Classified Staff Salary Increase - Funding is provided for a 1 percent salary increase for classified school employees. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp) Higher Education Coordinating Board

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	312,297	329,640	312,297	329,640	312,297	329,640
Total Maintenance Changes	99	113	99	113	99	113
2004 Policy Changes:						
1. State Need Grant	4,863	4,863	2,967	2,967	4,481	4,481
2. Promise Scholarship	0	0	4,343	4,343	2,340	2,340
3. Washington Center Scholarships	160	160	0	0	60	60
4. Program Assessment and Approval	0	0	205	205	205	205
5. High Demand Enrollments	2,500	2,500	6,399	6,399	3,563	3,563
6. Enrollment Growth Evaluation	100	100	0	0	100	100
7. Health Professional Program	2,000	2,000	0	2,000	2,000	2,000
Total Policy Changes	9,623	9,623	13,914	15,914	12,749	12,749
2003-05 Revised Appropriations	322,019	339,376	326,310	345,667	325,145	342,502
Difference from Original Appropriations	9,722	9,736	14,013	16,027	12,848	12,862
% Change from Original Appropriations	3.1%	3.0%	4.5%	4.9%	4.1%	3.9%

Comments:

1. State Need Grant - Funding is provided to cover the impact of new state budgeted, high demand full-time equivalent (FTE) student enrollments (\$164,000) and to serve 35% of unserved State Need Grant (SNG) eligible students (\$4,317,000) in FY 2005. It is assumed that grants will increase by 7 percent as assumed in the biennial budget for FY 2005. The effective income cutoff for need grants is maintained at 55 percent of the state's median family income.

2. Promise Scholarship - Funding is provided to restore the average grant award amount for the Promise Scholarship program to approximately 51 percent of community college tuition and fees. In FY 2005, it is assumed that eligibility for the graduating high school class of 2004 is limited to 120 percent of median family income (MFI) adjusted for family size. The eligibility for the graduating high school class of 2003 is retained at 135 percent of MFI.

3. Washington Center Scholarships - Funding is provided for \$4,000 scholarships to 15 Washington college students to participate in full-time, semester-long internships in Washington, DC. Students will apply to the Washington Center, which will place students in various agencies in Washington, DC related to the students' program majors and public sector career interests. These scholarships, distributed by the Higher Education Coordinating Board, ensure that all students are eligible to participate by offsetting housing and living expenses.

4. Program Assessment and Approval - Funding is provided to develop a comprehensive and ongoing assessment process to analyze the need for additional degrees and programs, additional service area locations, and consolidation or elimination of programs by four-year institutions, as outlined in Substitute House Bill 3103 (higher education).

5. High Demand Enrollments - The Board will manage a competitive process to award 324 FTE student enrollments in high demand fields. Public baccalaureate institutions are eligible to apply for funding. State funds are budgeted at an average rate of \$11,000 per FTE for instruction.

6. Enrollment Growth Evaluation - Funding is provided to evaluate specific policy alternatives with which the Legislature will make key investment decisions for the 2005-07 biennium.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Higher Education Coordinating Board

7. Health Professional Program - Funding is provided to expand the Health Professional Loan Repayment and Scholarship Program. Funds will assist with the recruitment and retention of credentialed health professionals in underserved areas of the state.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**University of Washington**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	631,212	3,624,733	631,212	3,624,733	631,212	3,624,733
2004 Policy Changes:						
1. Building Maintenance to Capital	0	0	-1,525	-1,525	0	0
2. Burke Museum Educational Outreach	0	0	75	75	50	50
3. Family Practice Residency Programs	0	0	1,897	1,897	1,897	1,897
4. General Enrollments	0	0	2,907	2,907	1,862	1,862
5. Proteomics Center	0	0	2,900	2,900	0	0
6. Labor Center Research	0	0	30	30	0	0
7. Korean Studies Endowment	500	500	0	0	0	0
8. UW-Tacoma Autism Center	675	675	0	0	675	675
9. UW Proteomics Center	1,300	1,300	0	0	1,600	1,600
Total Policy Changes	2,475	2,475	6,284	6,284	6,084	6,084
2003-05 Revised Appropriations	633,687	3,627,208	637,496	3,631,017	637,296	3,630,817
Difference from Original Appropriations	2,475	2,475	6,284	6,284	6,084	6,084
% Change from Original Appropriations	0.4%	0.1%	1.0%	0.2%	1.0%	0.2%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. Burke Museum Educational Outreach - Funding is provided for one education coordinator to help teachers meet state and district learning requirements through teacher training programs. In addition, an expanded statewide educational kit program, curriculum development, and digital collections access using web-based technologies are also supported by the appropriation.

3. Family Practice Residency Programs - State funding for the training and support of primary care physicians and primary care providers through the network of family practice residency programs is increased. This item will double the amount of funding that is passed on to family practice residency programs to assist with cost increases experienced by the programs, including the rising cost of medical malpractice premiums.

4. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 338 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,505 per FTE.

6. Labor Center Research - Funding is provided for research on labor and economic issues in Washington state through the Harry Bridges Center.

8. UW-Tacoma Autism Center - One-time funding is provided to establish an Autism Center at UW-Tacoma. The new facility will function as a satellite facility to the Autism Center at the UW Medical Center in Seattle and provide clinical service and professional training. Funding of \$300,000 is provided for facility renovation of leased space adjacent to the UW-Tacoma campus and \$375,000 is provided for staffing.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
University of Washington

9. UW Proteomics Center - Funding is provided to the University of Washington's School of Medicine for the recruitment of biosciences research faculty and the establishment of a proteomics center. A proviso makes the funding contingent on receipt of \$6 million in non-state matching funds.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Washington State University**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	375,219	864,579	375,219	864,579	375,219	864,579
2004 Policy Changes:						
1. Building Maintenance to Capital	0	0	-598	-598	0	0
2. General Enrollments	0	0	1,625	1,625	1,043	1,043
3. High Demand - Research Match	0	0	850	850	0	0
4. Burrowing Shrimp Research	0	0	50	50	50	50
5. BSE Research	0	0	270	270	0	0
Total Policy Changes	0	0	2,197	2,197	1,093	1,093
2003-05 Revised Appropriations	375,219	864,579	377,416	866,776	376,312	865,672
Difference from Original Appropriations	0	0	2,197	2,197	1,093	1,093
% Change from Original Appropriations	0.0%	0.0%	0.6%	0.3%	0.3%	0.1%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 191 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,453 per FTE.

3. High Demand - Research Match - Funding is provided as a state match to attract or retain federal research grants in high-demand and technologically advanced fields.

4. Burrowing Shrimp Research - Funding is provided for research to develop alternative control mechanisms for burrowing shrimp.

5. BSE Research - Funding is provided to the College of Veterinary Medicine to support the development of a live animal test for bovine spongiform encephalopathy.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Eastern Washington University
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	83,044	160,199	83,044	160,199	83,044	160,199
2004 Policy Changes:						
1. Building Maintenance to Capital	0	0	-131	-131	0	0
2. General Enrollments	<u>0</u>	<u>0</u>	<u>681</u>	<u>681</u>	<u>437</u>	<u>437</u>
Total Policy Changes	0	0	550	550	437	437
2003-05 Revised Appropriations	83,044	160,199	83,594	160,749	83,481	160,636
Difference from Original Appropriations	0	0	550	550	437	437
% Change from Original Appropriations	0.0%	0.0%	0.7%	0.3%	0.5%	0.3%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 78 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,580 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Central Washington University**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	81,156	181,036	81,156	181,036	81,156	181,036
Total Maintenance Changes	223	223	223	223	223	223
2004 Policy Changes:						
1. Building Maintenance to Capital	0	0	-143	-143	0	0
2. Enrollment Stabilization & Recovery	0	0	266	266	266	266
3. General Enrollments	0	0	641	641	411	411
Total Policy Changes	0	0	764	764	677	677
2003-05 Revised Appropriations	81,379	181,259	82,143	182,023	82,056	181,936
Difference from Original Appropriations	223	223	987	987	900	900
% Change from Original Appropriations	0.3%	0.1%	1.2%	0.5%	1.1%	0.5%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. Enrollment Stabilization & Recovery - Funding is provided to partially restore state funded full-time equivalent (FTE) student enrollments that were deducted from the budgeted base in 2001, because enrollment has been fully recovered. This funding will provide for 50 additional FTE students during the 2003-05 biennium.

3. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 75 FTE students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,475 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**The Evergreen State College**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	46,449	90,620	46,449	90,620	46,449	90,620
2004 Policy Changes:						
1. Charter School Study	65	65	0	0	65	65
2. Building Maintenance to Capital	0	0	-44	-44	0	0
3. General Enrollments	0	0	315	315	202	202
4. SW Washington Baccalaureate Study	90	90	0	0	0	0
5. Bi-lingual Education Study	25	25	0	0	25	25
6. Sex Offender Sentencing (ESHB 2400)	0	0	0	0	150	150
Total Policy Changes	180	180	271	271	442	442
2003-05 Revised Appropriations	46,629	90,800	46,720	90,891	46,891	91,062
Difference from Original Appropriations	180	180	271	271	442	442
% Change from Original Appropriations	0.4%	0.2%	0.6%	0.3%	1.0%	0.5%

Comments:

1. Charter School Study - Funding is provided for the implementation of 2SHB 2295 or SSB 5012 (charter schools), which requires the Institute for Public Policy to conduct a study of the effectiveness of charter schools.

2. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

3. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 37 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,437 per FTE.

5. Bi-lingual Education Study - Funding is provided for the Washington State Institute for Public Policy to examine issues related to the state's transitional bilingual education program. Specifically, the examination will include a review of the following issues: trends in enrollment and average length of stay in the transitional bilingual program; the different types of programs and delivery methods that exist in the Washington state and other states; the academic and language acquisition effectiveness of different types of programs and service delivery methods; the cost benefits of these different types of programs and service delivery methods; and potential changes that would result in more effective program delivery and cost-effectiveness.

6. Sex Offender Sentencing (ESHB 2400) - Funding is provided for the WSIPP to evaluate the impact and effectiveness of current sex offender sentencing policies, including the special sex offender sentencing alternative (SSOSA). The analysis shall examine whether changes to sentencing policies and sex offender programming can increase public safety. The WSIPP shall report its findings and recommendations to the Legislature no later than December 31, 2004.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Western Washington University**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	109,182	254,158	109,182	254,158	109,182	254,158
2004 Policy Changes:						
1. Building Maintenance to Capital	0	0	-213	-213	0	0
2. General Enrollments	0	0	923	923	590	590
Total Policy Changes	0	0	710	710	590	590
2003-05 Revised Appropriations	109,182	254,158	109,892	254,868	109,772	254,748
Difference from Original Appropriations	0	0	710	710	590	590
% Change from Original Appropriations	0.0%	0.0%	0.7%	0.3%	0.5%	0.2%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 108 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,459 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Community/Technical College System
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,025,814	1,892,613	1,025,814	1,892,613	1,025,814	1,892,613
Total Maintenance Changes	3,860	3,860	3,860	3,860	3,860	3,860
2004 Policy Changes:						
1. Use of Admin. Contingency Account	-4,000	0	-2,000	0	-3,500	0
2. Operating Costs/Exist Capital Proj	29	29	840	840	29	29
3. Building Maintenance to Capital	0	0	-1,346	-1,346	0	0
4. General Enrollments	0	0	8,710	8,710	5,581	5,581
5. High Demand Enrollments	0	0	6,399	6,399	3,563	3,563
6. Transition Math Project	0	0	300	300	300	300
Total Policy Changes	-3,971	29	12,903	14,903	5,973	9,473
2003-05 Revised Appropriations	1,025,703	1,896,502	1,042,577	1,911,376	1,035,647	1,905,946
Difference from Original Appropriations	-111	3,889	16,763	18,763	9,833	13,333
% Change from Original Appropriations	0.0%	0.2%	1.6%	1.0%	1.0%	0.7%

Comments:

1. Use of Admin. Contingency Account - Funding for training and related support services for unemployed workers is shifted to the Administrative Contingency Account-State. (General Fund-State, Administrative Contingency Account-State)

2. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings that received all or a portion of their construction funding through the capital budget.

3. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

4. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 1,223 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident students is supported by the state at an average rate of \$4,565 per FTE.

5. High Demand Enrollments - Funding is provided solely to expand enrollment in high demand fields, including the expansion of worker retraining programs. The State Board will manage a competitive process for awarding high demand resources. State funds are budgeted at an average rate of \$10,000 per FTE for high demand fields and \$5,000 per FTE for worker retraining.

6. Transition Math Project - One-time funding is provided to address the need to reduce remedial math courses taken at institutions of higher education. The project will bring together representatives from the K-12 system, the community and technical college system, and public four-year institutions to: (1) align standards and expectations for mathematics so that high school graduates will be prepared to enter college-level math courses; (2) increase student success in completing math requirements through attention to improved instruction and assessment; and (3) clearly communicate math expectations to students through focused educational advising. The State Board for Community and Technical Colleges will serve as fiscal agent for the project.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Bond Retirement and Interest**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	1,249,251	1,439,607	1,249,251	1,439,607	1,249,251	1,439,607
Total Maintenance Changes	-14,300	-4,128	-14,300	-4,128	-14,300	-4,128
2004 Policy Changes:						
1. Additional Bond Sales	1,952	3,483	1,952	3,483	1,952	3,483
Total Policy Changes	1,952	3,483	1,952	3,483	1,952	3,483
2003-05 Revised Appropriations	1,236,903	1,438,962	1,236,903	1,438,962	1,236,903	1,438,962
Difference from Original Appropriations	-12,348	-645	-12,348	-645	-12,348	-645
% Change from Original Appropriations	-1.0%	0.0%	-1.0%	0.0%	-1.0%	0.0%

Comments:

1. Additional Bond Sales - Funding is provided for debt service costs and related bond sale expenses for additional authorized general obligation and Gardner-Evans bonds. Projects include high priority education, public safety, and water resource facilities. (General Fund-State, Gardner-Evans Higher Education Construction Account-State, State Building Construction Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Special Approps to the Governor
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	18,249	81,015	18,249	81,015	18,249	81,015
2004 Policy Changes:						
1. WA Integrated Justice InformationBd	0	0	0	150	0	0
2. Help America Vote Act	3,140	3,140	3,140	3,140	3,140	3,140
3. K-20 Telecommunications Network	-1,154	-1,154	-1,204	-1,204	-1,204	-1,204
4. Liability Account	0	-4,572	0	-4,572	0	-4,572
5. County Assistance	0	0	3,000	3,000	4,000	4,000
6. Extraordinary Crim Justice Costs	0	0	2,911	2,911	954	954
7. Mental Health Task Force	0	0	50	80	50	80
8. Governmental Liability Reform	-10,000	-10,000	0	0	-1,203	-1,203
9. Mader v. HCA Settlement	11,000	11,000	0	0	0	0
10. Mader v HCA Settlement	0	0	11,000	11,000	11,000	11,000
11. Sex Offender Sentencing	0	0	2,000	2,000	0	0
12. Travel, Equipment, Contracts	-11,400	-11,400	0	0	-11,400	-11,400
Total Policy Changes	-8,414	-12,986	20,897	16,505	5,337	795
2003-05 Revised Appropriations	9,835	68,029	39,146	97,520	23,586	81,810
Difference from Original Appropriations	-8,414	-12,986	20,897	16,505	5,337	795
% Change from Original Appropriations	-46.1%	-16.0%	114.5%	20.4%	29.2%	1.0%

Comments:

2. Help America Vote Act - A General Fund-State appropriation is made to the Election Account for use as matching funds for federal dollars. The funding in the Election Account will be used by the Voter Registration and Help America Vote Act Local Grant Program activities in the Office of the Secretary of State.

3. K-20 Telecommunications Network - Adjustments to the acquisition strategy have produced one-time equipment replacement savings for the K-20 Education Telecommunications Network activity.

4. Liability Account - Savings are projected for self-insurance premiums in dedicated funds and accounts in the same amount as the General Fund--State reduction included in the 2003-05 enacted budget. In addition, the General Fund--State savings for fiscal year 2004 are shifted to fiscal year 2005. (General Fund--State, various other funds)

5. County Assistance - \$4.803 million GF-S is added to align the overall spending and tax policy on the issue of county financial assistance. The Senate's intent is enact SB 6689 to effectuate this policy.

6. Extraordinary Crim Justice Costs - Funding is provided to reimburse King and Pacific counties for extraordinary criminal justice costs.

7. Mental Health Task Force - Funding is provided for a joint legislative and executive task force on mental health services delivery and financing. (General Fund-State, General Fund-Federal)

8. Governmental Liability Reform - This item reflects the projected savings to the state General Fund from governmental liability reform.

**2003-05 Revised Omnibus Operating Budget (2004 Supp)
Special Approps to the Governor**

10. Mader v HCA Settlement - Funding is provided to settle all claims in Mader et. al. v. Health Care Authority and the State of Washington. Community and technical colleges are required to provide health benefits during the summer months for part-time faculty who have worked half-time or more during the academic year. This settlement requires the reimbursement of health care premiums prior to 2003. The appropriation is contingent upon the execution of the settlement by June 30, 2004.

12. Travel, Equipment, Contracts - Funding is reduced 10 percent for travel, equipment, and personal service contract expenditures in fiscal year 2005.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Sundry Claims**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	18	383	18	383	18	383
2004 Policy Changes:						
1. Self-Defense Claims	61	61	61	61	64	64
2. Deer and Elk Damage Claims	0	30	0	30	0	30
Total Policy Changes	61	91	61	91	64	94
2003-05 Revised Appropriations	79	474	79	474	82	477
Difference from Original Appropriations	61	91	61	91	64	94
% Change from Original Appropriations	338.9%	23.8%	338.9%	23.8%	355.6%	24.5%

Comments:

1. Self-Defense Claims - On the recommendation of the Office of Risk Management, payment is made under RCW 9A.16.110 for claims for reimbursement of legal costs and other expenses of criminal defendants acquitted on the basis of self defense. The amount reflects claims received by the Legislature as of February 24, 2004.

2. Deer and Elk Damage Claims - On the recommendation of the Office of Risk Management, payment is made under RCW 77.12.280 for claims for damages to agricultural crops by wildlife. The amount reflects claims received by the Legislature as of February 17, 2004. (State Wildlife Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
State Employee Compensation Adjust
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	48,284	89,733	48,284	89,733	48,284	89,733
2004 Policy Changes:						
1. Move Funding from Inactive Account	0	0	0	0	0	0
2. Reduce Employee Premiums	0	0	0	0	6,697	13,381
3. HB 2538 - \$1000 Minimum Benefit	0	0	150	278	0	0
4. Minimum Allowance for TRS/PERS 1	500	700	0	0	150	278
5. Vesting Period Revision For Plans 3	1,100	1,300	0	0	0	0
6. Military Leave Enhancement	1,000	1,000	0	0	0	0
7. Health Benefits	-8,674	-17,178	5,505	8,175	-11,667	-23,313
Total Policy Changes	-6,074	-14,178	5,655	8,453	-4,820	-9,654
2003-05 Revised Appropriations	42,210	75,555	53,939	98,186	43,464	80,079
Difference from Original Appropriations	-6,074	-14,178	5,655	8,453	-4,820	-9,654
% Change from Original Appropriations	-12.6%	-15.8%	11.7%	9.4%	-10.0%	-10.8%

Comments:

1. Move Funding from Inactive Account - Health insurance funding is transferred from the now defunct Salmon Recovery Account to the Recreation Resources Account.

2. Reduce Employee Premiums - In addition to distributing surplus from FY 2004, approximately \$6.7 million in General Fund-State, and \$3.2 million in other funds are appropriated to reduce projected employee premiums for CY 2005. Along with the reduction in employee premiums resulting from the distribution of surplus, this will hold the projected average employee premium for CY 2005 to \$78.63 per month, the same level currently projected for CY 2004. Under the 2003-05 biennial budget, the CY 2005 average employee premium was projected to rise to \$110.64 per month. This budget anticipates that the total cost of medical insurance purchased on behalf of current employees will increase by an average of 15 percent, and for retirees enrolled in Medicare by 13.9 percent, between CY 2004 and CY 2005. (General Fund-State and other funds)

4. Minimum Allowance for TRS/PERS 1 - Funding is provided for increased pension contribution rate costs associated with paying a \$1000 minimum benefit to certain retirees of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to House Bill 2538 (\$1000 minimum benefit). (General Fund-State, General Fund-Federal, General Fund-Private/Local, Retirement Contribution Increase Revolving Account-State)

7. Health Benefits - The actual cost of health care coverage provided through the Public Employees Benefits Board (PEBB) is less than anticipated in the 2003-05 biennial budget. The resulting surplus in the PEBB Fund are used to hold down health care premium costs. Surplus funds are expended in a manner proportional to current funding practices, with 16 percent of the surplus used to reduce employee contributions and 84 percent used to reduce state contributions. (General Fund-State and other funds)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Contributions to Retirement Systems
(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	55,170	55,170	55,170	55,170	55,170	55,170
Total Maintenance Changes	-500	-500	-510	-510	-510	-510
2003-05 Revised Appropriations	54,670	54,670	54,660	54,660	54,660	54,660
Difference from Original Appropriations	-500	-500	-510	-510	-510	-510
% Change from Original Appropriations	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Other Legislation**

(Dollars in Thousands)

	As Passed Senate		As Passed House		As Passed Legislature	
	GF-S	Total	GF-S	Total	GF-S	Total
2003-05 Original Appropriations	0	24,676	0	24,676	0	24,676
Total Maintenance Changes	0	0	0	0	0	94,400
2004 Policy Changes:						
1. Capital Budget - HB 2573	0	0	950	950	0	13,500
2. Home Care Workers - 1777	0	0	0	0	23,955	45,802
Total Policy Changes	0	0	950	950	23,955	59,302
2003-05 Revised Appropriations	0	24,676	950	25,626	23,955	178,378
Difference from Original Appropriations	0	0	950	950	23,955	153,702
% Change from Original Appropriations	0.0%	0.0%	0.0%	3.8%	0.0%	622.9%

Comments:

1. Capital Budget - HB 2573 - Due to higher than anticipated agency savings from the savings incentive program, an additional \$13.5 million Education Savings Account will be deposited in the Common School Construction Account for state matching funds for K-12 school construction projects. With the deposits in the original 2003-05 budget, this bring the total deposits to \$40.5 million from the Education Savings Account and \$67.4 million from the Education Construction Account. (Education Construction Account, Education Savings Account, Common School Construction Account)