



Proposed Budget Compromise

(Striking Amendment S-3053 to 2ESSB 5034)

Summary

June 27, 2013

Office of Program Research

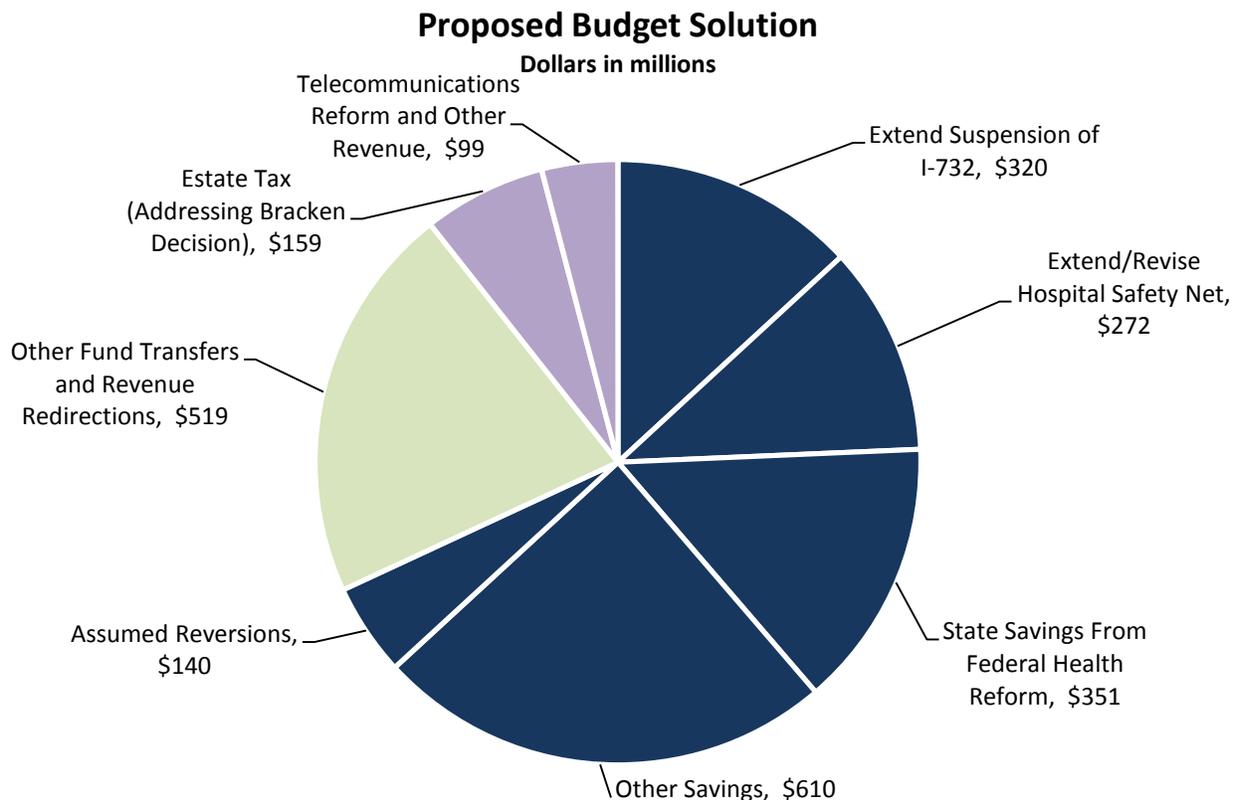
Summary of Proposed Striking Amendment to 2ESSB 5034 (S-3053)

The Legislature entered the 2013 session with a slowly improving economy, rising caseload and per capita costs, as well as other fiscal issues to consider including how to address the state Supreme Court's McCleary decision (K-12 funding). In the 2013-15 Biennium, the cost of continuing current programs and complying with current laws exceeds forecasted revenue by approximately \$800 million. This is sometimes referred to as the maintenance level shortfall.

The operating budget proposal for 2013-15 includes \$1.7 billion in additional policy enhancements (\$1.03 billion of that in K-12 education). Taken together with leaving an ending fund balance and the maintenance level shortfall, the combined budget problem statement is approximately \$2.47 billion.

The budget proposal addresses this budget problem statement through:

- Fund transfers and revenue redirections of \$519 million;
- Reduced spending of about \$1.55 billion;
- Assumed reversion of \$140 million; and
- Increased revenue of \$259 million (primarily Bracken and telecommunications).



The budget proposal leaves \$630 million in projected total reserves (\$53 million in NGF-S ending fund balances and the remainder in the Budget Stabilization Account).

This proposal, under the provisions of the statutory four-year outlook (Chapter 8, Laws of 2012), is projected to end the 2015-17 biennium with \$1.3 billion in total reserves (\$386 million in NGF-S and the remainder in the Budget Stabilization Account).

Education

K-12:

The budget proposal makes \$1.03 billion in policy enhancements. The larger ones include:

- \$374 million for increased materials, supplies, and operating costs (MSOC);
- \$143 million for Learning Assistance Program (LAP) expansion;
- \$132 million for pupil transportation;
- \$104 million to reduce early elementary class size;
- \$97 million in additional instructional hours;
- \$90 million to expand all-day kindergarten;
- \$24 million for guidance counseling and parent coordinators;
- \$19 million for bilingual education;
- \$15 million for teacher and principal evaluations and training; and
- \$10 million for struggling schools.

The larger K-12 policy savings include (see compensation for I-732):

- \$25 million in savings from assessment changes;
- \$24 million in savings from eliminating the SHB 2776 hold harmless; and
- \$11 million in savings from Alternative Learning Experience (ALE) program audit recoveries.

Higher education:

The larger policy enhancements include:

- \$119 million in additional funding for the four-year institutions and community and technical colleges;
- \$17 million net for financial aid;
- \$17 million for targeted state support; and
- \$11 million for the Student Achievement Initiative.

The net financial aid amount is \$36 million increase for College Bound Scholarships and reductions of \$19 million from re-suspension of smaller scholarship programs (WA Scholars, WAVE, Health Professions Scholarship, and Future Teaches Scholarships). Current recipients are not impacted.

This budget proposal assumes no tuition increases for the 2013-15 biennium. Four year institutions and the community and technical colleges are authorized to exercise tuition setting authority beginning in the second year of the biennium. Institutions that chose to increase tuition are required to provide additional funding for student financial aid and cover any impact to the State Need Grant.

Early Learning and Child Care:

The larger policy enhancements include:

- \$25 million for Early Childhood Education Assistance Program (ECEAP) enhancements; and
- \$16 million for child care vendor rate increases.

Health and Human Services

Medicaid expansion under the Affordable Care Act:

The budget assumes NGF-S policy savings of approximately \$351 million from opting into the Medicaid expansion. It is estimated that the state will receive additional federal funding of \$1.3 billion and cover an additional 250,000 clients.

Health Care and Human Services:

The larger policy enhancements include:

- \$146 million for home care worker compensation (Individual Provider and Agency Provider) related to the arbitration award;
- \$25 million for telecommunications programs that replaces funding previously provided from dedicated sources (Washington Telephone Assistance Program, and Telecommunications Relay Service);
- \$23 million for adult dental services;
- \$18 million for involuntary treatment in mental health; and
- \$11 million for placements for clients with developmental disabilities.

The larger policy savings, in addition to Medicaid expansion discussed above, include:

- \$272 million in savings from reauthorizing the Hospital Safety Net Assessments;
- \$156 million in TANF/Working Connections Child Care forecasted caseload savings;
- \$31 million in savings from delaying the nursing home rate rebase;
- \$20 million in savings from ABD/HEN/housing changes; and
- \$14 million in savings from suspending the Paid Family Leave Program.

General Government, Natural Resources, and Other Items

The larger policy enhancements include:

- \$36 million for debt service on anticipated new capital projects.

The larger policy savings include:

- \$39 million in savings from shifting program funding to State/Local Toxics accounts (from NGFS);
- \$30 million in savings from Lean management;
- \$12 million in savings from shifting program funding to the Judicial Stabilization Account;
- \$11 million in savings from shifting selected public safety program funding to the E911 account;

- \$10 million in savings from shifting selected audit activities funding to the Performance Audit Account; and
- \$10 million in savings from suspending the transfer to the Local Public Safety Account.

Compensation Items

Collective bargaining agreements negotiated with former Governor Gregoire are approved, includes funding of \$39 million for step M.

I-732 (Cost Of Living Adjustments) is suspended during the 2013-15 biennium for a savings of \$320 million (impacts K-12 and community and technical colleges).

State employee health benefit funding is reduced based on lower utilization and other lower than anticipated costs, saving about \$17 million.

A PEBB coverage waiver surcharge is added saving about \$15 million.

Implementation of the Affordable Care Act and efficiencies are expected to save an additional \$10 million in publicly funded health care benefits.

Temporary salary/compensation reductions are restored at maintenance level for state employees and K-12 state-funded employees.

Revenue

Tax legislation assumed in this budget proposal includes:

- The Bracken court decision, which reduced forecasted estate tax revenue to the Education Legacy Trust Account by \$163 million. House Bill 2075 (estate taxes) was enacted into law and is estimated to restore \$159 million of that amount.
- House Bill 1971 (communications services) is estimated to increase GF-S revenue by \$110 million in 2013-15. (The net impact is less as there is \$25 million in spending to support programs previously funded by dedicated taxes.)
- An omnibus revenue bill is expected to provide additional tax exemptions that will reduce revenues by an estimated \$12 million in 2013-15 biennium.

Budget-driven revenue, fund transfers, and other items make up the resource changes assumed in the budget proposal. These, and larger budget items, are described in the remainder of this document.

Additional Information

Additional Information About This Proposal:

This information is provided in explanation of the budget proposal. The proposal covers both the 2013 Supplemental (amending the existing budget for the 2011-13 Biennium) and the budget for the upcoming 2013-15 Biennium.

The striking amendment and a complete set of materials produced by the House Office of Program Research (OPR) are available at <http://leap.leg.wa.gov/leap/budget/detail/2013/ho1315p.asp> . Additional materials include:

- Agency detail showing line item changes by agency (program level in selected areas such the Department of Social and Health Services and Public Schools); and
- Any supporting schedules referenced in the budget.

Additional Information About This Summary Document:

This summary document was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This summary document is not a part of the legislation nor does it constitute a statement of legislative intent.

This summary document includes:

- A brief introduction;
- Balance sheet and supporting materials;
- A summary grouping of expenditures by major category.

Note: It is possible for similar items to be summarized in slightly different ways. For example, the agency detail document lists items on an agency by agency basis. This summary may total the same item from multiple agencies into a single description. It also may summarize multiple similar items into a single description. For that reason, it is possible that budget items might be grouped differently, even within a single document.

2011-13 and 2013-15 Balance Sheet For Proposed Compromise

Including 2013 Supplemental Budget

General Fund-State, Education Legacy Trust and Opportunity Pathways Accounts (and Budget Stabilization Account)

Dollars in Millions

	2011-13	2013-15
RESOURCES		
Beginning Fund Balance	(60.4)	94.7
March 2013 Forecast	31,009.3	33,025.0
Bracken Decision	(3.2)	(160.3)
June 2013 Forecast Update	109.2	122.6
Transfer to Budget Stabilization Account	(268.7)	(308.5)
Other Enacted Fund Transfers	378.6	-
Alignment to the Comprehensive Financial Statements	(5.0)	-
Adjustment to Working Capital (HB 2822)	238.0	-
Proposed Changes		
Transfer From Budget Stabilization Account to GFS		-
Fund Transfers & Redirections (ELTA & GFS)	1.8	519.7
General Fund & Op PW: Legislation (incl. Telecomm) & BDR	-	87.4
HB 2064 - Estate taxes (Bracken Decision, ELTA)	-	159.4
Total Resources (including beginning fund balance)	31,399.5	33,540.1
EXPENDITURES		
2011-13 Enacted Budget (Incl. 2012 Supp.)		
Enacted Budget	31,249.2	
Actual/Anticipated Reversions	(165.9)	
Proposed Changes		
Maintenance Level Changes	8.9	
Policy Changes	212.5	
Total Expenditures	31,304.8	
Proposed 2013-15		
Maintenance Level		33,470.8
Policy Changes		156.1
Anticipated Reversions		(140.0)
Total Expenditures		33,486.9
RESERVES		
Projected Ending Balance	94.7	53.2
Budget Stabilization Account Beginning Balance	-	268.7
Transfer from General Fund and Interest Earnings	268.7	308.5
Projected Budget Stabilization Account Ending Balance	268.7	577.2
Total Reserves (Near General Fund plus Budget Stabilization)	363.4	630.3

Fund Transfers, Revenue Legislation and Budget Driven Revenues

(Dollars, In Millions)

	<u>2011-13</u>	<u>2013-15</u>
Fund Transfers/Redirections to Education Legacy Trust Account		
Public Works Assistance Account	-	277.2
Redirect Portions of REET, Solid Waste and PUT (from PWAA) [1]		77.3
Unclaimed Lottery Prizes		12.1
Subtotal	-	366.7
Fund Transfers/Redirections to GFS		
Energy Freedom Account	-	2.0
Liquor Excise Distribution (Local Government)		24.7
Life Sciences Discovery Fund	-	34.0
Pollution Liability Trust Account		5.0
Employment Training Finance Account		2.0
Tuition Recovery Trust Account		2.5
Local Toxics Account	-	18.0
Treasurers Service Account	1.8	20.2
Data Processing Revolving Account	-	8.1
Legal Services Revolving	-	2.5
Personnel Service Account	-	1.5
Real Estate Commission Account	-	3.4
Criminal Justice Treatment Account	-	3.2
Flood Control Assistance Account	-	2.0
Health Benefit Exchange Account (Loan Repayment)		0.7
Professional Engineers' Account		1.9
Electrical License Account		3.4
Business and Professions Account		3.6
Health Benefit Exchange Account [3]		20.8
Elim. Statutory Transfer (Opp. Pathway / School Const) [1]		-
Transfer To Child/Family Reinvestment	-	(6.5)
Subtotal	1.8	153.1
General Fund: Legislation & Budget Driven		
HB 1971 - Communications Services Reform	-	109.9
HB 1947 - HB Exchange Operations [3]	-	(20.8)
HB____/SB____ - Omnibus Tax Preference Legislation	-	(11.4)
SB 5287 - Eliminating Accounts & Funds	-	0.2
Budget Driven: Liquor Control Board	-	(3.9)
Budget Driven: DOR Auditors	-	9.6
Budget Driven: Lottery (To Opp Pathways)	-	2.3
Budget Driven: L&I Elevator Operators	-	1.5
Subtotal	-	87.4

	<u>2011-13</u>	<u>2013-15</u>
Education Legacy Trust: Legislation & Budget Driven		
HB 2075 - Estate taxes (Bracken Decision)	-	159.4
Total	1.8	766.5

Notes:

[1] Contained in separate legislation.

[2] Transfers to the Budget Stabilization Account are displayed on the Balance Sheet.

[3] The net effect of these two items is that in the first few months of 2015, operation of the Exchange is funded by WSHIP funds until premium tax funds are available in the account.

In subsequent years, the Exchange is funded by insurance premium taxes and, if necessary, assessments on plans sold through the Exchange.

2013-15 Omnibus Operating Budget
Proposed Compromise
(Dollars in Thousands)

	NGF+OpPth	Total
<i>Employee Compensation</i>		
I-732 (K-12 and CTCs)	-320,363	-326,284
State Employee Health Insurance	-16,897	-32,139
PEBB - Coverage Waiver Surcharge	-15,039	-28,604
Affordable Care Act Savings	-10,000	-10,000
Re-Suspend National Board Bonus Inflation	-3,006	-3,006
Wellness - Smoker Surcharge	-2,507	-4,754
Coll. Bargained Personal Leave Day	1,133	1,717
Additional Pay Step (Step M)	38,618	66,359
Employee Compensation Total	-328,061	-336,711
<i>K-12 Education</i>		
Assessment Reforms	-24,961	-24,961
HB 2776: Reduce/Eliminate Hold Harmless	-24,717	-24,717
ALE Audit Recoveries	-11,052	-10,852
Consolidate Grants & Programs	-6,469	-6,469
Navigation 101	-5,030	-5,030
Re-Suspend Alternative Routes	-4,244	-4,244
PASS Act Program	-3,000	-3,000
Regional Ed. Tech. Support Centers	-1,960	-1,960
ALE Programs	-1,620	-1,620
Dropout Prevention and Retention	1,056	1,056
Initiative 1240 (Charter Schools)	1,500	1,500
Washington Achievers Scholars	2,400	2,400
Improved Student Outcomes (SB5946)	4,434	4,434
Other Increases	6,417	6,442
Levy Equalization	8,298	8,298
Struggling Schools	10,281	10,281
Teacher and Principal Evaluation	15,000	15,000
Bilingual	18,863	18,863
Counseling	24,057	24,057
HB 2776: Expand All Day K	89,824	89,824
Instructional Hours -- HB 2261	96,973	96,973
HB 2776: Reduce Early Elementary Class Size	103,595	103,595
HB 2776: Pupil Transportation	131,681	131,681
LAP Expansion	143,072	143,072
HB 2776: Increase MSOC	373,958	373,958
K-12 Education Total	948,356	948,581
<i>Higher Education Institutions</i>		
Forestry Program	0	450
CTC: Aerospace & STEM Enrollment	200	200
Institute Studies	470	470
Other Increases	2,376	4,646
Clean Energy Institute	6,000	6,000
Medical Educ. & Biomedical Research	6,000	7,482
CTC: Student Achievement Initiative	10,500	10,500

2013-15 Omnibus Operating Budget
Proposed Compromise
(Dollars in Thousands)

	NGF+OpPth	Total
Targeted State Support	17,626	17,626
Institutional Funding	119,308	119,308
Higher Education Institutions Total	162,480	166,682
Higher Education Financial Aid & Other		
Re-suspend WA Scholars and WAVE	-8,422	-8,422
Re-suspend Health Prof Scholarship	-7,650	-7,650
Re-suspend Future Teachers Schol	-2,000	-2,000
Re-suspend Small Grant Program	-1,032	-1,032
College Bound	36,512	36,512
Higher Education Financial Aid & Other Total	17,408	17,408
Early Learning & Child Care		
Family Childcare Provider CBA	970	970
Home Visiting Expansion	1,000	3,868
Other Increases	3,410	3,410
Quality Vendor Rate Increase	15,962	16,124
ECEAP	24,647	24,647
Early Learning & Child Care Total	45,989	49,019
Health Care		
Fed Medicaid Expansion/Reform	-351,201	903,814
Continue Hospital Safety Net	-272,361	914,083
12 Month Dispensing	-4,426	-8,852
HealthPath Washington	-3,509	1,331
DOH Drug Rebates	-3,431	0
Public Health Lab Fund Shift	-2,350	0
Foster Care /Adoption to Managed Care	-1,686	-1,035
Fund Shifts	-1,500	0
Public Health Block Grant	-760	-760
Health Benefit Exchange Operations	0	16,359
Professional Services Supp. Payment	0	38,000
Language Access Provider Agreement	434	607
Health Benefit Exchange	676	676
Align Medicaid Benefit Packages	759	1,518
Other Increases	941	10,869
Sole Community Hospitals	1,000	1,800
ProviderOne Phase 2 Project	1,811	12,614
HCA: Other Increases	2,428	185,941
Medicaid Eligibility Staffing/Related	2,474	20,018
HBE Cost Allocation	2,486	14,119
Rural Health Clinics	3,645	3,685
Autism Services	4,723	9,446
Adult Dental	23,319	72,540
Health Care Total	-596,528	2,196,773

2013-15 Omnibus Operating Budget
Proposed Compromise
(Dollars in Thousands)

	NGF+OpPth	Total
<i>Corrections and Other Criminal Justice</i>		
Delay Prison Unit Opening	-7,766	-7,766
DOC: Program Underexpenditures	-4,766	-4,766
Other Savings	-4,332	-1,531
Drug Treatment Fund Shift	-4,106	0
Drug Grid & Earned Release Plus	-2,627	-2,627
Centralized Pharmacy	-2,316	-2,316
Drug Task Force	-2,000	-2,000
Presentence Credits	-1,103	-1,103
JRA: Other Increases	818	1,201
Other Increases	883	791
DOC: Equipment & Related	981	981
DOC: Incr Prison Staff Ratio	2,494	2,494
DOC: Other Increases	3,901	4,634
Residential DOSA	4,106	4,106
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Corrections and Other Criminal Justice	-15,833	-7,902
Total		
<i>Long Term Care, DD, and Mental Health</i>		
Delay Nursing Home Rebase	-31,428	-62,856
AFH Inspections/Fees	-4,175	1,862
Other Savings	-1,200	0
Managed Care Rates	-1,126	-2,252
Walla Walla Veterans Home	777	8,282
Criminal Incompetency	1,298	2,152
Individual and Family Services	1,488	1,488
Adult Family Home Agreement	1,538	3,044
Other Increases	4,119	10,010
MHD: Electronic Medical Records	4,134	4,374
In-Home Provider Fiscal Agent	6,441	26,381
Exception To Rule	6,750	13,338
Mental Health Security Enhancements	7,478	9,563
DD Placements	10,653	18,793
Involuntary Treatment	17,726	27,964
Home Care Worker Compensation (AP & IP)	146,126	292,252
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Long Term Care, DD, and Mental Health	170,599	354,395
Total		
<i>Other Human Services</i>		
TANF WCCC Caseload Savings	-156,131	-108,074
ABD/HEN/Housing Changes	-20,000	-20,000
Re-Suspend Paid Family Leave Program	-13,600	-13,600
Reduce WorkFirst Funding	-5,630	-5,630
Other Savings	-2,818	-408
Fund Shifts	-1,633	0
IMD Conversions	-266	4,293
Washington Families Fund	0	2,000
ESD: Next Gen Tax System	0	12,386
Other TANF Increases	500	500

2013-15 Omnibus Operating Budget
Proposed Compromise
(Dollars in Thousands)

	NGF+OpPth	Total
Implement Family Assmnt Rspnse Svcs	759	15,183
L&I: Increases	1,734	12,803
Other Increases	1,925	12,400
Disability Standard Change	2,000	2,000
Childrens: Other Increases	2,261	2,784
Childrens: Increase CPS Staffing	2,788	3,621
Extended Foster Care	4,486	6,530
State Food Assistance	9,425	9,425
Other Human Services Total	-174,200	-63,787
<i>Natural Resources</i>		
State & Local Toxic Related Shifts	-29,640	0
Fund Shifts	-14,728	0
ALEA Related Shifts	-7,005	0
Reduce Watershed Planning Asst.	-2,873	-2,873
PILT Adjustment	-2,073	-3,455
Other Savings	-300	-3,920
Litter Account Reduction	0	-8,931
Marine Spatial Planning	0	-500
Other Increases	2,976	41,867
State Support of State Parks	8,508	20,208
Natural Resources Total	-45,135	42,396
<i>All Other</i>		
Lean Management	-30,000	-30,000
Use Judicial Stabilization Account	-11,793	0
E911 Account Use for Public Safety	-10,842	0
Susp Loc Publ Safety Acct Transfer	-10,000	-10,000
Performance Audit Acct Use	-9,641	0
Fund Shifts	-9,308	0
DCOMM: Other Savings	-8,841	-8,841
Innovate WA	-5,609	-5,609
Other Savings	-5,021	-17,283
Central Service Savings and Efficiencies	-5,000	-5,000
Information Technology Savings	-5,000	-5,000
Death Investigation Shifts	-4,226	0
Judicial Information Systems Use	-3,000	0
Election & Voters' Pamphlet Savings	-800	-800
DES Savings	0	-20,158
Voter Registration & Online Service	0	-5,314
Legal Services Reduction	0	-3,005
Initiative 502 (Marijuana)	0	2,494
Next Generation 911 Capability	0	8,000
Time, Leave & Attendance System	0	8,013
State Data Center Operations	0	34,404
Judicial Increases	820	17,725
Communications Services Reform	926	926
Revenue/Transparency Legislation	938	938
DOR: IT Projects	994	12,598

2013-15 Omnibus Operating Budget
Proposed Compromise
(Dollars in Thousands)

	NGF+OpPth	Total
Initiative 1183 (Liquor)	1,004	1,004
Central Services	1,538	5,324
Parents Representation Program	3,378	3,378
DCOMM: Other Increases	3,446	4,758
Other Increases	3,667	40,927
Pacific Hospital	4,850	4,850
Disaster Response Account	7,600	11,369
Communications Tax/Prog Changes	24,558	26,854
Debt Service for New Capital Projects	36,419	36,419
All Other Total	-28,943	108,971
Grand Total	<u>156,132</u>	<u>3,475,825</u>

2013-15 Omnibus Operating Budget
NGF-S + Opportunity Pathways
(Dollars in Thousands)

	Proposed Compromise	ESHB1057 Passed Hse	Senate June 8th
Employee Compensation			
I-732 (K-12 and CTCs)	-320,363	-320,488	-320,700
State Employee Health Insurance	-16,897	-16,897	-16,637
PEBB - Coverage Waiver Surcharge	-15,039	0	-14,428
Affordable Care Act Savings	-10,000	0	0
Re-Suspend National Board Bonus Inflation	-3,006	-3,167	-3,167
Wellness - Smoker Surcharge	-2,507	0	-2,346
K12 Eligibility - Align w/ ACA	0	0	-46,141
PEBB Eligibility - Align w/ ACA	0	0	-8,417
Reduce Explicit Medicare Subsidy	0	0	-30,822
Retirement Savings Plan Option	0	0	-2,300
Coll. Bargained Personal Leave Day	1,133	1,133	1,133
Additional Pay Step (Step M)	38,618	38,620	38,620
Employee Compensation Total	-328,061	-300,799	-405,205
K-12 Education			
Assessment Reforms	-24,961	-21,088	-17,130
HB 2776: Reduce/Eliminate Hold Harmless	-24,717	-24,717	-24,718
ALE Audit Recoveries	-11,052	-8,925	-9,125
Consolidate Grants & Programs	-6,469	0	-36,670
Navigation 101	-5,030	-5,030	0
Re-Suspend Alternative Routes	-4,244	0	-5,064
PASS Act Program	-3,000	0	0
Regional Ed. Tech. Support Centers	-1,960	0	0
ALE Programs	-1,620	-13,329	-1,620
District Payment Schedule	0	-142,566	0
Career & Tech. Ed. MSOC	0	-18,347	-49,191
K12 Professional Development	0	0	10,215
STEM Education	0	0	505
Strategic Innovation Grant	0	0	5,030
Dropout Prevention and Retention	1,056	0	0
Initiative 1240 (Charter Schools)	1,500	1,357	1,500
Washington Achievers Scholars	2,400	3,000	0
Improved Student Outcomes (SB5946)	4,434	0	0
Other Increases	6,417	4,736	4,463
Levy Equalization	8,298	10,713	-134
Struggling Schools	10,281	10,281	10,281
Teacher and Principal Evaluation	15,000	20,000	0
Bilingual	18,863	0	5,715
Counseling	24,057	0	0
HB 2776: Expand All Day K	89,824	107,939	41,163
Instructional Hours -- HB 2261	96,973	0	0
HB 2776: Reduce Early Elementary Class	103,595	207,857	0
Size			
HB 2776: Pupil Transportation	131,681	89,279	197,521
LAP Expansion	143,072	65,663	240,816
HB 2776: Increase MSOC	373,958	434,268	520,978
K-12 Education Total	948,356	721,091	894,535

2013-15 Omnibus Operating Budget
NGF-S + Opportunity Pathways
(Dollars in Thousands)

	Proposed Compromise	ESHB1057 Passed Hse	Senate June 8th
<i>Higher Education Institutions</i>			
Higher Education Funding	0	0	58,189
Performance Funding	0	0	50,000
UW/WSU: Engineering Enrollment	0	4,000	0
CTC: Aerospace & STEM Enrollment	200	4,128	0
Institute Studies	470	75	570
Other Increases	2,376	2,333	1,453
Medical Educ. & Biomedical Research	6,000	5,100	6,800
Clean Energy Institute	6,000	9,000	0
CTC: Student Achievement Initiative	10,500	7,500	0
Targeted State Support	17,626	11,002	0
Institutional Funding	119,308	0	0
Higher Education Institutions Total	162,480	43,138	117,012
<i>Higher Education Financial Aid & Other</i>			
Re-suspend WA Scholars and WAVE	-8,422	-8,385	-8,422
Re-suspend Health Prof Scholarship	-7,650	-7,650	-7,650
Re-suspend Future Teachers Schol	-2,000	-2,000	-2,000
Re-suspend Small Grant Program	-1,032	-1,032	-1,032
DREAM Act.	0	100	0
State Need Grant	0	28,904	0
College Bound	36,512	39,153	34,201
Higher Education Financial Aid & Other Total	17,408	49,090	15,097
<i>Early Learning & Child Care</i>			
Fund Shifts	0	0	-300
Other Savings	0	0	-1,266
Family Childcare Provider CBA	970	970	970
Home Visiting Expansion	1,000	1,000	1,000
Other Increases	3,410	3,980	2,156
Quality Vendor Rate Increase	15,962	15,748	0
ECEAP	24,647	30,679	22,384
Early Learning & Child Care Total	45,989	52,377	24,944
<i>Health Care</i>			
Fed Medicaid Expansion/Reform	-351,201	-318,592	-318,592
Continue Hospital Safety Net	-272,361	-273,226	-250,348
12 Month Dispensing	-4,426	-4,426	-4,426
HealthPath Washington	-3,509	-3,509	-4,214
DOH Drug Rebates	-3,431	-3,431	-3,431
Public Health Lab Fund Shift	-2,350	-1,000	-2,350
Foster Care /Adoption to Managed Care	-1,686	-1,686	-1,686
Fund Shifts	-1,500	-1,500	-1,500
Public Health Block Grant	-760	-760	-936
Managed Care Rates	0	-9,389	-18,778
Other Savings	0	0	-1,237
RHC Reconciliation	0	0	3,645
Language Access Provider Agreement	434	434	434

2013-15 Omnibus Operating Budget
NGF-S + Opportunity Pathways
(Dollars in Thousands)

	Proposed Compromise	ESHB1057 Passed Hse	Senate June 8th
Health Benefit Exchange	676	676	0
Align Medicaid Benefit Packages	759	778	778
Other Increases	941	941	514
Sole Community Hospitals	1,000	900	2,000
ProviderOne Phase 2 Project	1,811	1,811	1,811
HCA: Other Increases	2,428	2,353	1,368
Medicaid Eligibility Staffing/Related	2,474	2,474	2,118
HBE Cost Allocation	2,486	2,486	1,558
Rural Health Clinics	3,645	2,000	0
Autism Services	4,723	4,723	4,723
Adult Dental	23,319	23,889	13,258
Health Care Total	-596,528	-574,054	-575,291
<i>Corrections and Other Criminal Justice</i>			
Delay Prison Unit Opening	-7,766	0	-8,904
DOC: Program Underexpenditures	-4,766	0	-6,707
Other Savings	-4,332	-3,083	-3,083
Drug Treatment Fund Shift	-4,106	-4,106	-4,106
Drug Grid & Earned Release Plus	-2,627	0	-2,627
Centralized Pharmacy	-2,316	-2,190	-2,458
Drug Task Force	-2,000	-2,000	-2,000
Presentence Credits	-1,103	0	0
Program Savings	0	-3,168	0
McNeil Island Operation Changes	0	0	-896
JRA: Other Increases	818	918	852
Other Increases	883	1,125	536
DOC: Equipment & Related	981	981	981
DOC: Incr Prison Staff Ratio	2,494	1,844	2,494
DOC: Other Increases	3,901	2,977	3,650
Residential DOSA	4,106	-695	4,106
Corrections and Other Criminal Justice Total	-15,833	-7,397	-18,162
<i>Long Term Care, DD, and Mental Health</i>			
Delay Nursing Home Rebase	-31,428	-31,428	-36,506
AFH Inspections/Fees	-4,175	-4,175	-4,175
Other Savings	-1,200	-2,092	0
Managed Care Rates	-1,126	-1,126	-1,126
Assisted Living Capital Add-On	0	0	-1,668
Kinship Caregiver	0	0	-2,100
Community LTC Behavior Support	0	1,473	0
Protecting Vulnerable Adults	0	1,524	0
Walla Walla Veterans Home	777	777	777
Criminal Incompetency	1,298	1,298	1,298
Individual and Family Services	1,488	2,000	976
Adult Family Home Agreement	1,538	1,538	1,538
Other Increases	4,119	2,355	4,283
MHD: Electronic Medical Records	4,134	4,134	4,134
In-Home Provider Fiscal Agent	6,441	6,441	0
Exception To Rule	6,750	6,750	6,750

2013-15 Omnibus Operating Budget
NGF-S + Opportunity Pathways
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	Proposed Compromise	ESHB1057 Passed Hse	Senate June 8th
Mental Health Security Enhancements	7,478	7,478	7,478
DD Placements	10,653	10,653	10,653
Involuntary Treatment	17,726	17,726	15,824
Home Care Worker Compensation (AP & IP)	146,126	146,126	146,126
Long Term Care, DD, and Mental Health Total	170,599	171,452	154,262
<i>Other Human Services</i>			
TANF WCCC Caseload Savings	-156,131	-126,324	-126,324
ABD/HEN/Housing Changes	-20,000	-15,000	-102,370
Re-Suspend Paid Family Leave Program	-13,600	-13,600	-13,600
Reduce WorkFirst Funding	-5,630	0	-21,307
Other Savings	-2,818	-2,818	-3,867
Fund Shifts	-1,633	-1,633	-6,633
IMD Conversions	-266	-266	0
Adoption Support Payments	0	0	-1,649
DASA: County Grant Reduction	0	0	-16,088
Eliminate Incapacity Evaluations	0	0	-10,525
Receiving Care Centers	0	0	-413
Reduce Contracts	0	0	-612
Other TANF Increases	500	3,700	1,248
Implement Family Assmnt Rspnse Svcs	759	-422	1,967
L&I: Increases	1,734	1,526	1,734
Other Increases	1,925	1,136	677
Disability Standard Change	2,000	2,000	0
Childrens: Other Increases	2,261	2,261	100
Childrens: Increase CPS Staffing	2,788	5,575	2,788
Extended Foster Care	4,486	4,486	3,565
State Food Assistance	9,425	0	9,427
Other Human Services Total	-174,200	-139,379	-281,882
<i>Natural Resources</i>			
State & Local Toxic Related Shifts	-29,640	-29,640	-29,640
Fund Shifts	-14,728	-4,878	-14,728
ALEA Related Shifts	-7,005	-7,005	-7,005
Reduce Watershed Planning Asst.	-2,873	-2,873	-2,873
PILT Adjustment	-2,073	-2,073	-650
Other Savings	-300	-300	-300
Administrative & Other Efficiencies	0	0	-3,105
Other Increases	2,976	1,812	2,260
State Support of State Parks	8,508	23,858	4,700
Natural Resources Total	-45,135	-21,099	-51,341
<i>All Other</i>			
Lean Management	-30,000	-20,000	0
Use Judicial Stabilization Account	-11,793	-11,793	-17,775
E911 Account Use for Public Safety	-10,842	-10,842	-10,842
Susp Loc Publ Safety Acct Transfer	-10,000	-10,000	-10,000
Performance Audit Acct Use	-9,641	-9,641	-16,443

2013-15 Omnibus Operating Budget
NGF-S + Opportunity Pathways
(Dollars in Thousands)

	Proposed Compromise	ESHB1057 Passed Hse	Senate June 8th
Fund Shifts	-9,308	-9,308	-9,308
DCOMM: Other Savings	-8,841	-7,263	-10,743
Innovate WA	-5,609	-4,609	-5,610
Other Savings	-5,021	-4,751	-4,745
Information Technology Savings	-5,000	-5,000	-15,000
Central Service Savings and Efficiencies	-5,000	0	-43,000
Death Investigation Shifts	-4,226	-4,226	-4,226
Judicial Information Systems Use	-3,000	0	-20,022
Election & Voters' Pamphlet Savings	-800	-800	-1,600
Administrative & Other Efficiencies	0	0	-65,967
Civil Legal Aid Reduction	0	0	-3,000
GMAP Program	0	0	-2,735
Industrial Insurance Savings	0	0	-9,593
Judicial Increases	820	1,024	432
Communications Services Reform	926	0	0
Revenue/Transparency Legislation	938	0	0
DOR: IT Projects	994	7,745	6,751
Initiative 1183 (Liquor)	1,004	1,004	1,004
Central Services	1,538	1,538	-2,408
Parents Representation Program	3,378	3,378	304
DCOMM: Other Increases	3,446	3,523	1,898
Other Increases	3,667	4,913	2,572
Pacific Hospital	4,850	4,850	0
Disaster Response Account	7,600	7,600	7,600
Communications Tax/Prog Changes	24,558	24,558	0
Debt Service for New Capital Projects	36,419	25,087	20,428
All Other Total	-28,943	-13,013	-212,028
Grand Total	<u>156,132</u>	<u>-18,593</u>	<u>-338,059</u>

2013

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Washington State House of Representatives
Office of Program Research