



**PROPOSED SENATE
2013-15
OPERATING BUDGET
STATEWIDE SUMMARY &
AGENCY DETAIL**

**ESSB 5034
STRIKING
AMENDMENT**

**SENATE WAYS & MEANS COMMITTEE
JUNE 8, 2013**

2013-15 Omnibus Operating Budget
Senate June 8th Striker
(Dollars in Thousands)

	FTEs	NGF-P	Total
Legislative	789.7	138,822	152,679
Judicial	629.7	202,472	275,512
Governmental Operations	6,996.4	401,587	3,415,620
Other Human Services	16,754.3	6,100,858	16,359,571
DSHS	16,690.6	5,648,508	11,738,227
Natural Resources	5,873.0	247,766	1,570,751
Transportation	743.3	68,012	177,596
Public Schools	293.9	15,173,383	17,061,844
Higher Education	46,082.0	3,040,416	12,185,977
Other Education	555.8	198,966	584,866
Special Appropriations	0.0	2,177,126	2,250,298
Statewide Total	95,408.6	33,397,916	65,772,941

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Legislative			
House of Representatives	356.6	60,813	62,578
Senate	253.0	43,747	45,261
Jt Leg Audit & Review Committee	21.4	0	6,305
LEAP Committee	10.0	3,387	3,387
Office of the State Actuary	13.0	0	3,330
Office of Legislative Support Svcs	42.6	7,394	7,445
Joint Legislative Systems Comm	46.6	15,663	15,663
Statute Law Committee	46.6	7,818	8,710
Total Legislative	789.7	138,822	152,679
Judicial			
Supreme Court	60.9	13,295	13,295
State Law Library	13.8	2,817	2,817
Court of Appeals	139.6	30,043	30,043
Commission on Judicial Conduct	9.5	1,967	1,967
Administrative Office of the Courts	389.0	74,672	142,458
Office of Public Defense	15.9	60,948	64,748
Office of Civil Legal Aid	1.0	18,730	20,184
Total Judicial	629.7	202,472	275,512
Total Legislative/Judicial	1,419.4	341,294	428,191

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Governmental Operations			
Office of the Governor	50.9	10,625	12,125
Office of the Lieutenant Governor	5.8	1,312	1,407
Public Disclosure Commission	19.6	4,058	4,058
Office of the Secretary of State	314.6	19,601	79,586
Governor's Office of Indian Affairs	2.0	499	499
Asian-Pacific-American Affrs	2.0	417	417
Office of the State Treasurer	67.0	0	14,679
Office of the State Auditor	336.3	77	75,750
Comm Salaries for Elected Officials	1.3	313	313
Office of the Attorney General	1,068.6	19,748	224,952
Caseload Forecast Council	11.9	2,474	2,474
Dept of Financial Institutions	194.4	0	48,344
Department of Commerce	271.4	73,036	466,327
Economic & Revenue Forecast Council	6.0	1,559	1,609
Office of Financial Management	198.0	31,251	115,838
Office of Administrative Hearings	170.4	0	37,799
State Lottery Commission	142.9	0	811,914
Washington State Gambling Comm	146.5	0	29,946
WA State Comm on Hispanic Affairs	2.0	470	470
African-American Affairs Comm	2.0	456	456
Department of Retirement Systems	251.7	0	59,233
State Investment Board	88.4	0	32,078
Department of Revenue	1,177.6	215,851	249,851
Board of Tax Appeals	11.1	2,380	2,380
Minority & Women's Business Enterp	18.0	0	4,090
Office of Insurance Commissioner	239.1	300	54,661
Consolidated Technology Services	280.5	0	221,082
State Board of Accountancy	11.3	0	2,702
Forensic Investigations Council	0.0	0	498
Dept of Enterprise Services	1,042.8	7,204	451,432
Washington Horse Racing Commission	28.5	0	5,738
WA State Liquor Control Board	275.5	0	65,704
Utilities and Transportation Comm	166.2	0	49,271
Board for Volunteer Firefighters	4.0	0	1,054
Military Department	323.4	3,462	272,355
Public Employment Relations Comm	41.3	3,964	7,772
LEOFF 2 Retirement Board	6.0	0	2,075
Archaeology & Historic Preservation	17.8	2,530	4,681
Total Governmental Operations	6,996.4	401,587	3,415,620

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Other Human Services			
WA State Health Care Authority	967.8	4,267,034	12,091,750
Human Rights Commission	34.2	4,063	6,242
Bd of Industrial Insurance Appeals	161.0	0	39,599
Criminal Justice Training Comm	35.4	28,044	40,554
Department of Labor and Industries	2,794.9	33,301	644,368
Department of Health	1,638.1	115,003	1,040,611
Department of Veterans' Affairs	727.3	14,500	132,643
Department of Corrections	8,010.4	1,634,532	1,654,919
Dept of Services for the Blind	80.0	4,381	27,321
Employment Security Department	2,305.4	0	681,564
Total Other Human Services	16,754.3	6,100,858	16,359,571

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
DSHS			
Children and Family Services	2,508.0	582,757	1,086,470
Juvenile Rehabilitation	743.5	175,887	181,875
Mental Health	2,680.7	914,924	1,714,771
Developmental Disabilities	3,116.2	1,074,946	2,081,019
Long-Term Care	1,430.9	1,790,079	3,829,825
Economic Services Administration	4,219.3	724,854	1,960,373
Alcohol & Substance Abuse	70.3	119,006	415,652
Vocational Rehabilitation	320.1	22,210	124,398
Administration/Support Svcs	492.1	54,068	99,023
Special Commitment Center	368.3	69,303	69,303
Payments to Other Agencies	0.0	120,474	175,518
Information System Services	197.6	0	0
Consolidated Field Services	543.9	0	0
Total DSHS	16,690.6	5,648,508	11,738,227
Total Human Services	33,444.9	11,749,366	28,097,798

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Natural Resources			
Columbia River Gorge Commission	6.0	728	1,570
Department of Ecology	1,574.8	46,520	451,851
WA Pollution Liab Insurance Program	6.0	0	1,586
State Parks and Recreation Comm	558.9	4,124	124,099
Rec and Conservation Funding Board	19.6	1,566	9,739
Environ & Land Use Hearings Office	18.3	4,260	4,260
State Conservation Commission	17.1	13,567	17,868
Dept of Fish and Wildlife	1,469.6	57,033	371,622
Puget Sound Partnership	46.1	4,646	18,733
Department of Natural Resources	1,401.4	85,716	416,967
Department of Agriculture	755.4	29,606	152,456
Total Natural Resources	5,873.0	247,766	1,570,751

2013-15 Omnibus Operating Budget
Senate June 8th Striker
(Dollars in Thousands)

	FTEs	NGF-P	Total
Transportation			
Washington State Patrol	511.7	65,617	136,535
Department of Licensing	231.6	2,395	41,061
Total Transportation	743.3	68,012	177,596

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Public Schools			
OSPI & Statewide Programs	247.5	34,663	109,016
General Apportionment	0.0	11,147,202	11,147,202
Pupil Transportation	0.0	858,368	858,368
School Food Services	0.0	14,222	632,560
Special Education	2.0	1,492,140	1,954,163
Educational Service Districts	0.0	16,292	16,292
Levy Equalization	0.0	631,737	631,737
Elementary/Secondary School Improv	0.0	0	4,052
Institutional Education	0.0	30,787	30,787
Ed of Highly Capable Students	0.0	19,153	19,153
Education Reform	44.5	225,547	435,792
Transitional Bilingual Instruction	0.0	192,005	263,020
Learning Assistance Program (LAP)	0.0	511,267	959,702
Total Public Schools	293.9	15,173,383	17,061,844

2013-15 Omnibus Operating Budget

Senate June 8th Striker

(Dollars in Thousands)

	FTEs	NGF-P	Total
Higher Education			
Student Achievement Council	103.9	681,177	722,749
University of Washington	20,461.5	479,621	6,344,773
Washington State University	6,097.6	347,851	1,405,229
Eastern Washington University	1,305.9	76,302	295,447
Central Washington University	1,219.3	74,342	321,238
The Evergreen State College	615.2	41,340	130,462
Western Washington University	1,602.7	96,242	362,912
Community/Technical College System	14,676.0	1,243,541	2,603,167
Total Higher Education	46,082.0	3,040,416	12,185,977
Other Education			
State School for the Blind	86.0	11,700	13,684
Childhood Deafness & Hearing Loss	109.2	17,152	17,720
Workforce Trng & Educ Coord Board	19.3	2,748	57,521
Department of Early Learning	264.4	157,756	479,801
Washington State Arts Commission	13.0	2,225	4,311
Washington State Historical Society	34.0	4,250	6,169
East Wash State Historical Society	30.0	3,135	5,660
Total Other Education	555.8	198,966	584,866
Total Education	46,931.6	18,412,765	29,832,687

2013-15 Omnibus Operating Budget
Senate June 8th Striker
(Dollars in Thousands)

	FTEs	NGF-P	Total
Special Appropriations			
Bond Retirement and Interest	0.0	2,065,883	2,222,440
Special Approps to the Governor	0.0	52,214	47,973
State Employee Compensation Adjust	0.0	-82,471	-161,615
Contributions to Retirement Systems	0.0	141,500	141,500
Total Special Appropriations	0.0	2,177,126	2,250,298

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2013-15 Omnibus Operating Budget
Bond Retirement and Interest
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	1,921,678	2,076,825
2013-15 Carryforward Level	0.0	1,984,095	2,143,374
2013-15 Maintenance Level	0.0	2,045,455	2,202,012
Policy Other Changes:			
1. Debt Service for New Capital Projec	0.0	20,428	20,428
Policy -- Other Total	0.0	20,428	20,428
Total Policy Changes	0.0	20,428	20,428
Total 2013-15 Biennium	0.0	2,065,883	2,222,440
Difference from 2011-13	0.0	144,205	145,615
% Change from 2011-13	0.0%	7.5%	7.0%

Comments:

1. Debt Service for New Capital Projec - Debt service will be incurred from issuing new debt to fund the Senate's proposed capital budget for the 2013-15 biennium.

2013-15 Omnibus Operating Budget
House of Representatives
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	367.3	57,939	59,430
2013-15 Carryforward Level	354.4	58,191	59,857
2013-15 Maintenance Level	356.6	62,243	64,008
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,286	-1,286
Policy -- Other Total	0.0	-1,286	-1,286
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-1,430	-1,430
Total 2013-15 Biennium	356.6	60,813	62,578
Difference from 2011-13	-10.7	2,874	3,148
% Change from 2011-13	-2.9%	5.0%	5.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget**Senate**

(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	261.6	43,246	44,667
2013-15 Carryforward Level	250.8	42,733	44,175
2013-15 Maintenance Level	253.0	44,939	46,453
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,048	-1,048
Policy -- Other Total	0.0	-1,048	-1,048
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-1,192	-1,192
Total 2013-15 Biennium	253.0	43,747	45,261
Difference from 2011-13	-8.6	501	594
% Change from 2011-13	-3.3%	1.2%	1.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Jt Leg Audit & Review Committee
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	20.9	5,120	5,290
2013-15 Carryforward Level	20.9	5,223	5,223
2013-15 Maintenance Level	21.4	5,671	6,335
Policy Other Changes:			
1. Audit Functions	0.0	-5,641	0
2. Administrative Efficiencies	0.0	-30	-30
Policy -- Other Total	0.0	-5,671	-30
Total Policy Changes	0.0	-5,671	-30
Total 2013-15 Biennium	21.4	0	6,305
Difference from 2011-13	0.5	-5,120	1,015
% Change from 2011-13	2.4%	-100.0%	19.2%

Comments:

Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

1. Audit Functions - Funding for the agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for all legislative and statutory audit functions during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget**LEAP Committee**

(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	10.0	3,745	3,745
2013-15 Carryforward Level	10.0	3,333	3,333
2013-15 Maintenance Level	10.0	3,401	3,401
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-14	-14
Policy -- Other Total	0.0	-14	-14
Total Policy Changes	0.0	-14	-14
Total 2013-15 Biennium	10.0	3,387	3,387
Difference from 2011-13	0.0	-358	-358
% Change from 2011-13	0.0%	-9.6%	-9.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the State Actuary
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	13.2	0	3,324
2013-15 Carryforward Level	13.0	0	3,302
2013-15 Maintenance Level	13.0	0	3,330
Total 2013-15 Biennium	13.0	0	3,330
Difference from 2011-13	-0.3	0	6
% Change from 2011-13	-1.9%	0.0%	0.2%

Comments:

2013-15 Omnibus Operating Budget
Office of Legislative Support Svcs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	21.3	3,016	3,016
2013-15 Carryforward Level	42.6	6,155	6,206
2013-15 Maintenance Level	42.6	6,662	6,713
Policy Transfer Changes:			
1. Legislative Cost Transfers	0.0	732	732
Policy -- Transfer Total	0.0	732	732
Total Policy Changes	0.0	732	732
Total 2013-15 Biennium	42.6	7,394	7,445
Difference from 2011-13	21.3	4,378	4,429
% Change from 2011-13	100.0%	145.2%	146.9%

Comments:

1. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Joint Legislative Systems Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	46.6	15,679	15,679
2013-15 Carryforward Level	46.6	15,707	15,707
2013-15 Maintenance Level	46.6	16,169	16,169
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-62	-62
Policy -- Other Total	0.0	-62	-62
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-444	-444
Policy -- Transfer Total	0.0	-444	-444
Total Policy Changes	0.0	-506	-506
Total 2013-15 Biennium	46.6	15,663	15,663
Difference from 2011-13	0.0	-16	-16
% Change from 2011-13	0.0%	-0.1%	-0.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Statute Law Committee
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	46.6	8,768	9,620
2013-15 Carryforward Level	46.6	8,758	9,609
2013-15 Maintenance Level	46.6	7,860	8,752
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-42	-42
Policy -- Other Total	0.0	-42	-42
Total Policy Changes	0.0	-42	-42
Total 2013-15 Biennium	46.6	7,818	8,710
Difference from 2011-13	0.0	-950	-910
% Change from 2011-13	0.0%	-10.8%	-9.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Supreme Court
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	60.9	13,319	13,319
2013-15 Carryforward Level	60.9	13,615	13,615
2013-15 Maintenance Level	60.9	13,809	13,809
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-514	-514
Policy -- Other Total	0.0	-514	-514
Total Policy Changes	0.0	-514	-514
Total 2013-15 Biennium	60.9	13,295	13,295
Difference from 2011-13	0.0	-24	-24
% Change from 2011-13	0.0%	-0.2%	-0.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
State Law Library
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	13.8	1,504	3,004
2013-15 Carryforward Level	13.8	2,909	2,935
2013-15 Maintenance Level	13.8	2,965	2,965
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-148	-148
Policy -- Other Total	0.0	-148	-148
Total Policy Changes	0.0	-148	-148
Total 2013-15 Biennium	13.8	2,817	2,817
Difference from 2011-13	0.0	1,313	-187
% Change from 2011-13	0.0%	87.3%	-6.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Court of Appeals
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	139.6	30,443	30,443
2013-15 Carryforward Level	139.6	30,762	30,762
2013-15 Maintenance Level	139.6	31,182	31,182
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,139	-1,139
Policy -- Other Total	0.0	-1,139	-1,139
Total Policy Changes	0.0	-1,139	-1,139
Total 2013-15 Biennium	139.6	30,043	30,043
Difference from 2011-13	0.0	-400	-400
% Change from 2011-13	0.0%	-1.3%	-1.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Commission on Judicial Conduct
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	9.5	2,029	2,029
2013-15 Carryforward Level	9.5	2,055	2,055
2013-15 Maintenance Level	9.5	2,071	2,071
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-104	-104
Policy -- Other Total	0.0	-104	-104
Total Policy Changes	0.0	-104	-104
Total 2013-15 Biennium	9.5	1,967	1,967
Difference from 2011-13	0.0	-62	-62
% Change from 2011-13	0.0%	-3.1%	-3.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Administrative Office of the Courts
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	398.3	99,156	150,394
2013-15 Carryforward Level	384.0	109,341	137,860
2013-15 Maintenance Level	388.0	111,595	141,516
Policy Other Changes:			
1. JST Account Funding	0.0	-6,691	0
2. Superior Court Judge Whatcom County	0.0	216	216
3. Superior Ct. Judge Benton/Franklin	0.0	216	216
4. Information Networking Hub	0.0	0	1,500
5. Internal Equipment Replacement	0.0	0	2,138
6. External Equipment Replacement	0.0	0	1,199
7. Electronic Content Mgmt System	1.0	0	333
8. Administrative Efficiencies	0.0	-3,620	-3,620
9. Commissions Efficiencies	0.0	-300	-300
10. Reduce LFO payments	0.0	-740	-740
11. GF-S/JSTA	0.0	-5,982	0
12. GF-S/JIS	0.0	-20,022	0
Policy -- Other Total	1.0	-36,923	942
Total Policy Changes	1.0	-36,923	942
Total 2013-15 Biennium	389.0	74,672	142,458
Difference from 2011-13	-9.3	-24,484	-7,936
% Change from 2011-13	-2.3%	-24.7%	-5.3%

Comments:

1. JST Account Funding - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with Administrative Office of the Courts (AOC). Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

2. Superior Court Judge Whatcom County - Funding is provided for an additional superior court judge position in Whatcom County, pursuant to House Bill 1159 (Superior crt judges/Whatcom). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits.

3. Superior Ct. Judge Benton/Franklin - Funding is provided for an additional superior court judge position in Benton and Franklin counties combined, pursuant to House Bill 1175 (Judges/Benton & Franklin co.). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits.

4. Information Networking Hub - Funding is provided to continue development and implementation of the Information Networking Hub for bi-directional data exchanges, as well as provide a central data repository for court data. (Judicial Information Systems Account-State)

5. Internal Equipment Replacement - Funding is provided to replace aged computer equipment and to improve the performance of heavily used Judicial Information System services. (Judicial Information Systems Account-State)

6. External Equipment Replacement - Funding is provided to replace computer equipment at the courts. (Judicial Information Systems Account-State)

2013-15 Omnibus Operating Budget Administrative Office of the Courts

7. Electronic Content Mgmt System - Funding is provided for staff and other costs for the new commercial off-the-shelf electronic content management system. (Judicial Information Systems Account-State)

8. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

9. Commissions Efficiencies - Funding is reduced through additional efficiencies to be achieved by combining the commissions supported by the Administrative Office of the Courts.

10. Reduce LFO payments - Funding is reduced for the cost of the legal financial obligation collection program by 25 percent. (General Fund-State)

11. GF-S/JSTA - Funding is provided from fee revenue deposited into Judicial Stabilization Trust Account and general fund-state appropriations are reduced by that amount. It is assumed that the temporary surcharge will be extended through 2013-15, levied at a rate to collect 50 percent of revenues estimated for SHB 1961 (2013) (extending the expiration date for judicial stabilization trust account surcharges). (General Fund-State, Judicial Stabilization Trust Account- State)

12. GF-S/JIS - Funding is increased from the Judicial Information Systems Account for the 2013-15 biennium and general fund-state appropriations are reduced in the same amount. (General Fund-State, Judicial Information Systems Account-State)

2013-15 Omnibus Operating Budget
Office of Public Defense
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	14.8	54,163	58,531
2013-15 Carryforward Level	15.5	62,385	64,263
2013-15 Maintenance Level	15.5	64,310	64,310
Policy Other Changes:			
1. Increase Federal Authority - CCLI	0.4	0	152
2. JST Account Funding	0.0	-3,648	0
3. Parents Representation Program	0.0	304	304
4. Administrative Efficiencies	0.0	-18	-18
Policy -- Other Total	0.4	-3,362	438
Total Policy Changes	0.4	-3,362	438
Total 2013-15 Biennium	15.9	60,948	64,748
Difference from 2011-13	1.2	6,785	6,217
% Change from 2011-13	7.8%	12.5%	10.6%

Comments:

1. Increase Federal Authority - CCLI - Expenditure authority is extended for the Department of Justice grants awarded to the Office of Public Defense under the Capital Case Litigation Initiative for a death penalty trial training program. (General Fund-Federal)

2. JST Account Funding - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with OPD. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

3. Parents Representation Program - Funding is provided for the Parents Representation Program cost increases for contract attorneys.

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of Civil Legal Aid
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1.0	21,592	23,665
2013-15 Carryforward Level	1.0	23,180	23,182
2013-15 Maintenance Level	1.0	23,186	23,186
Policy Other Changes:			
1. JST Account Funding	0.0	-1,454	0
2. Civil Legal Aid Reduction	0.0	-3,000	-3,000
3. Administrative Efficiencies	0.0	-2	-2
Policy -- Other Total	0.0	-4,456	-3,002
Total Policy Changes	0.0	-4,456	-3,002
Total 2013-15 Biennium	1.0	18,730	20,184
Difference from 2011-13	0.0	-2,862	-3,481
% Change from 2011-13	0.0%	-13.3%	-14.7%

Comments:

1. JST Account Funding - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with the Office of Civil Legal Aid. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

2. Civil Legal Aid Reduction - Funding is reduced for civil legal aid activities.

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the Governor
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	49.9	10,350	11,850
2013-15 Carryforward Level	49.9	10,248	11,748
2013-15 Maintenance Level	49.9	10,188	11,688
Policy Other Changes:			
1. STEM Education Innovation Alliance	1.0	252	252
2. Greenhouse Gas Emissions SB 5802	0.0	239	239
3. Administrative Efficiencies	0.0	-54	-54
Policy -- Other Total	1.0	437	437
Total Policy Changes	1.0	437	437
Total 2013-15 Biennium	50.9	10,625	12,125
Difference from 2011-13	1.0	275	275
% Change from 2011-13	2.0%	2.7%	2.3%

Comments:

1. STEM Education Innovation Alliance - Substitute Senate Bill 5755 creates the STEM (science, technology, engineering, and mathematics) Education Innovation Alliance in the Office of the Governor to increase STEM learning opportunities and achieving longer-term outcomes in STEM.

2. Greenhouse Gas Emissions SB 5802 - Funding is provided for implementation of Chapter 6, Laws of 2013 (E2SSB 5802; greenhouse gas emissions target).

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Special Approps to the Governor
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	110,422	127,922
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	99,552	99,552
Policy Other Changes:			
1. Disaster Response Account	0.0	7,600	7,600
2. Susp Loc Publ Safety Acct Transfer	0.0	-10,000	-10,000
3. SOS Archives/Records Management	0.0	0	1
4. Audit Services	0.0	4	8
5. Attorney General Legal Services	0.0	-739	-3,610
6. Administrative Hearings	0.0	178	462
7. CTS Central Services	0.0	574	1,201
8. DES Central Services	0.0	-2,425	-4,711
9. Consolidated Savings Efficiencies	0.0	-43,000	-43,000
10. Information Technology Savings	0.0	-15,000	-15,000
11. Industrial Insurance Savings	0.0	-9,593	-9,593
Policy -- Other Total	0.0	-72,401	-76,642
Policy Transfer Changes:			
12. Public Health Funding Transfer	0.0	25,063	25,063
Policy -- Transfer Total	0.0	25,063	25,063
Total Policy Changes	0.0	-47,338	-51,579
Total 2013-15 Biennium	0.0	52,214	47,973
Difference from 2011-13	0.0	-58,208	-79,949
% Change from 2011-13	0.0%	-52.7%	-62.5%

Comments:

1. Disaster Response Account - Additional funds are necessary in the Disaster Response Account for fire costs incurred by the Department of Natural Resources.

2. Susp Loc Publ Safety Acct Transfer - The transfer into the Local Public Safety Enhancement Account is suspended for 2013-15.

3. SOS Archives/Records Management - Adjustments are made to agency budgets to align with expected billing levels for Archives/Records Management in 2013-15.

4. Audit Services - Adjustments are made to agency budgets to align with expected billing levels for Audit Services in 2013-15.

5. Attorney General Legal Services - Adjustments are made to agency budgets to align with expected billing levels for Agency Legal Services in 2013-15.

6. Administrative Hearings - Adjustments are made to agency budgets to align with expected billing levels for the Office of Administrative Hearings in 2013-15.

7. CTS Central Services - Funding is provided for this agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees.

2013-15 Omnibus Operating Budget Special Approps to the Governor

8. DES Central Services - Adjustments are made to agency budgets to align with expected billing levels for Department of Enterprise Services in 2013-15.

9. Consolidated Savings Efficiencies - General Fund--State appropriations are reduced to reflect (1) available fund balances in dedicated revolving funds used for central services to state agencies, and (2) more efficient delivery of consolidated central services to state agencies.

10. Information Technology Savings - General Fund--State appropriations are reduced in each fiscal year of the biennium to reflect efficiencies in information technology expenditures statewide.

11. Industrial Insurance Savings - General Fund--State appropriations are reduced in each fiscal year of the biennium to reflect lower agency industrial insurance costs under Senate Bill No. 5127 and 5128 (industrial insurance).

12. Public Health Funding Transfer - Local public health funding previously in the Department of Health is consolidated for distribution to local public health districts.

2013-15 Omnibus Operating Budget
Office of the Lieutenant Governor
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	5.8	1,301	1,396
2013-15 Carryforward Level	5.8	1,315	1,410
2013-15 Maintenance Level	5.8	1,318	1,413
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-6	-6
Policy -- Other Total	0.0	-6	-6
Total Policy Changes	0.0	-6	-6
Total 2013-15 Biennium	5.8	1,312	1,407
Difference from 2011-13	0.0	11	11
% Change from 2011-13	0.0%	0.9%	0.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Disclosure Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	19.5	3,962	3,962
2013-15 Carryforward Level	19.6	3,962	3,962
2013-15 Maintenance Level	19.6	4,090	4,090
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-32	-32
Policy -- Other Total	0.0	-32	-32
Total Policy Changes	0.0	-32	-32
Total 2013-15 Biennium	19.6	4,058	4,058
Difference from 2011-13	0.1	96	96
% Change from 2011-13	0.5%	2.4%	2.4%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the Secretary of State
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	311.4	24,668	85,623
2013-15 Carryforward Level	314.6	29,165	86,215
2013-15 Maintenance Level	314.6	29,598	86,818
Policy Other Changes:			
1. Election & Voters' Pamphlet Savings	0.0	-1,600	-1,600
2. State Library Reductions	0.0	-632	-632
3. State Library to Heritage Fund	0.0	-8,860	0
4. Voter Registration & Online Service	0.0	0	-5,314
5. Productivity Board	0.0	0	-781
6. Information Technology Academy	0.0	1,543	1,543
7. Administrative Efficiencies	0.0	-448	-448
Policy -- Other Total	0.0	-9,997	-7,232
Total Policy Changes	0.0	-9,997	-7,232
Total 2013-15 Biennium	314.6	19,601	79,586
Difference from 2011-13	3.3	-5,067	-6,037
% Change from 2011-13	1.0%	-20.5%	-7.1%

Comments:

1. Election & Voters' Pamphlet Savings - Election savings will be gained in the 2013-15 biennium by repealing the statutory requirement to include the full text of each proposed measure in the printed voters' pamphlet and to hold primary elections in a judicial race when only one or two candidates have filed.

2. State Library Reductions - The State Library will reduce programs and services to create General Fund-State savings.

3. State Library to Heritage Fund - State Library services are permanently shifted from the state General Fund to the Heritage Center Account. (General Fund-State, Washington State Heritage Center Account-State)

4. Voter Registration & Online Service - The Office of the Secretary of State maintains the statewide voter registration database required by the federal Help America Vote Act of 2002 (HAVA). The database was launched in January 2006. HAVA funds that have been used to build and maintain the voter database will be reduced by \$5.314 million in Fiscal Year 2015. The remaining federal HAVA funds will allow the Elections Office to maintain the new system until the 2015-17 biennium. (Election Account-Federal)

5. Productivity Board - The operations of the Productivity Board were suspended during the 2011-13 biennium. The suspension is continued for the 2013-15 biennium. (Personnel Service Account--State)

6. Information Technology Academy - Funding is provided for the State Library to purchase statewide on-line access to the Information Technology Academy to allow public access to on-line courses and learning resources through public libraries.

7. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Governor's Office of Indian Affairs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2.0	517	517
2013-15 Carryforward Level	2.0	522	522
2013-15 Maintenance Level	2.0	503	503
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	499	499
Difference from 2011-13	0.0	-18	-18
% Change from 2011-13	0.0%	-3.5%	-3.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Asian-Pacific-American Affrs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2.0	446	446
2013-15 Carryforward Level	2.0	447	447
2013-15 Maintenance Level	2.0	421	421
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	417	417
Difference from 2011-13	0.0	-29	-29
% Change from 2011-13	0.0%	-6.5%	-6.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the State Treasurer
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	67.0	0	15,160
2013-15 Carryforward Level	67.0	0	15,232
2013-15 Maintenance Level	67.0	0	15,435
Policy Other Changes:			
1. Reduce Excess Expenditure Authority	0.0	0	-756
Policy -- Other Total	0.0	0	-756
Total Policy Changes	0.0	0	-756
Total 2013-15 Biennium	67.0	0	14,679
Difference from 2011-13	0.0	0	-481
% Change from 2011-13	0.0%	0.0%	-3.2%

Comments:

1. Reduce Excess Expenditure Authority - Expenditure authority is reduced to reflect 2013-15 efficiency savings anticipated in the Governor's veto message in the 2012 Supplemental Budget (chapter 7, Laws of 2012 2nd sp.sess.). (Treasurer's Service Account--State)

2013-15 Omnibus Operating Budget
Redistricting Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	5.9	1,781	1,781
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-5.9	-1,781	-1,781
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
Office of the State Auditor
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	336.3	0	72,894
2013-15 Carryforward Level	336.3	0	79,619
2013-15 Maintenance Level	336.3	1,461	80,614
Policy Other Changes:			
1. School Audits	0.0	-1,461	0
2. DSHS Fraud Investigation	0.0	0	-4,941
3. Foster Care Cost Audit	0.0	77	77
Policy -- Other Total	0.0	-1,384	-4,864
Total Policy Changes	0.0	-1,384	-4,864
Total 2013-15 Biennium	336.3	77	75,750
Difference from 2011-13	0.0	77	2,856
% Change from 2011-13	0.0%	0.0%	3.9%

Comments:

1. School Audits - Funding for select state school district audits will be funded from the Performance Audits of Government Account rather than General Fund-State. (General Fund-State, Performance Audits of Government Account-State)

2. DSHS Fraud Investigation - The Performance Audits of Government Account is reduced to allow for the shifting of expenditure authority to the Division of Fraud Investigations (DFI) within the Department of Social and Health Services. (Performance Audits of Government Account-Nonappropriated)

3. Foster Care Cost Audit - Funding is provided for the State Auditor to examine cases with extraordinary costs within the foster care system managed by the Children's Administration of the Department of Social and Health Services. This audit will examine the highest cost foster children to determine if the child's care could be provided in a more cost-effective manner and whether the cost for these placements is consistent across similarly acute children.

2013-15 Omnibus Operating Budget
Comm Salaries for Elected Officials
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1.3	327	327
2013-15 Carryforward Level	1.3	341	341
2013-15 Maintenance Level	1.3	313	313
Total 2013-15 Biennium	1.3	313	313
Difference from 2011-13	0.1	-14	-14
% Change from 2011-13	4.0%	-4.3%	-4.3%

Comments:

2013-15 Omnibus Operating Budget
Office of the Attorney General
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,100.7	12,448	228,713
2013-15 Carryforward Level	1,063.2	15,040	224,058
2013-15 Maintenance Level	1,067.6	19,380	229,321
Policy Other Changes:			
1. Legal Services Reduction	0.0	0	-3,005
2. Law Office Software Upgrades	0.0	0	609
3. Reduce Anti-Trust to Balance Fund	0.0	0	-3,000
4. Increase Public Counsel Resources	1.0	0	235
5. Lease of Personal Computers	0.0	0	424
6. Crime Victim Advocates	0.0	706	706
7. Administrative Efficiencies	0.0	-338	-338
Policy -- Other Total	1.0	368	-4,369
Total Policy Changes	1.0	368	-4,369
Total 2013-15 Biennium	1,068.6	19,748	224,952
Difference from 2011-13	-32.2	7,300	-3,761
% Change from 2011-13	-2.9%	58.6%	-1.6%

Comments:

1. Legal Services Reduction - Legal Services Revolving Account funds are reduced. The Attorney General will work with client agencies to implement stricter policies and best practices regarding use of Attorney General services to achieve lower legal bills. (Legal Services Revolving Account-State)

2. Law Office Software Upgrades - Funding is provided for upgrades to software programs including Concordance Image Network, Summation Pro, and Sharepoint 2010. (Legal Services Revolving Account-State)

3. Reduce Anti-Trust to Balance Fund - Expenditures in the Anti-Trust Revolving Account are reduced to reflect lower-than-anticipated revenues in the 2013-15 biennium. (Anti-Trust Revolving Account-Nonappropriated)

4. Increase Public Counsel Resources - Funding is provided for additional Public Counsel Unit resources for expedited treatment of Utilities and Transportation Commission cases. (Public Service Revolving Account-State)

5. Lease of Personal Computers - The Office of the Attorney General is provided funding in the 2013-15 biennium to replace a portion of its computers with expired warranties. (Legal Services Revolving Account-State)

6. Crime Victim Advocates - Funding for the Washington Coalition of Crime Victim Advocates to provide training, certification, and technical assistance for crime victim service center advocates is transferred to the Office of the Attorney General from the Department of Commerce. (General Fund-State)

7. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Caseload Forecast Council
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	12.0	2,457	2,457
2013-15 Carryforward Level	12.0	2,425	2,425
2013-15 Maintenance Level	12.0	2,494	2,494
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-20	-20
Policy -- Other Total	-0.1	-20	-20
Total Policy Changes	-0.1	-20	-20
Total 2013-15 Biennium	11.9	2,474	2,474
Difference from 2011-13	-0.1	17	17
% Change from 2011-13	-0.8%	0.7%	0.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Financial Institutions
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	188.3	0	46,209
2013-15 Carryforward Level	188.3	0	46,700
2013-15 Maintenance Level	188.3	0	47,151
Policy Other Changes:			
1. Enhance Cr. Union Compliance Exams	2.6	0	563
2. Small Consumer Installment Loans	3.6	0	630
Policy -- Other Total	6.2	0	1,193
Total Policy Changes	6.2	0	1,193
Total 2013-15 Biennium	194.4	0	48,344
Difference from 2011-13	6.2	0	2,135
% Change from 2011-13	3.3%	0.0%	4.6%

Comments:

1. Enhance Cr. Union Compliance Exams - Funding is provided to conduct more compliance exams at Washington State chartered credit unions. (Financial Services Regulation Account-Nonappropriated)

2. Small Consumer Installment Loans - Funding is provided for the implementation of Engrossed Substitute Senate Bill 5312 (small consumer installment loans), which establishes the Small Consumer Installment Act and requires the department to regulate businesses offering these types of loans, and imposes a fee for the purposes of regulating these activities. (Financial Services Regulation Account- Non-Appropriated-State)

2013-15 Omnibus Operating Budget
Department of Commerce
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	256.0	124,671	588,702
2013-15 Carryforward Level	259.5	144,055	605,029
2013-15 Maintenance Level	273.5	144,379	533,553
Policy Other Changes:			
1. Eliminate Global Health Grant	0.0	-500	-500
2. Eliminate Microenterprise Grant	0.0	-328	-328
3. Eliminate Community Mobilization Gr	-1.9	-1,786	-1,786
4. Eliminate Innovation Research Grant	0.0	-3,718	-3,718
5. Reduce State Energy Policy	0.0	-52	-52
6. Eliminate Economic Development Comm	-2.8	-882	-882
7. Business/Government Streamlining	0.2	98	98
8. Tourism Contract	0.0	1,000	1,000
9. Crime Victim Advocates	0.0	-706	-706
10. Unanticipated Receipt	2.4	0	1,240
11. HEN Underspending	0.0	-30,251	-30,251
12. HEN - Funding	0.0	-31,237	0
13. Housing - Funding	0.0	0	-25,860
14. THOR	0.0	0	-2,500
15. Eliminate IPZ Grants	0.0	-100	-100
16. Eliminate Impact WA Pass-Thru	0.0	-292	-292
17. Eliminate Admin for Grant Services	0.0	-983	-983
18. Reduce Foreign Int'l Trade	0.0	-106	-106
19. Reduce Domestic Int'l Trade	0.0	-665	-665
20. Reduce Biz Development/Admin	0.0	-1,000	-1,000
21. Eliminate Portfolio Management	0.0	-131	-131
22. Water and Environmental Center	0.0	750	750
23. Reduce Northwest Ag Center	0.0	-200	-200
24. Administrative Efficiencies	0.0	-304	-304
25. Covington Town Center	0.0	50	50
Policy -- Other Total	-2.1	-71,343	-67,226
Total Policy Changes	-2.1	-71,343	-67,226
Total 2013-15 Biennium	271.4	73,036	466,327
Difference from 2011-13	15.4	-51,635	-122,375
% Change from 2011-13	6.0%	-41.4%	-20.8%

Comments:

- 1. Eliminate Global Health Grant** - Funding for the Washington Global Health Alliance is eliminated.
- 2. Eliminate Microenterprise Grant** - Funding for the Washington State Microenterprise Association is eliminated.
- 3. Eliminate Community Mobilization Gr** - Funding for Community Mobilization grants, used by counties to help prevent and reduce substance abuse and violence, is eliminated.

2013-15 Omnibus Operating Budget Department of Commerce

- 4. Eliminate Innovation Research Grant** - Funding for the Strategically Targeted Academic Research team (STARS) program is eliminated.
- 5. Reduce State Energy Policy** - Funding is reduced by 5 percent.
- 6. Eliminate Economic Development Comm** - Funding for the Washington Economic Development Commission (EDC) is eliminated. The EDC is an independent state commission responsible for evaluating the state's economic development systems and developing long-term comprehensive strategic planning.
- 7. Business/Government Streamlining** - Funding is provided for implementation of Chapter 324, Laws of 2013 (HB 1818). The Department of Commerce (Commerce) is authorized, in collaboration with the Office of Regulatory Assistance and the Office of Accountability and Performance, to conduct one or more multi-jurisdictional regulatory streamlining projects each year through FY 2019. Commerce must establish and implement a competitive application process to select projects. Commerce must brief the economic development committees of the Legislature by January 15, 2014, on the initial pilot project, and must submit a report on outcomes of the projects to the economic development committees of the Legislature by January 15 of each year thereafter.
- 8. Tourism Contract** - Funding is provided to the Department of Commerce to contract with the Washington Tourism Alliance for services to expand and promote the tourism industry in Washington. Expenditure of state moneys is contingent upon the contractor providing a dollar-for-dollar cash or in-kind match.
- 9. Crime Victim Advocates** - General Fund-State for the Washington Coalition of Crime Victim Advocates to provide training, certification, and technical assistance for crime victim service center advocates is eliminated from the Department of Commerce. This funding is transferred to the Office of the Attorney General.
- 10. Unanticipated Receipt** - Funding is increased for the following unanticipated receipts: Protecting Inmates and Safeguarding Communities, Washington Homeless and Poverty Policy Alignment, State Trade and Export Promotion Grant, 2012 State Energy Program Competitive Grants, and Energy Efficiency Resource Standard. (General Fund-State, General Fund-Private Local)
- 11. HEN Underspending** - Funding is adjusted to reflect actual monthly expenditures from July through December 2012 in the Housing and Essential Needs program. The adjusted funding assumes, beginning July 1, 2013, the disabled population from the former Aged, Blind, and Disabled program that meets the housing eligibility requirements will be served by the Housing and Essential Needs program within the amounts appropriated.
- 12. HEN - Funding** - Funding from the state general fund for the Housing and Essential Needs program is reduced, and appropriation authority is increased from the Home Security and Affordable Housing for All accounts for the 2013-15 biennium. (General Fund-State, Home Security Account-State, Affordable Housing for All Account-State)
- 13. Housing - Funding** - Funding is adjusted based on assumed reduced activities in various housing programs. Funding is maintained for Independent Youth Housing, for homeless family shelters, and 75 percent of emergency shelter prevention. (Affordable Housing for All-State, Home Security Fund-State)
- 14. THOR** - Funding for transitional housing is reduced. (Transitional Housing Operating and Rent Account- State, nonappropriated)
- 15. Eliminate IPZ Grants** - Funding for the innovation partnership zone competitive grants is eliminated.
- 16. Eliminate Impact WA Pass-Thru** - Funding for grants to the not-for-profit organization, Impact Washington, are eliminated.
- 17. Eliminate Admin for Grant Services** - Funding for grant services is reduced by 60 percent in fiscal year 2014 and eliminated in fiscal year 2015.
- 18. Reduce Foreign Int'l Trade** - Funding is reduced for foreign representatives providing export assistance in China and Europe by 25 percent.
- 19. Reduce Domestic Int'l Trade** - Funding is reduced for export assistance contracting services by 25 percent.
- 20. Reduce Biz Development/Admin** - Funding for the business services division administration and activities is reduced.
- 21. Eliminate Portfolio Management** - Funding for portfolio management is reduced by 25 percent in fiscal year 2014 and eliminated in fiscal year 2015.
- 22. Water and Environmental Center** - Funding is provided to Walla Walla Community College for the William Grant Water and Environmental Center.

2013-15 Omnibus Operating Budget Department of Commerce

23. Reduce Northwest Ag Center - Funding for the Northwest Agricultural Business Center is reduced by \$200,000.

24. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

25. Covington Town Center - Funding is provided for an economic impact and infrastructure cost study for Covington Town Center.

2013-15 Omnibus Operating Budget
Economic & Revenue Forecast Council
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	5.6	1,437	1,487
2013-15 Carryforward Level	6.1	1,552	1,602
2013-15 Maintenance Level	6.1	1,569	1,619
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-10	-10
Policy -- Other Total	-0.1	-10	-10
Total Policy Changes	-0.1	-10	-10
Total 2013-15 Biennium	6.0	1,559	1,609
Difference from 2011-13	0.4	122	122
% Change from 2011-13	7.1%	8.5%	8.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of Financial Management
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	186.1	36,994	116,760
2013-15 Carryforward Level	186.2	37,431	117,054
2013-15 Maintenance Level	205.7	37,688	117,875
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	1.5	916	916
2. Aerospace Sector Lead	-1.0	-254	-254
3. Education Data Center - 2SSB 5330	0.4	106	106
4. GMAP Program	-8.5	-2,735	-2,735
5. Greenhouse Gas Emissions SB 5802	0.0	300	300
6. Audit & Financial Management	0.0	-4,400	0
7. Administrative Efficiencies	0.0	-370	-370
Policy -- Other Total	-7.7	-6,437	-2,037
Total Policy Changes	-7.7	-6,437	-2,037
Total 2013-15 Biennium	198.0	31,251	115,838
Difference from 2011-13	11.9	-5,743	-922
% Change from 2011-13	6.4%	-15.5%	-0.8%

Comments:

1. Charter Schools (Initiative 1240) - Initiative 1240 established a State Charter Schools Commission to be housed within the Office of the Governor. Funding is provided for an executive director, part-time administrative assistant, and operations staff support for the commission.

2. Aerospace Sector Lead - Funding for the Governor's Office of Aerospace is eliminated.

3. Education Data Center - 2SSB 5330 - Second Substitute Senate Bill 5330 (improving student achievement and student outcomes) requires the Office of Financial Management's Education Data Center to monitor outcomes for students with disabilities after high school graduation.

4. GMAP Program - Funding for the Government Management, Accountability and Productivity (GMAP) Program is eliminated.

5. Greenhouse Gas Emissions SB 5802 - Funding is provided for implementation of Chapter 6, Laws of 2013 (E2SSB 5802; greenhouse gas emissions target).

6. Audit & Financial Management - Funding for a portion of agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for audit functions and related financial management during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

7. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
WA State Health Care Authority
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,055.6	4,065,447	10,207,243
2013-15 Carryforward Level	988.3	4,116,068	9,990,215
2013-15 Maintenance Level	1,005.0	4,759,402	10,358,569
Policy Other Changes:			
1. HealthPath Washington	0.0	-4,214	-4,214
2. Restore Hospital Safety Net	0.0	-250,348	701,914
3. Federal Medicaid Expansion	-41.0	-235,521	828,796
4. Expansion Eligibility Determination	-50.8	-3,141	-7,859
5. Language Access Provider Agreement	0.0	434	607
6. Prescription Monitoring Program	0.0	0	100
7. Health Information Technology	10.0	0	170,561
8. Health Information Exchange Grant	2.3	430	930
9. HBE Cost Allocation	0.0	1,558	5,341
10. Inpatient and Outpatient Rebase	0.0	0	566
11. International Class. of Diseases	7.8	0	10,873
12. Medicaid IT Architecture Assessment	1.0	0	359
13. Autism Services	1.0	4,723	9,446
14. ProviderOne Phase 2 Project	30.5	1,811	12,614
15. Bree Collaborative	0.0	0	126
16. Improving Service Delivery	2.0	291	583
17. Foster Care and Adoption	0.0	-1,686	-1,035
18. Adult Dental	0.0	13,258	41,567
19. 12 Month Dispensing	0.0	-4,426	-8,852
20. Wellness Program	0.0	0	571
21. Managed Care Premiums	0.0	-18,778	-37,556
22. Medicaid Benefit Alignment	0.0	778	1,556
23. Medicaid Fraud Penalty	0.0	-1,500	0
24. Apple Health Hotline	0.0	40	80
25. HCA Financial Oversight	0.0	184	368
26. Sole Community Hospitals	0.0	2,000	4,000
27. RHC Reconciliation	0.0	3,645	3,645
28. Child Premiums	0.0	714	714
29. Administrative Efficiencies	0.0	-2,620	-2,620
Policy -- Other Total	-37.3	-492,368	1,733,181
Total Policy Changes	-37.3	-492,368	1,733,181
Total 2013-15 Biennium	967.8	4,267,034	12,091,750
Difference from 2011-13	-87.8	201,587	1,884,507
% Change from 2011-13	-8.3%	5.0%	18.5%

2013-15 Omnibus Operating Budget WA State Health Care Authority

Comments:

1. HealthPath Washington - HealthPath Washington is a demonstration project that allows the Department of Social and Health Services to establish a care management program for high-cost, high-risk Medicare and Medicaid enrollees. Coordinated services across Medicare and Medicaid will result in savings to the Health Care Authority. The demonstration project is scheduled to begin April 1, 2013, and will continue until December 31, 2016.

2. Restore Hospital Safety Net - The Hospital Safety Net Assessment program imposes assessments on most hospitals and the revenue from the assessment is placed in the Hospital Safety Net Assessment Fund (Fund). Currently the state spends \$199.8 million from the fund in lieu of General Fund-State. The Hospital Safety Net Assessment program is set to expire on July 1, 2013. Funding is provided to restore the program for a six-year period. Savings are achieved by allowing the state to use Safety Net funds in lieu of the state general fund for Medicaid hospital services. The program will be incrementally decreased over the six years to zero at its expiration. The phase-down of this program coincides with the the ramp up of federal health care reform. (General Fund-Federal, Hospital Safety Net Assessment Account-State)

3. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that newly eligible caseloads will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will decrease, and after 10 years, the federal government will continue to pay 90 percent of the FFP for the newly eligible group. As a result, several currently funded optional programs may duplicate coverage or services provided under federal health care reform. Effective January 1, 2014, savings are achieved through ending the following programs for current and or new enrollees: Disability Lifeline Medical, Basic Health Plan, ADATSA Medical, and non-dual Medically Needy Blind Disabled. Additional savings are achieved by ending the program for new enrollees or reducing funding for the following: Presumptive SSI, Breast Cervical Cancer Treatment, and Take Charge Family Planning. (General Fund-State, General Fund-Federal, Basic Health Plan Subscription Account-Nonappropriated)

4. Expansion Eligibility Determination - Funding and FTE authority are reduced. Eligibility determinations and post-eligibility case reviews required as part of the Affordable Care Act will be centralized in the Department of Social and Health Services. (General Fund-State, General Fund-Federal)

5. Language Access Provider Agreement - Pursuant to the 2013-15 collective bargaining agreement, funding is provided for a change to no-show payment rules and a rate increase of 50 cents per hour on July 1, 2013, and 50 cents per hour on July 1, 2014. (General Fund-State, General Fund-Federal)

6. Prescription Monitoring Program - The Prescription Monitoring Program helps practitioners identify and prevent abuse, misuse, duplication and forgery of prescriptions, as well as dangerous drug interactions. Federal grant funding was used to develop the program within the Department of Health; however, these federal grants are not ongoing and will be fully depleted by June 2013. Funding is provided to the Department of Health for the continuation of the Prescription Monitoring Program and local authority is provided to the Health Care Authority to claim eligible federal funding. (General Fund-Private/Local).

7. Health Information Technology - Funding is provided to issue federally funded incentive payments, manage the provider incentive program and to plan and launch other initiatives related to the State Health Information Technology (HIT) Medicaid Plan (SMHP) in the 2013-2015 Biennium. Funding continues for the current Electronic Health Record (EHR) incentive program. (General Fund-Federal)

8. Health Information Exchange Grant - One-time funding is provided to complete grant requirements for the Health Information Exchange (HIE), which was implemented using funds awarded through the American Recovery and Reinvestment Act (ARRA) Health Information Technology for Economic and Clinical Health (HITECH) Act, provisions of 2009. (General Fund-State, General Fund-Federal)

9. HBE Cost Allocation - Funding is provided to the Health Care Authority for the Medicaid and Children's Health Insurance Program (CHIP) share of costs allocated from the Washington Health Benefits Exchange. The amounts provided are contingent on the health benefit exchange developing a self-sustaining methodology under which revenues to the exchange from charges to health carriers, premiums paid by enrollees, and receipts from the state from appropriations do not exceed \$26,000,000 annually. This funding level is about 50 percent of the Exchange funding request. (General Fund-State, General Fund-Federal).

2013-15 Omnibus Operating Budget WA State Health Care Authority

10. Inpatient and Outpatient Rebase - Funding is provided for an expert contractor to rebase outpatient and inpatient payment methodologies. Rebasings will improve payment methodologies and ensure compliance with upcoming ICD-10 technology requirements. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

11. International Class. of Diseases - Funding is provided to implement the federally mandated conversion to the tenth version of the World Health Organization's International Classification of Diseases (ICD-10). ICD-10 is a method of coding a patient's state of health and institutional procedures for efficient handling in data systems. This version of classification will provide greater granularity in the definition of disease severity and associated health risk. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

12. Medicaid IT Architecture Assessment - Funding is provided to update the federally mandated Medicaid Information Technology Architecture (MITA) State Self-Assessment and to develop and implement the five-year road map for the MITA architect. The department will have ongoing responsibility to oversee implementation of the roadmap, maintain business process models, and prepare annual updates as required by the Centers for Medicare and Medicaid. (General Fund-Federal)

13. Autism Services - Funding is provided to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health for Kids program. These services are provided in response to the negotiated settlement agreement from legal action taken against the Health Care Authority in *W.A.A. vs. Porter*. The services are intended to ameliorate the core symptoms of conditions classified as autism spectrum disorders, improve functioning in communication, and enhance behavior and social skills. This item includes interpreter services and transportation costs associated with delivering these services. (General Fund-State, General Fund-Federal)

14. ProviderOne Phase 2 Project - Funding is provided to complete the ProviderOne Phase 2 project and to support ongoing operations and maintenance costs once the project has been completed. The ProviderOne Phase 2 project consolidates Medicaid expenditures to include approximately \$2 billion in Medicaid payments for home and community-based services. (General Fund-State, General Fund-Federal)

15. Bree Collaborative - Funds are provided for the Health Care Authority to subcontract for dissemination of evidence-based best practices for preventing and treating health problems. (General Fund-Federal)

16. Improving Service Delivery - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

17. Foster Care and Adoption - Approximately 87 percent of foster children and adopted children receive medical care through fee-for-service. Starting January 1, 2014, savings are achieved by moving foster children and adoptive children from medical care delivered through fee-for-service to managed care. (General Fund-State, General Fund-Federal)

18. Adult Dental - Funding is provided to restore adult dental restorative benefits beginning January 1, 2014. The Authority shall not provide additional dental service benefits without a direct appropriation in the Omnibus Appropriations Act. (General Fund-State, General Fund-Federal)

19. 12 Month Dispensing - Savings and efficiencies are achieved by modifying the dispensing methods of contraceptive drugs. The Health Care Authority must make arrangements for all Medicaid programs offered through managed care plans or fee-for-service to require dispensing of contraceptive drugs with up to a one-year supply provided at one time. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

20. Wellness Program - Funding is provided solely for implementation of Engrossed Substitute Senate Bill 5811 (employee wellness program).

21. Managed Care Premiums - The current Medicaid managed care contract rates are expiring in December 2013 and will be renegotiated with the state. Savings and efficiencies are achieved by the Health Care Authority negotiating contract extensions for managed care premiums for the Health Options Blind Disabled population to the weighted average of the four least expensive plans. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget WA State Health Care Authority

22. Medicaid Benefit Alignment - Funding is provided for the mental health visit limit removal, shingles vaccine, and the screening, brief intervention, and referral to treatment benefits available in the Medicaid alternative benefit plan to the current Medicaid benefit plan beginning January 1, 2014. The authority shall monitor the habilitative benefit costs as part of the forecasting process but shall not provide this benefit without a direct appropriation in the Omnibus Appropriations Act.

23. Medicaid Fraud Penalty - A portion of the state general fund for the Medicaid services are shifted to the Medicaid Fraud Penalty Account on a one-time basis. (General Fund-State, Medicaid Fraud Penalty Account-State)

24. Apple Health Hotline - Funds are provided to enhance and continue operation by a nonprofit organization of a toll-free phone line that helps families learn about and enroll in Apple Health for Kids, which provides publicly-funded medical and dental care for families with incomes below 300 percent of the federal poverty level. (General Fund-State, General Fund-Federal)

25. HCA Financial Oversight - Funding is provided to build and enhance a financial oversight system of Medicaid managed care organizations and related costs. The authority's financial oversight system shall be able to monitor performance and financial data independently of outside organizations, have the systems and personnel necessary to perform these functions, and understand how state and federal reforms will affect state health care costs. (General Fund-State, General Fund-Federal)

26. Sole Community Hospitals - In concert with the Hospital Safety Net Assessment, additional funding is provided to enhance funding for Medicaid services to sole community hospitals. (General Fund-State, General Fund-Federal)

27. RHC Reconciliation - Funding is provided the health care authority and the authority shall consider services provided by rural health clinics associated with the alternative payment methodology number 2, alternative payment methodology number 3, and the calendar year 2009 managed care enhancement and fee-for-service encounter reconciliation as paid in full and no longer pursue reconciliation.

28. Child Premiums - Funding is provided to reduce premiums for children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Premiums in the state and federal children's health insurance program shall be equal.

29. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of Administrative Hearings
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	170.4	0	35,765
2013-15 Carryforward Level	170.4	0	36,480
2013-15 Maintenance Level	170.4	0	37,335
Policy Other Changes:			
1. IT Infrastructure	0.0	0	151
2. New Lease Adjustments	0.0	0	313
Policy -- Other Total	0.0	0	464
Total Policy Changes	0.0	0	464
Total 2013-15 Biennium	170.4	0	37,799
Difference from 2011-13	0.0	0	2,034
% Change from 2011-13	0.0%	0.0%	5.7%

Comments:

1. IT Infrastructure - Funding is provided for information technology improvements including cloud server hosting and enhanced data lines. (Administrative Hearings Revolving Account-State)

2. New Lease Adjustments - Funding is provided for the following lease-related costs: one-time moving costs in Fiscal Year 2014 and future lease increases associated with a new Spokane office; reducing the size of the Vancouver office by 60 percent, resulting in ongoing lease savings; and increasing the size of the Seattle office by 2,000 square feet. (Administrative Hearings Revolving Account-State)

2013-15 Omnibus Operating Budget
State Lottery Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	142.9	0	779,422
2013-15 Carryforward Level	142.9	0	774,622
2013-15 Maintenance Level	142.9	0	812,818
Policy Other Changes:			
1. Reduce Advertising Costs	0.0	0	-1,500
2. Gaming Vendor Contract	0.0	0	596
Policy -- Other Total	0.0	0	-904
Total Policy Changes	0.0	0	-904
Total 2013-15 Biennium	142.9	0	811,914
Difference from 2011-13	0.0	0	32,492
% Change from 2011-13	0.0%	0.0%	4.2%

Comments:

1. Reduce Advertising Costs - The Lottery will reduce advertising expenses in order to increase distributions to the Washington Opportunity Pathways Account. (State Lottery Account-Nonappropriated, Shared Game Lottery Account-Nonappropriated, Washington Opportunity Pathways Account-State)

2. Gaming Vendor Contract - Funding is provided to obtain temporary project staff and other resources to facilitate the replacement of the Lottery's gaming systems vendor contract. The current contract expires June 30, 2016. (Lottery Administrative Account-State, Washington Opportunity Pathways Account-State)

2013-15 Omnibus Operating Budget
Washington State Gambling Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	155.5	0	30,402
2013-15 Carryforward Level	154.7	0	30,180
2013-15 Maintenance Level	146.5	0	29,946
Total 2013-15 Biennium	146.5	0	29,946
Difference from 2011-13	-9.0	0	-456
% Change from 2011-13	-5.8%	0.0%	-1.5%

Comments:

2013-15 Omnibus Operating Budget
WA State Comm on Hispanic Affairs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2.0	488	488
2013-15 Carryforward Level	2.0	492	492
2013-15 Maintenance Level	2.0	474	474
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	470	470
Difference from 2011-13	0.0	-18	-18
% Change from 2011-13	0.0%	-3.7%	-3.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
African-American Affairs Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2.0	469	469
2013-15 Carryforward Level	2.0	474	474
2013-15 Maintenance Level	2.0	458	458
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-2	-2
Policy -- Other Total	0.0	-2	-2
Total Policy Changes	0.0	-2	-2
Total 2013-15 Biennium	2.0	456	456
Difference from 2011-13	0.0	-13	-13
% Change from 2011-13	0.0%	-2.8%	-2.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Human Rights Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	34.2	3,954	5,847
2013-15 Carryforward Level	34.2	3,986	5,919
2013-15 Maintenance Level	34.2	4,063	6,024
Policy Other Changes:			
1. Service Animal Investigations	0.0	0	218
Policy -- Other Total	0.0	0	218
Total Policy Changes	0.0	0	218
Total 2013-15 Biennium	34.2	4,063	6,242
Difference from 2011-13	0.0	109	395
% Change from 2011-13	0.0%	2.8%	6.8%

Comments:

1. Service Animal Investigations - Expenditure authority is provided for additional financial resources from the U.S. Department of Housing and Urban Development for the investigation of discrimination cases involving service animals. (General Fund-Federal)

2013-15 Omnibus Operating Budget
Department of Retirement Systems
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	249.0	0	52,637
2013-15 Carryforward Level	248.7	0	53,180
2013-15 Maintenance Level	248.7	0	53,909
Policy Other Changes:			
1. Upgrade Employer Reporting System	3.0	0	3,074
2. Retirement Savings Plan Option	0.0	0	2,250
Policy -- Other Total	3.0	0	5,324
Total Policy Changes	3.0	0	5,324
Total 2013-15 Biennium	251.7	0	59,233
Difference from 2011-13	2.7	0	6,596
% Change from 2011-13	1.1%	0.0%	12.5%

Comments:

1. Upgrade Employer Reporting System - The Department of Retirement Systems' Employer Information System (EIS) is responsible for processing retirement data for 291,000 active members from over 1,300 employers who participate in the state's 16 pension plans, and the Deferred Compensation Program. EIS collects and processes more than one million transactions each month containing the critical core data that is ultimately used to calculate and distribute benefits. One-time funding and 3 FTE staff are provided to upgrade the EIS to provide the agency with a more efficient tool that will continue to meet the needs of its customers. (Department of Retirement Systems Expense Account-State, Deferred Compensation Administrative Account-Nonappropriated)

2. Retirement Savings Plan Option - Funding is provided to implement a new defined contribution retirement savings plan, as provided in SSB 5851. (Department of Retirement Systems Expense Account-State)

2013-15 Omnibus Operating Budget
State Investment Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	83.4	0	29,093
2013-15 Carryforward Level	83.4	0	29,394
2013-15 Maintenance Level	83.4	0	29,950
Policy Other Changes:			
1. Investment Officers and Staff	3.0	0	1,530
2. Investment Accounting	2.0	0	452
3. Audit Services	0.0	0	100
4. Office Space for Additional Staff	0.0	0	46
Policy -- Other Total	5.0	0	2,128
Total Policy Changes	5.0	0	2,128
Total 2013-15 Biennium	88.4	0	32,078
Difference from 2011-13	5.0	0	2,985
% Change from 2011-13	6.0%	0.0%	10.3%

Comments:

1. Investment Officers and Staff - Funding is provided for the State Investment Board (SIB) to hire additional investment officers to begin implementation of its model portfolio and for investment officer compensation increases pursuant to RCW 43.33A.100 RCW. (State Investment Board Expense Account-State)

2. Investment Accounting - The SIB is moving its investment accounting book of record from its current provider to its custody bank. Accounting for the book of record is currently done by an outside provider, independent of the bank. This funding would allow the board to hire staff to perform investment accounting currently performed by the book of record provider. The staff and a new investment accounting application will provide a verification system independent of the custody bank, as is required by Office of Financial Management policy. (State Investment Board Expense Account-State)

3. Audit Services - This funding would allow the SIB to contract with independent audit service providers to replace audit work no longer performed by the State Auditor's Office. The funding will provide access to qualified audit teams to provide assurance to the board regarding financial reporting, accountability and compliance, as well as information technology. (State Investment Board Expense Account-State)

4. Office Space for Additional Staff - This item provides increased office space for additional staff, including investment officers and investment accounting staff. (State Investment Board Expense Account-State)

2013-15 Omnibus Operating Budget
Innovate Washington
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	15.2	5,634	9,448
2013-15 Carryforward Level	15.1	5,545	9,992
2013-15 Maintenance Level	1.0	5,610	8,987
Policy Other Changes:			
1. GF-S Reduction	-1.0	-5,610	-8,987
Policy -- Other Total	-1.0	-5,610	-8,987
Total Policy Changes	-1.0	-5,610	-8,987
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-15.2	-5,634	-9,448
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

1. GF-S Reduction - Funding for Innovate Washington is eliminated.

2013-15 Omnibus Operating Budget
Department of Revenue
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,168.8	199,991	231,637
2013-15 Carryforward Level	1,169.3	206,149	232,884
2013-15 Maintenance Level	1,164.3	209,831	236,918
Policy Other Changes:			
1. City Business Tax Study SB 5688	0.5	113	113
2. City Business Licenses SB 5656	11.2	0	2,060
3. I-1183 Implementation Costs	6.5	1,004	1,004
4. Legacy Migration	9.0	6,751	11,604
5. Administrative Efficiencies	-13.9	-1,848	-1,848
Policy -- Other Total	13.3	6,020	12,933
Total Policy Changes	13.3	6,020	12,933
Total 2013-15 Biennium	1,177.6	215,851	249,851
Difference from 2011-13	8.8	15,860	18,214
% Change from 2011-13	0.8%	7.9%	7.9%

Comments:

1. City Business Tax Study SB 5688 - Funding is provided for the implementation of Engrossed Second Substitute Senate Bill 5688 (state and local tax systems) which requires the Department of Revenue to establish a workgroup to review issues of simplification, uniformity, classification, apportionment, and nexus related to business and occupation taxation.

2. City Business Licenses SB 5656 - Funding is provided for the implementation of Engrossed Substitute Senate Bill 5656 (Revising business license systems) which requires cities with a business and occupation tax to offer their general business license through the states business license service or a city-developed portal by 2016. All other cities must offer their general business licenses through one of the two options by 2019. (Master License Account-State)

3. I-1183 Implementation Costs - Funding is provided for additional audit staff to establish new auditing and administrative processes and documentation for liquor tax collections. With these additional resources, the department will generate an additional \$4.8 million per year in revenues through the enforcement of liquor taxes.

4. Legacy Migration - Funding is provided to update the portion of the Department of Revenue's legacy systems that involve business information and its business licensing system. The Department of Revenue collects taxes and licenses businesses on a platform of legacy systems that are more than 20 years old. This represents the first two years of a six-year plan to replace these systems and migrate to modern technologies to reduce operational risks and increase available features. Business licensing system replacement is funded by the Master License Account. (General Fund-State, Master License Account-State)

5. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Board of Tax Appeals
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	11.2	2,339	2,339
2013-15 Carryforward Level	11.2	2,351	2,351
2013-15 Maintenance Level	11.2	2,398	2,398
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-18	-18
Policy -- Other Total	-0.1	-18	-18
Total Policy Changes	-0.1	-18	-18
Total 2013-15 Biennium	11.1	2,380	2,380
Difference from 2011-13	-0.1	41	41
% Change from 2011-13	-0.9%	1.8%	1.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Minority & Women's Business Enterp
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	17.0	0	3,655
2013-15 Carryforward Level	17.0	0	3,668
2013-15 Maintenance Level	17.0	0	3,890
Policy Other Changes:			
1. Small Business Certification	1.0	0	200
Policy -- Other Total	1.0	0	200
Total Policy Changes	1.0	0	200
Total 2013-15 Biennium	18.0	0	4,090
Difference from 2011-13	1.0	0	435
% Change from 2011-13	5.9%	0.0%	11.9%

Comments:

1. Small Business Certification - Funding is provided to the Office of Minority and Women's Business Enterprises (OMWBE) for the Small Business Enterprises certification project, in cooperation with the Department of Transportation. Prior to implementing this new program, OMWBE will provide assurances to the Office of Financial Management and the Legislature that the backlog of existing certification cases has been eliminated. (Office of Minority and Women's Business Enterprises Account-State)

2013-15 Omnibus Operating Budget
Office of Insurance Commissioner
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	232.0	650	53,095
2013-15 Carryforward Level	232.4	1,300	54,418
2013-15 Maintenance Level	232.4	300	54,116
Policy Other Changes:			
1. Out-of-State Health Plans 2SSB 5540	5.1	0	1,209
2. Association Health Plans SSB 5605	1.6	0	758
3. Administrative Efficiencies	0.0	0	-1,422
Policy -- Other Total	6.7	0	545
Total Policy Changes	6.7	0	545
Total 2013-15 Biennium	239.1	300	54,661
Difference from 2011-13	7.1	-350	1,566
% Change from 2011-13	3.1%	-53.9%	3.0%

Comments:

1. Out-of-State Health Plans 2SSB 5540 - Funding is provided for the implementation of Second Substitute Senate Bill 5540 (out-of-state health insurance plans). (Insurance Commissioner's Regulatory Account--State)

2. Association Health Plans SSB 5605 - Funding is provided for the implementation of Substitute Senate Bill 5605 (association health insurance plans). (Insurance Commissioner's Regulatory Account--State)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Consolidated Technology Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	279.5	0	208,054
2013-15 Carryforward Level	279.5	0	181,538
2013-15 Maintenance Level	279.5	0	185,378
Policy Other Changes:			
1. Enterprise Network Security	1.0	0	1,300
2. State Data Center Operations	0.0	0	34,404
Policy -- Other Total	1.0	0	35,704
Total Policy Changes	1.0	0	35,704
Total 2013-15 Biennium	280.5	0	221,082
Difference from 2011-13	1.0	0	13,028
% Change from 2011-13	0.4%	0.0%	6.3%

Comments:

1. Enterprise Network Security - Funding is provided to enhance enterprise security services for Washington State's information technology (IT) systems. (Data Processing Revolving Account-Nonappropriated)

2. State Data Center Operations - Funding is provided for core data network and security services for the State Data Center (SDC). Most of the existing Consolidated Technology Services (CTS) information technology services will move from the Office Building Two data center to the SDC. Expenditure authority is provided for one-time costs to build out the SDC's core infrastructure and associated project management costs. Funding also is provided for ongoing maintenance and operation costs of the SDC. (Data Processing Revolving Account-Nonappropriated)

2013-15 Omnibus Operating Budget
State Board of Accountancy
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	11.3	0	2,692
2013-15 Carryforward Level	11.3	0	2,725
2013-15 Maintenance Level	11.3	0	2,702
Total 2013-15 Biennium	11.3	0	2,702
Difference from 2011-13	0.0	0	10
% Change from 2011-13	0.0%	0.0%	0.4%

Comments:

2013-15 Omnibus Operating Budget
Forensic Investigations Council
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	490
2013-15 Carryforward Level	0.0	0	280
2013-15 Maintenance Level	0.0	0	288
Policy Other Changes:			
1. Identifying Human Remains	0.0	0	210
Policy -- Other Total	0.0	0	210
Total Policy Changes	0.0	0	210
Total 2013-15 Biennium	0.0	0	498
Difference from 2011-13	0.0	0	8
% Change from 2011-13	0.0%	0.0%	1.6%

Comments:

1. Identifying Human Remains - The Legislature established funding in Fiscal Year 2013 to reimburse King County for the time spent by its forensic anthropologist to work on cases from other counties. This funding will be ongoing to continue the human remains identification work statewide. (Death Investigations Account-State)

2013-15 Omnibus Operating Budget
Dept of Enterprise Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,070.0	6,710	479,724
2013-15 Carryforward Level	1,070.0	6,704	480,372
2013-15 Maintenance Level	1,070.0	7,284	461,428
Policy Other Changes:			
1. Time, Leave & Attendance System	0.0	0	3,013
2. Statewide Financial System (ERP)	0.0	0	2,400
3. Time, Leave & Attendance System	0.0	0	5,000
4. Adjust to Revenue	0.0	0	-3
5. Transfer Geospatial Portal to DES	0.0	0	212
6. Efficiencies & Savings to State Gov	-27.2	0	-20,158
7. Visitor Center Rent	0.0	0	-12
8. Administrative Efficiencies	0.0	-80	-80
9. State Building Code Council	0.0	0	-368
Policy -- Other Total	-27.2	-80	-9,996
Total Policy Changes	-27.2	-80	-9,996
Total 2013-15 Biennium	1,042.8	7,204	451,432
Difference from 2011-13	-27.2	494	-28,292
% Change from 2011-13	-2.5%	7.4%	-5.9%

Comments:

1. Time, Leave & Attendance System - Funding is provided for the repayment of short-term financing used for the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

2. Statewide Financial System (ERP) - Existing fund balance related to closing out the Central Stores and Materials Management Center programs will provide funding for process assessment and preparation associated with the configuration and implementation of a modernized financial management system known as Enterprise Resource Planning. The scope of work scheduled for 2013-15 is estimated at \$2.4 million. (Enterprise Services Account-Nonappropriated)

3. Time, Leave & Attendance System - Existing fund balance in the Data Processing Account will be used to complete the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

4. Adjust to Revenue - Adjust spending authority to match expected revenue. (Commemorative Works Account-Nonappropriated)

5. Transfer Geospatial Portal to DES - The existing Geospatial Portal that is managed and used by multiple agencies is transferred to the Department of Enterprise Services to be centrally managed and offered as a shared service. (Data Processing Revolving Account-Nonappropriated)

6. Efficiencies & Savings to State Gov - Funding is reduced in recognition of efficiencies gained by consolidating back-office functions such as internal human resources, accounting, purchasing, contracts, and facilities management after the consolidation of five state agencies in the implementation of Chapter 43, Laws of 2011, 1st Special Session (ESSB 5931). (Personnel Service Account-State, Data Processing Revolving Account-Nonappropriated, Enterprise Services Account-State)

2013-15 Omnibus Operating Budget Dept of Enterprise Services

7. Visitor Center Rent - The Department of Enterprise Services will lower the amount of rent charged for the Capitol Campus visitor center by twenty percent.

8. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

9. State Building Code Council - The State Building Code Council is directed to shift its code review and release cycle to a six-year cycle and the council's operating budget is reduced accordingly.

2013-15 Omnibus Operating Budget
Washington Horse Racing Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	28.5	0	6,746
2013-15 Carryforward Level	28.5	0	6,810
2013-15 Maintenance Level	28.5	0	5,708
Policy Other Changes:			
1. License and Background Check Fees	0.0	0	30
Policy -- Other Total	0.0	0	30
Total Policy Changes	0.0	0	30
Total 2013-15 Biennium	28.5	0	5,738
Difference from 2011-13	0.0	0	-1,008
% Change from 2011-13	0.0%	0.0%	-14.9%

Comments:

1. License and Background Check Fees - Funding is increased to reflect that, in each year of the 2013-15 biennium, the Horse Racing Commission will increase license fees by five percent and background check fees by one dollar to recover the actual costs of licensing and background investigations. (Horse Racing Commission Operating Account-State)

2013-15 Omnibus Operating Budget
Bd of Industrial Insurance Appeals
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	163.8	0	39,213
2013-15 Carryforward Level	164.5	0	40,559
2013-15 Maintenance Level	161.0	0	39,243
Policy Other Changes:			
1. Worker Compensation	0.0	0	356
Policy -- Other Total	0.0	0	356
Total Policy Changes	0.0	0	356
Total 2013-15 Biennium	161.0	0	39,599
Difference from 2011-13	-2.8	0	386
% Change from 2011-13	-1.7%	0.0%	1.0%

Comments:

1. Worker Compensation - Expenditure authority is provided for the implementation of either Engrossed Substitute Senate Bill 5127 (structured settlement for workers) or Engrossed Substitute Senate Bill 5128 (injured worker compensation), which modifies existing structured settlement options. (Accident Account-State, Medical Aid Account-State)

2013-15 Omnibus Operating Budget
WA State Liquor Control Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	843.0	0	192,976
2013-15 Carryforward Level	275.5	0	62,229
2013-15 Maintenance Level	275.5	0	63,210
Policy Other Changes:			
1. I-502 Implementation	0.0	0	2,494
Policy -- Other Total	0.0	0	2,494
Total Policy Changes	0.0	0	2,494
Total 2013-15 Biennium	275.5	0	65,704
Difference from 2011-13	-567.5	0	-127,272
% Change from 2011-13	-67.3%	0.0%	-66.0%

Comments:

1. I-502 Implementation - Funding is provided for the implementation of Initiative 502 (an act relating to marijuana) which creates the necessity of additional rulemaking, information technology, and licensing activities related to marijuana production, distribution, and sales. Expenditure authority is increased in the Liquor Revolving Account to reflect these costs. (Liquor Revolving Account-State).

2013-15 Omnibus Operating Budget
Utilities and Transportation Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	167.4	0	48,626
2013-15 Carryforward Level	165.7	0	48,190
2013-15 Maintenance Level	165.7	0	48,831
Policy Other Changes:			
1. Federal Stimulus Funds	0.5	0	150
2. Federal Funding Rate Decrease	0.0	0	-960
3. Utility Damage Prevention Awareness	0.0	0	1,250
Policy -- Other Total	0.5	0	440
Total Policy Changes	0.5	0	440
Total 2013-15 Biennium	166.2	0	49,271
Difference from 2011-13	-1.2	0	645
% Change from 2011-13	-0.7%	0.0%	1.3%

Comments:

1. Federal Stimulus Funds - Expenditure authority is extended for the 2010 American Recovery and Reinvestment Act grant used for electricity sector activities and the policy initiatives that significantly affect electric utility resource alternatives and infrastructure investment. The grant expires in December 2013. (General Fund-Federal)

2. Federal Funding Rate Decrease - Funding is reduced to reflect decreases in federal appropriations to state pipeline safety programs. (Pipeline Safety Account-Federal)

3. Utility Damage Prevention Awareness - Funding is provided for a program to increase public awareness of the "Call 811 before you dig" utility location service. (Pipeline Safety Account-State)

2013-15 Omnibus Operating Budget
Board for Volunteer Firefighters
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	4.0	0	1,043
2013-15 Carryforward Level	4.0	0	1,053
2013-15 Maintenance Level	4.0	0	1,054
Total 2013-15 Biennium	4.0	0	1,054
Difference from 2011-13	0.0	0	11
% Change from 2011-13	0.0%	0.0%	1.1%

Comments:

2013-15 Omnibus Operating Budget
Washington State Patrol
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	510.7	67,738	129,581
2013-15 Carryforward Level	511.1	69,310	131,376
2013-15 Maintenance Level	511.7	70,648	133,306
Policy Other Changes:			
1. Criminal History System Upgrade	0.0	0	3,480
2. Crim. History Microfilm Conversion	0.0	0	536
3. Crime Lab GF-S/Death Investigations	0.0	-4,226	0
4. Administrative Efficiencies	0.0	-1,182	-1,182
Policy -- Other Total	0.0	-5,408	2,834
Policy Comp Changes:			
5. WSP Lieutenants' Association	0.0	40	40
6. WSP Troopers' Association	0.0	337	355
Policy -- Comp Total	0.0	377	395
Total Policy Changes	0.0	-5,031	3,229
Total 2013-15 Biennium	511.7	65,617	136,535
Difference from 2011-13	1.0	-2,121	6,954
% Change from 2011-13	0.2%	-3.1%	5.4%

Comments:

1. Criminal History System Upgrade - Funding is provided for the replacement of the Washington State Identification System and Washington Crime Information Center, which store and share criminal justice information within Washington State and with other states, federal agencies, and other countries. This funding will begin a phased upgrade to current technology capable of interfacing with modern web-based systems. (Enhanced 911 Account-State)

2. Crim. History Microfilm Conversion - Funding is provided to convert the microfilm library of approximately 17 million source documents to electronic images. This will improve the efficiency in accessing those documents and eliminate the need to maintain and operate two archival systems. (Fingerprint Identification Account-State)

3. Crime Lab GF-S/Death Investigations - Funding from the state general fund for the state crime lab is reduced and appropriation authority is increased from the Death Investigations Account for the 2013-15 biennium. (General Fund-State, Death Investigations Account-State)

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

5. WSP Lieutenants' Association - Funding is provided for the arbitration award for the Washington State Patrol Lieutenants' Association that includes a pay increase of 3 percent effective July 1, 2014, and paid parking for assigned agency vehicles for non-reserved parking on the Capital campus. (General Fund-State, State Highway Account-State, State Patrol Highway Account-Federal)

2013-15 Omnibus Operating Budget Washington State Patrol

6. WSP Troopers' Association - Funding is provided for the arbitration award for the Washington State Patrol Troopers' Association that includes a pay increase of 3 percent effective July 1, 2013, and a longevity pay increase of 1 percent for troopers in their 5th-9th years, effective July 1, 2014. (General Fund-State, General Fund-Federal, State Patrol Highway Account-State, Various Other Accounts)

2013-15 Omnibus Operating Budget
Criminal Justice Training Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	34.1	28,740	42,449
2013-15 Carryforward Level	34.1	28,690	41,656
2013-15 Maintenance Level	35.4	31,124	42,082
Policy Other Changes:			
1. Eliminate Grant Funding	0.0	-2,000	-2,000
2. Partial BLEA Reimbursement	0.0	-1,552	0
3. Crisis Intervention Training	0.0	330	330
4. Administrative Efficiencies	0.0	-20	-20
5. Jail Booking and Reporting System	0.0	162	162
Policy -- Other Total	0.0	-3,080	-1,528
Total Policy Changes	0.0	-3,080	-1,528
Total 2013-15 Biennium	35.4	28,044	40,554
Difference from 2011-13	1.3	-696	-1,895
% Change from 2011-13	3.8%	-2.4%	-4.5%

Comments:

1. Eliminate Grant Funding - Funding for the Rural Drug Task Force is eliminated. Pursuant to Chapter 339, laws of 2006 (Engrossed Second Substitute Senate Bill 6239), the Legislature provided general fund-state dollars for three narcotic task force pilots in rural areas beginning July 1, 2006 and ending June 30, 2010. These grants were provided to Washington state counties that were not recognized as High Intensity Drug Trafficking Areas (HIDTA) by the United States Office of National Drug Control Policy (ONDCP) and therefore did not qualify for federal funds. However, several counties participating in the state grant program now qualify and receive federal funds as well. Of the counties that are participating in the state funded pilots, Pacific, Wahkiakum, Cowlitz, Columbia, and Pend Oreille are now recognized as Drug Free Communities by ONDCP and received federal grant funds in fiscal year 2012. In addition, Lewis and Cowlitz Counties are now recognized by the federal government as HIDTAs and therefore receive federal resources to combat drug trafficking.

2. Partial BLEA Reimbursement - Funding is reduced to reflect a 25 percent partial reimbursement of the Basic Law Enforcement Academy (BLEA) costs for law enforcement agencies that send cadets for training, and for local reimbursement of ammunition costs. (General Fund-Private/Local)

3. Crisis Intervention Training - Funding is provided to implement eight hours of crisis intervention training into the BLEA and to provide an eight-hour optional in-service curriculum for officers already in the field.

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

5. Jail Booking and Reporting System - The Washington Association of Sheriffs and Police Chiefs (WASPC) is responsible for the state Jail Booking and Reporting System (JBRS) which is funded in the Criminal Justice Training Commission (CJTC) budget. WASPC has a contract with Appriss (the vendor) to operate the system. The Department of Revenue (DOR) has audited the vendor and has determined the vendor is required to pay sales tax on JBRS system, under RCW 82.04.257. DOR has sent a sales tax bill to the vendor for \$300,000 in back taxes. The ongoing tax is identified as \$162,000 each biennium. Since WASPC is the end user, WASPC will be billed for this sales tax by the vendor. Funding is provided to cover this increased cost to WASPC.

2013-15 Omnibus Operating Budget
Department of Labor and Industries
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2,784.4	35,325	633,621
2013-15 Carryforward Level	2,784.4	34,204	635,622
2013-15 Maintenance Level	2,776.9	34,068	639,894
Policy Other Changes:			
1. Vancouver Office Move	0.0	0	649
2. Reduce Specialty Compliance	0.0	-1,461	-1,461
3. Elevator Program Staff	6.0	1,526	1,526
4. Medical Management Best Practices	12.0	0	4,150
5. Federal Medicaid Expansion	0.0	-1,040	-1,040
6. Farm Internship Program	0.0	208	208
7. Worker Compensation	0.0	0	442
Policy -- Other Total	18.0	-767	4,474
Total Policy Changes	18.0	-767	4,474
Total 2013-15 Biennium	2,794.9	33,301	644,368
Difference from 2011-13	10.5	-2,024	10,747
% Change from 2011-13	0.4%	-5.7%	1.7%

Comments:

1. Vancouver Office Move - One-time funding is provided for tenant improvements and other move-related costs for the Department of Labor and Industries' (L&I) Region 4 field office. The new office space will backfill currently unused state-owned space in the Vancouver area. (Accident Account-State, Medical Aid Account-State)

2. Reduce Specialty Compliance - Funding for specialty compliance services is reduced by 10 percent. The Department of Labor and Industries shall limit the impact of these reductions by prioritizing activities which generate revenue and improve workplace safety.

3. Elevator Program Staff - Funding is provided for five additional elevator program staff intended to ensure that statutorily required annual inspections and other reviews are completed on schedule. The additional staff are funded by a 13 percent fee increase.

4. Medical Management Best Practices - Funding is provided for a pilot project to provide additional clinical staff to bring the current ratio of Occupational Nurse Consultants (ONCs) to claim managers from 1:23 to 1:10. The addition of clinical staff is intended to provide the medical expertise and intervention that will help claimants return to work. The Department shall report back to the Legislature by December 1, 2014 on the impact of this pilot project on claimants' return to work. (Accident Account-State, Medical Aid Account-State)

5. Federal Medicaid Expansion - The Department of Labor and Industries (L&I) Crime Victims Compensation Program provides services, including medical care for crime victims. Funding is reduced to reflect the anticipated shift of clients to expanded Medicaid when it becomes available under the Affordable Care Act (ACA) in January 2014. Funding is retained for services to: 1) clients who are ineligible for Medicaid or the Health Benefit Exchange (HBE) due to citizenship status; 2) clients who cannot afford to pay HBE cost-sharing requirements and receive a financial hardship exemption, and; 3) Medicare clients, Dual-eligible clients, and clients enrolled in the Healthcare for Workers with Disabilities (HWD) program.

6. Farm Internship Program - Expenditure authority is provided for the implementation of Substitute Senate Bill 5123 (farm internship program), which creates a farm internship pilot program in sixteen counties and requires certification by the Department. (Accident Account-State, Medical Aid Account-State)

**2013-15 Omnibus Operating Budget
Department of Labor and Industries**

7. Worker Compensation - Expenditure authority is provided for the implementation of either Engrossed Substitute Senate Bill 5127 (structured settlement for workers) or Engrossed Substitute Senate Bill 5128 (injured worker compensation), which modifies existing structured settlement options. (Accident Account-State, Medical Aid Account-State)

2013-15 Omnibus Operating Budget
Department of Licensing
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	230.9	2,444	40,579
2013-15 Carryforward Level	231.6	2,342	40,988
2013-15 Maintenance Level	231.6	2,451	41,117
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-56	-56
Policy -- Other Total	0.0	-56	-56
Total Policy Changes	0.0	-56	-56
Total 2013-15 Biennium	231.6	2,395	41,061
Difference from 2011-13	0.8	-49	482
% Change from 2011-13	0.3%	-2.0%	1.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Military Department
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	323.4	14,004	338,964
2013-15 Carryforward Level	323.4	14,448	191,815
2013-15 Maintenance Level	323.4	14,850	237,742
Policy Other Changes:			
1. Emergency Management Division	0.0	-448	0
2. Disaster Recovery	0.0	0	26,711
3. Next Generation 911 Capability	0.0	0	8,000
4. GF-S/E911	0.0	-10,842	0
5. Administrative Efficiencies	0.0	-98	-98
Policy -- Other Total	0.0	-11,388	34,613
Total Policy Changes	0.0	-11,388	34,613
Total 2013-15 Biennium	323.4	3,462	272,355
Difference from 2011-13	0.0	-10,542	-66,609
% Change from 2011-13	0.0%	-75.3%	-19.7%

Comments:

1. Emergency Management Division - Funding for staff in the Emergency Management Division is shifted from General Fund-State to General Fund-Federal. (General Fund-State, General Fund-Federal)

2. Disaster Recovery - Funds are appropriated to complete projects necessary to recover from previously declared disasters. (Disaster Response Account-State; Disaster Response Account-Federal)

3. Next Generation 911 Capability - Expenditure authority is provided from the Enhanced 911 account to begin the upgrade of the current 911 telephone system to accommodate Next Generation 911 (NG911) technology. During Fiscal Years 2014 and 2015, financial assistance will be provided to 22 counties for the replacement of 911 telephone equipment that is at the end of its life, and will not be supported by the manufacturer beyond 2014. (General Fund-Federal, Enhanced 911 Account-State)

4. GF-S/E911 - General fund-state appropriations are reduced, appropriation authority is increased from the Enhanced 911 Account for the 2013-15 biennium. (General Fund-State, Enhanced 911 Account-State)

5. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Employment Relations Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	41.6	4,236	7,803
2013-15 Carryforward Level	41.3	4,293	7,930
2013-15 Maintenance Level	41.3	4,211	7,800
Policy Other Changes:			
1. Higher Education Workload Adjust	0.0	-219	0
2. Administrative Efficiencies	0.0	-28	-28
Policy -- Other Total	0.0	-247	-28
Total Policy Changes	0.0	-247	-28
Total 2013-15 Biennium	41.3	3,964	7,772
Difference from 2011-13	-0.3	-272	-31
% Change from 2011-13	-0.6%	-6.4%	-0.4%

Comments:

1. Higher Education Workload Adjust - Appropriations are adjusted to reflect the distribution of workload between higher education employers supported by appropriations from the Higher Education Personnel Services Account and those services supported by General Fund-State appropriations. (General Fund-State, Higher Education Personnel Services Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget**Dept of Social and Health Services**

(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	16,479.9	5,481,543	11,071,210
2013-15 Carryforward Level	16,489.9	5,638,607	11,254,455
2013-15 Maintenance Level	16,536.3	5,799,820	11,512,661
Policy Other Changes:			
1. DSHS Fraud Investigation	0.0	-4,941	0
2. Federal Medicaid Expansion	1.6	-71,500	91,969
3. Autism Licensing	0.5	0	56
4. Agency Provider Parity	0.0	32,945	65,888
5. Adult Behavior Services & Acctnblty	3.5	1,473	2,833
6. Access Data/Documents in FamLink	-0.5	0	0
7. Implement Family Assmnt Rspnse Svcs	0.0	500	10,480
8. PC and Server Replacement	0.0	232	232
9. Mental Health Services Need	6.0	183	566
10. Prison Rape Elimination Act (PREA)	2.2	437	437
11. Child Protective Services Workload	20.0	2,788	3,621
12. Involuntary Commitment	1.0	15,824	23,020
13. Electronic Medical Record System	0.0	4,134	4,374
14. Critical Community Placements	1.5	2,956	5,779
15. Community Crisis Stabilization	23.0	1,628	1,116
16. SOLA Needs	22.0	1,594	3,186
17. Basic Plus Waiver	6.5	4,475	8,712
18. FAR Staffing	29.0	2,491	5,458
19. Information System Changes	4.5	1,150	6,221
20. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,862
21. Delay Nursing Home Rebase	0.0	-36,506	-73,011
22. Mental Health Security Enhancements	50.7	7,478	9,563
23. Eliminate Incapacity Evaluations	-61.9	-10,525	-21,460
24. Modify Safety Net Programs	0.0	-40,882	-40,882
25. Earn Adoption Incentive Grant	0.0	-1,633	0
26. Adult Family Home Agreement	0.0	1,538	3,044
27. In-Home Provider Arbitration	0.0	113,181	226,364
28. Walla Walla Veterans Home	0.0	777	1,553
29. Community Connections Grant	2.0	0	1,593
30. Empowering Adults Grant	0.4	0	800
31. Criminal Incompetency	0.0	1,298	2,152
32. Competency Evaluations	0.0	240	240
33. Improving Service Delivery	4.5	1,293	2,038
34. Mental Health First Aid	0.0	75	96
35. Dual Eligibles Grant	0.0	0	76
36. Quality Measures Grant	0.0	0	500
37. PC Replacement	0.0	44	44
38. Reduce Contracts	0.0	-612	-612
39. Receiving Care Centers	0.0	-413	-1,395
40. Adoption Support Payments	0.0	-1,649	-1,649
41. FAR Caseload Savings	0.0	-1,024	-1,365
42. TANF WCCC Caseload Savings	0.0	-126,324	-81,050

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
(Dollars in Thousands)

		Senate June 8th Striker		
		FTEs	NGF-P	Total
43.	Household Size Increase	0.0	-2,708	-2,708
44.	Reduce WorkFirst Partners	0.0	-14,526	-14,526
45.	TANF PRISM	0.0	712	712
46.	OFM Eligibility Study	0.0	536	536
47.	TANF Redesign Caseload	0.0	-4,073	-4,073
48.	Swap CCDF for GFS	0.0	-5,000	-5,000
49.	Administrative Efficiencies	0.0	-22,530	-22,530
50.	Extended Foster Care	4.1	3,565	4,638
51.	Powell Fatality Team	0.0	100	356
52.	AFH Quality Assurance	0.0	861	1,724
53.	IFS Expansion	0.0	976	976
54.	State Food Assistance	0.0	9,427	9,427
55.	Expansion Eligibility Determination	68.5	4,109	10,668
56.	LTC Planning Task Force	0.0	50	50
57.	MR v Dreyfus Exception to Rule	4.3	6,750	13,338
58.	Kinship Caregiver	0.0	-2,100	-2,100
59.	Assisted Living Capital Add-On	0.0	-1,668	-3,336
60.	Managed Care Rates	0.0	-1,126	-2,252
61.	County Grant Reduction	0.0	-16,088	-16,088
Policy -- Other Total		193.3	-144,183	232,261
Policy Comp Changes:				
62.	Family Childcare Provider CBA	0.0	970	970
63.	Coll. Bargained Personal Leave Day	0.0	1,105	1,539
Policy -- Comp Total		0.0	2,075	2,509
Policy Transfer Changes:				
64.	McNeil Island Stewardship	-39.0	-9,204	-9,204
Policy -- Transfer Total		-39.0	-9,204	-9,204
Total Policy Changes		154.3	-151,312	225,566
Total 2013-15 Biennium		16,690.6	5,648,508	11,738,227
Difference from 2011-13		210.7	166,965	667,017
% Change from 2011-13		1.3%	3.1%	6.0%

Comments:

1. DSHS Fraud Investigation - Funding for the Division of Fraud Investigations (DFI) to investigate welfare fraud is shifted to the Performance Audits of Government Account from the General Fund-State. Welfare fraud investigations conducted by DFI include auditing for unlawful practices in obtaining cash assistance, medical assistance and food assistance. (General Fund-State, Performance Audits of Government Account-State)

2. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget

Dept of Social and Health Services

3. Autism Licensing - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

4. Agency Provider Parity - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.

5. Adult Behavior Services & Acctnblty - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)

6. Access Data/Documents in FamLink - Funding is provided for the Children's Administration (CA) to purchase a software application that will enable staff to access FamLink data through ad hoc reports. Funding is reduced to reflect staff savings once ad hoc reporting is enabled. (General Fund-State, General Fund-Federal)

7. Implement Family Assmnt Rspnse Svcs - Funding is provided for concrete goods and services to families entering the Family Assessment Response (FAR) pathway beginning in January 2014. The purpose of FAR is to safely prevent out-of-home foster care placements by engaging and providing basic needs for families. Funding for FAR is provided through the use of Washington's Title IV-E Waiver. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)

8. PC and Server Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years. (General Fund-State)

9. Mental Health Services Need - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

10. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

11. Child Protective Services Workload - Child Protective Services (CPS) case workers and support staff are provided for CA field offices in which the average monthly CPS caseload per worker exceeds 18:1. The purpose of the additional staff is to reduce the response and investigation times of potential child abuse or neglect cases. (General Fund-State, General Fund-Federal)

12. Involuntary Commitment - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). The dates are accelerated to broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for Regional Support Networks (RSNs) to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

13. Electronic Medical Record System - Funding is provided to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10). The World Health Organization's Tenth Revision of ICD-10 codes must be implemented by the federally imposed date of October 1, 2014. If an ICD-10 compliant system is not in place, all Medicare, Medicaid, and private insurance billing claims submitted by the agency will be rejected, and revenue recovery claims of \$100 million will be lost. (General Fund-State, General Fund-Federal)

14. Critical Community Placements - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget Dept of Social and Health Services

- 15. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)
- 16. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)
- 17. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)
- 18. FAR Staffing** - Funding is provided for staffing for families entering the FAR pathway beginning in January 2014. These staff will engage with families in an assessment and voluntary services. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)
- 19. Information System Changes** - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. Funding and staff are provided to support the first phase in modifying the Automated Client Eligibility System (ACES) to support the new modified gross income rules. (General Fund-State, General Fund-Federal)
- 20. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 21. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)
- 22. Mental Health Security Enhancements** - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 23. Eliminate Incapacity Evaluations** - Beginning July 1, 2015, the state will stop providing facilitation services to move clients to Social Security Insurance (SSI) payments and will no longer conduct the incapacity examinations used to determine eligibility for SSI facilitation and previously other disability programs. (General Fund-State, General Fund-Federal)
- 24. Modify Safety Net Programs** - Funding is reduced to reflect a 50 percent reduction to the cash grant for clients of the aged assistance program. Beginning July 1, 2013, the disabled population from the former aged, blind, disabled program will no longer receive cash assistance but will be served by the Housing and Essential Needs program, if they meet the housing eligibility requirements.
- 25. Earn Adoption Incentive Grant** - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)
- 26. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)
- 27. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget Dept of Social and Health Services

28. Walla Walla Veterans Home - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

29. Community Connections Grant - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

30. Empowering Adults Grant - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

31. Criminal Incompetency - Engrossed Second Substitute House Bill 1114 (crim. incompetency/commitment) modifies procedures and standards for involuntary treatment of persons who have been deemed incompetent to stand trial for violent felonies. This is expected to increase the number of individuals committed to state hospitals by approximately 20 persons per day. RSNs are provided funding to create alternative community programs which are expected to decrease the utilization of state hospital beds and allow for these beds to be used for increased commitments expected under the bill. These funds can be used to increase the number of program of assertive community treatment teams, mobile outreach crisis teams, crisis triage centers, or other alternatives approved by the Department of Social and Health Services that will result in decreased utilization of state hospital beds. Individuals who meet criteria for additional periods of commitment under the bill may be served through these programs if it is determined that a less restrictive alternative can meet their needs. (General Fund-State, General Fund-Federal)

32. Competency Evaluations - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial) which requires additional resources to meet timely completion of competency evaluations for in-custody defendants.

33. Improving Service Delivery - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

34. Mental Health First Aid - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

35. Dual Eligibles Grant - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.

36. Quality Measures Grant - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.

37. PC Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

38. Reduce Contracts - Funding is reduced to eliminate unnecessary training contracts and to reduce contracts for educational coordinators by 20 percent.

39. Receiving Care Centers - Funding is eliminated for all Receiving Care Centers, except one located east of the cascade mountains, beginning July 1, 2014. (General Fund-State, General Fund-Federal)

40. Adoption Support Payments - Funding is reduced by 50 percent for adoption support maintenance payments to adoptive parents with children who don't have significant special needs.

41. FAR Caseload Savings - Funding is reduced to reflect a 30 percent decline in out of home placement for cases referred to the FAR pathway in the final six months of SFY 2015. (General Fund-State, General Fund-Federal)

42. TANF WCCC Caseload Savings - Funding for the Workfirst program is adjusted to reflect reductions in the cash assistance and child care caseloads.

2013-15 Omnibus Operating Budget

Dept of Social and Health Services

43. Household Size Increase - Funding is reduced to reflect capping the TANF grant at the household size of the family upon entry into TANF. The grant may not increase with additional family members.

44. Reduce WorkFirst Partners - Funding is reduced for WorkFirst activities by 10 percent for the 2013-15 biennium.

45. TANF PRISM - Funding is provided for the implementation of the TANF Predictive Risk Information System (PRISM) application.

46. OFM Eligibility Study - Funding is provided for a study of the state's eligibility systems and infrastructure in order to determine if eligibility processes can be further streamlined in light of changes related to the ACA. The study will also examine which entities shall play various roles in the eligibility and data verification processes for state assistance programs.

47. TANF Redesign Caseload - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.

48. Swap CCDF for GFS - State funding is reduced to reflect the use of discretionary Child Care Development Fund (CCDF) for child care subsidies.

49. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

50. Extended Foster Care - Funding is provided to implement Engrossed Substitute Senate Bill 5405 (extended foster care), which extends foster care services to youth exiting the foster care system who are engaged in activities which remove barriers to employment. (General Fund-State, General Fund-Federal)

51. Powell Fatality Team - Funding is provided to implement Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made by the Powell Fatality Team. This includes funding for initial and ongoing domestic violence training for social workers.

52. AFH Quality Assurance - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

53. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

54. State Food Assistance - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.

55. Expansion Eligibility Determination - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will remain the primary access point to the Health Benefit Exchange and eligibility for other benefits. (General Fund-State, General Fund-Federal)

56. LTC Planning Task Force - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.

57. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

58. Kinship Caregiver - Funding is eliminated for the Kinship Caregiver program.

59. Assisted Living Capital Add-On - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.

60. Managed Care Rates - Rates for the managed care plan options administered by the department are reduced five percent.

61. County Grant Reduction - A 20 percent reduction is taken off the base from county grants for chemical dependency treatment services prior to implementation of the Affordable Care Act (ACA) expansion. While the ACA expansion reduces state only funding, it replaces those funds with additional federal dollars to pay for services for clients that were previously funded state only.

2013-15 Omnibus Operating Budget Dept of Social and Health Services

62. Family Childcare Provider CBA - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.

63. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

64. McNeil Island Stewardship - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2,475.0	572,757	1,065,407
2013-15 Carryforward Level	2,467.4	583,697	1,073,199
2013-15 Maintenance Level	2,455.4	580,948	1,069,242
Policy Other Changes:			
1. Access Data/Documents in FamLink	-0.5	0	0
2. Implement Family Assmnt Rspnse Svcs	0.0	500	10,480
3. Child Protective Services Workload	20.0	2,788	3,621
4. FAR Staffing	29.0	2,491	5,458
5. Earn Adoption Incentive Grant	0.0	-1,633	0
6. Reduce Contracts	0.0	-612	-612
7. Receiving Care Centers	0.0	-413	-1,395
8. Adoption Support Payments	0.0	-1,649	-1,649
9. FAR Caseload Savings	0.0	-1,024	-1,365
10. Administrative Efficiencies	0.0	-2,304	-2,304
11. Extended Foster Care	4.1	3,565	4,638
12. Powell Fatality Team	0.0	100	356
Policy -- Other Total	52.6	1,809	17,228
Total Policy Changes	52.6	1,809	17,228
Total 2013-15 Biennium	2,508.0	582,757	1,086,470
Difference from 2011-13	33.0	10,000	21,063
% Change from 2011-13	1.3%	1.8%	2.0%

Comments:

- 1. Access Data/Documents in FamLink** - Funding is provided for the Children's Administration (CA) to purchase a software application that will enable staff to access FamLink data through ad hoc reports. Funding is reduced to reflect staff savings once ad hoc reporting is enabled. (General Fund-State, General Fund-Federal)
- 2. Implement Family Assmnt Rspnse Svcs** - Funding is provided for concrete goods and services to families entering the Family Assessment Response (FAR) pathway beginning in January 2014. The purpose of FAR is to safely prevent out-of-home foster care placements by engaging and providing basic needs for families. Funding for FAR is provided through the use of Washington's Title IV-E Waiver. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)
- 3. Child Protective Services Workload** - Child Protective Services (CPS) case workers and support staff are provided for CA field offices in which the average monthly CPS caseload per worker exceeds 18:1. The purpose of the additional staff is to reduce the response and investigation times of potential child abuse or neglect cases. (General Fund-State, General Fund-Federal)
- 4. FAR Staffing** - Funding is provided for staffing for families entering the FAR pathway beginning in January 2014. These staff will engage with families in an assessment and voluntary services. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)
- 5. Earn Adoption Incentive Grant** - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services

6. Reduce Contracts - Funding is reduced to eliminate unnecessary training contracts and to reduce contracts for educational coordinators by 20 percent.

7. Receiving Care Centers - Funding is eliminated for all Receiving Care Centers, except one located east of the cascade mountains, beginning July 1, 2014. (General Fund-State, General Fund-Federal)

8. Adoption Support Payments - Funding is reduced by 50 percent for adoption support maintenance payments to adoptive parents with children who don't have significant special needs.

9. FAR Caseload Savings - Funding is reduced to reflect a 30 percent decline in out of home placement for cases referred to the FAR pathway in the final six months of SFY 2015. (General Fund-State, General Fund-Federal)

10. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

11. Extended Foster Care - Funding is provided to implement Engrossed Substitute Senate Bill 5405 (extended foster care), which extends foster care services to youth exiting the foster care system who are engaged in activities which remove barriers to employment. (General Fund-State, General Fund-Federal)

12. Powell Fatality Team - Funding is provided to implement Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made by the Powell Fatality Team. This includes funding for initial and ongoing domestic violence training for social workers.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	755.9	170,981	179,690
2013-15 Carryforward Level	736.1	175,371	180,972
2013-15 Maintenance Level	735.3	176,093	181,698
Policy Other Changes:			
1. PC and Server Replacement	0.0	232	232
2. Mental Health Services Need	6.0	183	566
3. Prison Rape Elimination Act (PREA)	2.2	437	437
4. Administrative Efficiencies	0.0	-1,240	-1,240
Policy -- Other Total	8.2	-388	-5
Policy Comp Changes:			
5. Coll. Bargained Personal Leave Day	0.0	182	182
Policy -- Comp Total	0.0	182	182
Total Policy Changes	8.2	-206	177
Total 2013-15 Biennium	743.5	175,887	181,875
Difference from 2011-13	-12.5	4,906	2,185
% Change from 2011-13	-1.7%	2.9%	1.2%

Comments:

1. PC and Server Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years. (General Fund-State)

2. Mental Health Services Need - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

3. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

5. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2,643.3	880,826	1,587,031
2013-15 Carryforward Level	2,626.0	894,081	1,609,493
2013-15 Maintenance Level	2,625.5	934,023	1,650,565
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-46,570	25,921
2. Autism Licensing	0.5	0	56
3. Involuntary Commitment	1.0	15,824	23,020
4. Electronic Medical Record System	0.0	4,134	4,374
5. Mental Health Security Enhancements	50.7	7,478	9,563
6. Criminal Incompetency	0.0	1,298	2,152
7. Competency Evaluations	0.0	240	240
8. Improving Service Delivery	3.0	561	863
9. Mental Health First Aid	0.0	75	96
10. Administrative Efficiencies	0.0	-2,572	-2,572
Policy -- Other Total	55.2	-19,532	63,713
Policy Comp Changes:			
11. Coll. Bargained Personal Leave Day	0.0	433	493
Policy -- Comp Total	0.0	433	493
Total Policy Changes	55.2	-19,099	64,206
Total 2013-15 Biennium	2,680.7	914,924	1,714,771
Difference from 2011-13	37.4	34,098	127,740
% Change from 2011-13	1.4%	3.9%	8.1%

Comments:

1. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2. Autism Licensing - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

2013-15 Omnibus Operating Budget Dept of Social and Health Services Mental Health

3. Involuntary Commitment - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). The dates are accelerated to broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for Regional Support Networks (RSNs) to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

4. Electronic Medical Record System - Funding is provided to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10). The World Health Organization's Tenth Revision of ICD-10 codes must be implemented by the federally imposed date of October 1, 2014. If an ICD-10 compliant system is not in place, all Medicare, Medicaid, and private insurance billing claims submitted by the agency will be rejected, and revenue recovery claims of \$100 million will be lost. (General Fund-State, General Fund-Federal)

5. Mental Health Security Enhancements - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

6. Criminal Incompetency - Engrossed Second Substitute House Bill 1114 (crim. incompetency/commitment) modifies procedures and standards for involuntary treatment of persons who have been deemed incompetent to stand trial for violent felonies. This is expected to increase the number of individuals committed to state hospitals by approximately 20 persons per day. RSNs are provided funding to create alternative community programs which are expected to decrease the utilization of state hospital beds and allow for these beds to be used for increased commitments expected under the bill. These funds can be used to increase the number of program of assertive community treatment teams, mobile outreach crisis teams, crisis triage centers, or other alternatives approved by the Department of Social and Health Services that will result in decreased utilization of state hospital beds. Individuals who meet criteria for additional periods of commitment under the bill may be served through these programs if it is determined that a less restrictive alternative can meet their needs. (General Fund-State, General Fund-Federal)

7. Competency Evaluations - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial) which requires additional resources to meet timely completion of competency evaluations for in-custody defendants.

8. Improving Service Delivery - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

9. Mental Health First Aid - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

10. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

11. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	3,081.3	992,616	1,932,377
2013-15 Carryforward Level	3,047.9	1,024,050	1,976,637
2013-15 Maintenance Level	3,059.8	1,026,181	1,982,810
Policy Other Changes:			
1. Federal Medicaid Expansion	0.2	-561	486
2. Agency Provider Parity	0.0	4,377	8,753
3. Critical Community Placements	1.5	2,956	5,779
4. Community Crisis Stabilization	23.0	1,628	1,116
5. SOLA Needs	22.0	1,594	3,186
6. Basic Plus Waiver	6.5	4,475	8,712
7. Recover Cost of AFH Quality Assuran	0.0	0	380
8. In-Home Provider Arbitration	0.0	33,908	67,818
9. Administrative Efficiencies	0.0	-2,226	-2,226
10. IFS Expansion	0.0	976	976
11. MR v Dreyfus Exception to Rule	3.3	1,263	2,480
Policy -- Other Total	56.5	48,390	97,460
Policy Comp Changes:			
12. Coll. Bargained Personal Leave Day	0.0	375	749
Policy -- Comp Total	0.0	375	749
Total Policy Changes	56.5	48,765	98,209
Total 2013-15 Biennium	3,116.2	1,074,946	2,081,019
Difference from 2011-13	34.9	82,330	148,642
% Change from 2011-13	1.1%	8.3%	7.7%

Comments:

1. Federal Medicaid Expansion - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. (General Fund-State, General Fund-Federal)

2. Agency Provider Parity - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.

3. Critical Community Placements - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

4. Community Crisis Stabilization - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities

5. SOLA Needs - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

6. Basic Plus Waiver - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)

7. Recover Cost of AFH Quality Assuran - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

8. In-Home Provider Arbitration - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

9. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

10. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

11. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

12. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,363.4	1,600,831	3,410,729
2013-15 Carryforward Level	1,367.2	1,637,701	3,495,667
2013-15 Maintenance Level	1,422.1	1,729,754	3,665,580
Policy Other Changes:			
1. Federal Medicaid Expansion	1.4	-11,060	5,709
2. Agency Provider Parity	0.0	28,568	57,135
3. Adult Behavior Services & Acctnblty	3.5	1,473	2,833
4. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,482
5. Delay Nursing Home Rebase	0.0	-36,506	-73,011
6. Adult Family Home Agreement	0.0	1,538	3,044
7. In-Home Provider Arbitration	0.0	79,273	158,546
8. Walla Walla Veterans Home	0.0	777	1,553
9. Community Connections Grant	2.0	0	1,593
10. Empowering Adults Grant	0.4	0	800
11. Improving Service Delivery	0.5	109	217
12. Dual Eligibles Grant	0.0	0	76
13. Quality Measures Grant	0.0	0	500
14. Administrative Efficiencies	0.0	-1,176	-1,176
15. AFH Quality Assurance	0.0	861	1,724
16. LTC Planning Task Force	0.0	50	50
17. MR v Dreyfus Exception to Rule	1.0	5,487	10,858
18. Kinship Caregiver	0.0	-2,100	-2,100
19. Assisted Living Capital Add-On	0.0	-1,668	-3,336
20. Managed Care Rates	0.0	-1,126	-2,252
Policy -- Other Total	8.8	60,325	164,245
Total Policy Changes	8.8	60,325	164,245
Total 2013-15 Biennium	1,430.9	1,790,079	3,829,825
Difference from 2011-13	67.5	189,248	419,096
% Change from 2011-13	5.0%	11.8%	12.3%

Comments:

1. Federal Medicaid Expansion - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. Enrollment in the Presumptive Supplemental Security Income (SSI) program will close on January 1, 2014. The Presumptive Supplemental Security Income program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act (ACA). New clients can enroll under the expansion with a 100 percent federal match. Under the ACA, the federal government will match Medicaid work that is application and maintenance related at 75 percent, instead of the current 50 percent. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget

Dept of Social and Health Services

Long-Term Care

- 2. Agency Provider Parity** - Funding is provided for the homecare agency parity impacts of the recently negotiated 2013-15 homecare worker collective bargaining agreement.
- 3. Adult Behavior Services & Acctnbly** - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)
- 4. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 5. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)
- 6. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)
- 7. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations; and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)
- 8. Walla Walla Veterans Home** - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)
- 9. Community Connections Grant** - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)
- 10. Empowering Adults Grant** - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)
- 11. Improving Service Delivery** - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)
- 12. Dual Eligibles Grant** - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.
- 13. Quality Measures Grant** - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.
- 14. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.
- 15. AFH Quality Assurance** - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).
- 16. LTC Planning Task Force** - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care

17. MR v Dreyfus Exception to Rule - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

18. Kinship Caregiver - Funding is eliminated for the Kinship Caregiver program.

19. Assisted Living Capital Add-On - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.

20. Managed Care Rates - Rates for the managed care plan options administered by the department are reduced five percent.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	4,275.6	854,036	2,059,044
2013-15 Carryforward Level	4,261.8	914,073	2,089,324
2013-15 Maintenance Level	4,208.3	922,618	2,112,168
Policy Other Changes:			
1. Information System Changes	4.5	1,150	6,221
2. Eliminate Incapacity Evaluations	-61.9	-10,525	-21,460
3. Modify Safety Net Programs	0.0	-40,882	-40,882
4. TANF WCCC Caseload Savings	0.0	-126,324	-81,050
5. Household Size Increase	0.0	-2,708	-2,708
6. Reduce WorkFirst Partners	0.0	-14,526	-14,526
7. TANF PRISM	0.0	712	712
8. OFM Eligibility Study	0.0	536	536
9. TANF Redesign Caseload	0.0	-4,073	-4,073
10. Swap CCDF for GFS	0.0	-5,000	-5,000
11. Administrative Efficiencies	0.0	-10,630	-10,630
12. State Food Assistance	0.0	9,427	9,427
13. Expansion Eligibility Determination	68.5	4,109	10,668
Policy -- Other Total	11.1	-198,734	-152,765
Policy Comp Changes:			
14. Family Childcare Provider CBA	0.0	970	970
Policy -- Comp Total	0.0	970	970
Total Policy Changes	11.1	-197,764	-151,795
Total 2013-15 Biennium	4,219.3	724,854	1,960,373
Difference from 2011-13	-56.3	-129,182	-98,671
% Change from 2011-13	-1.3%	-15.1%	-4.8%

Comments:

1. Information System Changes - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. Funding and staff are provided to support the first phase in modifying the Automated Client Eligibility System (ACES) to support the new modified gross income rules. (General Fund-State, General Fund-Federal)

2. Eliminate Incapacity Evaluations - Beginning July 1, 2015, the state will stop providing facilitation services to move clients to Social Security Insurance (SSI) payments and will no longer conduct the incapacity examinations used to determine eligibility for SSI facilitation and previously other disability programs. (General Fund-State, General Fund-Federal)

3. Modify Safety Net Programs - Funding is reduced to reflect a 50 percent reduction to the cash grant for clients of the aged assistance program. Beginning July 1, 2013, the disabled population from the former aged, blind, disabled program will no longer receive cash assistance but will be served by the Housing and Essential Needs program, if they meet the housing eligibility requirements.

4. TANF WCCC Caseload Savings - Funding for the Workfirst program is adjusted to reflect reductions in the cash assistance and child care caseloads.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration

5. Household Size Increase - Funding is reduced to reflect capping the TANF grant at the household size of the family upon entry into TANF. The grant may not increase with additional family members.

6. Reduce WorkFirst Partners - Funding is reduced for WorkFirst activities by 10 percent for the 2013-15 biennium.

7. TANF PRISM - Funding is provided for the implementation of the TANF Predictive Risk Information System (PRISM) application.

8. OFM Eligibility Study - Funding is provided for a study of the state's eligibility systems and infrastructure in order to determine if eligibility processes can be further streamlined in light of changes related to the ACA. The study will also examine which entities shall play various roles in the eligibility and data verification processes for state assistance programs.

9. TANF Redesign Caseload - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.

10. Swap CCDF for GFS - State funding is reduced to reflect the use of discretionary Child Care Development Fund (CCDF) for child care subsidies.

11. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

12. State Food Assistance - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.

13. Expansion Eligibility Determination - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will remain the primary access point to the Health Benefit Exchange and eligibility for other benefits. (General Fund-State, General Fund-Federal)

14. Family Childcare Provider CBA - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Alcohol & Substance Abuse
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	73.3	144,960	365,043
2013-15 Carryforward Level	73.3	145,714	365,882
2013-15 Maintenance Level	70.3	148,499	371,983
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-13,309	59,853
2. Administrative Efficiencies	0.0	-96	-96
3. County Grant Reduction	0.0	-16,088	-16,088
Policy -- Other Total	0.0	-29,493	43,669
Total Policy Changes	0.0	-29,493	43,669
Total 2013-15 Biennium	70.3	119,006	415,652
Difference from 2011-13	-3.0	-25,954	50,609
% Change from 2011-13	-4.1%	-17.9%	13.9%

Comments:

1. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. In addition, current medicaid enrollees in the Presumptive Supplemental Security Income program will receive an enhanced 75 percent federal match because Washington is an "expansion state" under the Affordable Care Act. Individuals who would have become new enrollees will become newly eligible for Medicaid at 100% federal match. State and federal funding for counties is adjusted to reflect these changes and to reflect offsets in non-Medicaid funding for services to those who will now be eligible for Medicaid. (General Fund-State, General Fund-Federal, Criminal Justice Treatment Account)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. County Grant Reduction - A 20 percent reduction is taken off the base from county grants for chemical dependency treatment services prior to implementation of the Affordable Care Act (ACA) expansion. While the ACA expansion reduces state only funding, it replaces those funds with additional federal dollars to pay for services for clients that were previously funded state only.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Vocational Rehabilitation
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	322.1	21,255	129,081
2013-15 Carryforward Level	322.1	21,910	124,771
2013-15 Maintenance Level	320.1	22,482	124,670
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-272	-272
Policy -- Other Total	0.0	-272	-272
Total Policy Changes	0.0	-272	-272
Total 2013-15 Biennium	320.1	22,210	124,398
Difference from 2011-13	-2.0	955	-4,683
% Change from 2011-13	-0.6%	4.5%	-3.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Administration/Support Svcs
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	436.2	50,543	97,021
2013-15 Carryforward Level	438.6	56,218	96,445
2013-15 Maintenance Level	491.1	59,756	99,435
Policy Other Changes:			
1. DSHS Fraud Investigation	0.0	-4,941	0
2. Improving Service Delivery	1.0	623	958
3. Administrative Efficiencies	0.0	-1,370	-1,370
Policy -- Other Total	1.0	-5,688	-412
Total Policy Changes	1.0	-5,688	-412
Total 2013-15 Biennium	492.1	54,068	99,023
Difference from 2011-13	55.9	3,525	2,002
% Change from 2011-13	12.8%	7.0%	2.1%

Comments:

1. DSHS Fraud Investigation - Funding for the Division of Fraud Investigations (DFI) to investigate welfare fraud is shifted to the Performance Audits of Government Account from the General Fund-State. Welfare fraud investigations conducted by DFI include auditing for unlawful practices in obtaining cash assistance, medical assistance and food assistance. (General Fund-State, Performance Audits of Government Account-State)

2. Improving Service Delivery - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Special Commitment Center
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	413.7	84,295	84,295
2013-15 Carryforward Level	411.0	73,675	73,675
2013-15 Maintenance Level	407.3	78,992	78,992
Policy Other Changes:			
1. PC Replacement	0.0	44	44
2. Administrative Efficiencies	0.0	-644	-644
Policy -- Other Total	0.0	-600	-600
Policy Comp Changes:			
3. Coll. Bargained Personal Leave Day	0.0	115	115
Policy -- Comp Total	0.0	115	115
Policy Transfer Changes:			
4. McNeil Island Stewardship	-39.0	-9,204	-9,204
Policy -- Transfer Total	-39.0	-9,204	-9,204
Total Policy Changes	-39.0	-9,689	-9,689
Total 2013-15 Biennium	368.3	69,303	69,303
Difference from 2011-13	-45.4	-14,992	-14,992
% Change from 2011-13	-11.0%	-17.8%	-17.8%

Comments:

1. PC Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

3. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

4. McNeil Island Stewardship - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Payments to Other Agencies
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	108,443	161,492
2013-15 Carryforward Level	0.0	112,117	168,390
2013-15 Maintenance Level	0.0	120,474	175,518
Total 2013-15 Biennium	0.0	120,474	175,518
Difference from 2011-13	0.0	12,031	14,026
% Change from 2011-13	0.0%	11.1%	8.7%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	198.6	0	0
2013-15 Carryforward Level	198.6	0	0
2013-15 Maintenance Level	197.6	0	0
Total 2013-15 Biennium	197.6	0	0
Difference from 2011-13	-1.0	0	0
% Change from 2011-13	-0.5%	0.0%	0.0%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Consolidated Field Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	441.7	0	0
2013-15 Carryforward Level	540.2	0	0
2013-15 Maintenance Level	543.9	0	0
Total 2013-15 Biennium	543.9	0	0
Difference from 2011-13	102.3	0	0
% Change from 2011-13	23.2%	0.0%	0.0%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	4,444.7	2,593,447	5,343,106
2013-15 Carryforward Level	4,415.1	2,661,751	5,472,304
2013-15 Maintenance Level	4,481.8	2,755,935	5,648,390
Policy Other Changes:			
1. Federal Medicaid Expansion (040)	0.2	-561	486
2. Federal Medicaid Expansion (050)	1.4	-11,060	5,709
3. Agency Provider Parity (040)	0.0	4,377	8,753
4. Agency Provider Parity (050)	0.0	28,568	57,135
5. Adult Behavior Services & Acctnblty (050)	3.5	1,473	2,833
6. Critical Community Placements (040)	1.5	2,956	5,779
7. Community Crisis Stabilization (040)	23.0	1,628	1,116
8. SOLA Needs (040)	22.0	1,594	3,186
9. Basic Plus Waiver (040)	6.5	4,475	8,712
10. Recover Cost of AFH Quality Assuran (040)	0.0	0	380
11. Recover Cost of AFH Quality Assuran (050)	0.0	-4,175	1,482
12. Delay Nursing Home Rebase (050)	0.0	-36,506	-73,011
13. Adult Family Home Agreement (050)	0.0	1,538	3,044
14. In-Home Provider Arbitration (040)	0.0	33,908	67,818
15. In-Home Provider Arbitration (050)	0.0	79,273	158,546
16. Walla Walla Veterans Home (050)	0.0	777	1,553
17. Community Connections Grant (050)	2.0	0	1,593
18. Empowering Adults Grant (050)	0.4	0	800
19. Improving Service Delivery (050)	0.5	109	217
20. Dual Eligibles Grant (050)	0.0	0	76
21. Quality Measures Grant (050)	0.0	0	500
22. Administrative Efficiencies (040)	0.0	-2,226	-2,226
23. Administrative Efficiencies (050)	0.0	-1,176	-1,176
24. AFH Quality Assurance (050)	0.0	861	1,724
25. IFS Expansion (040)	0.0	976	976
26. LTC Planning Task Force (050)	0.0	50	50
27. MR v Dreyfus Exception to Rule (040)	3.3	1,263	2,480
28. MR v Dreyfus Exception to Rule (050)	1.0	5,487	10,858
29. Kinship Caregiver (050)	0.0	-2,100	-2,100
30. Assisted Living Capital Add-On (050)	0.0	-1,668	-3,336
31. Managed Care Rates (050)	0.0	-1,126	-2,252
Policy -- Other Total	65.3	108,715	261,705
Policy Comp Changes:			
32. Coll. Bargained Personal Leave Day (040)	0.0	375	749
Policy -- Comp Total	0.0	375	749
Total Policy Changes	65.3	109,090	262,454
Total 2013-15 Biennium	4,547.1	2,865,025	5,910,844

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services
 (Dollars in Thousands)

	Senate June 8th Striker		Total
	FTEs	NGF-P	
Difference from 2011-13	102.4	271,578	567,738
% Change from 2011-13	2.3%	10.5%	10.6%

Comments:

- 1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. (General Fund-State, General Fund-Federal)
- 3. Agency Provider Parity** - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.
- 5. Adult Behavior Services & Acctnblty** - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)
- 6. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)
- 7. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)
- 8. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)
- 9. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)
- 10. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 12. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)
- 13. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)
- 14. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services

16. Walla Walla Veterans Home - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

17. Community Connections Grant - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

18. Empowering Adults Grant - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

19. Improving Service Delivery - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

20. Dual Eligibles Grant - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.

21. Quality Measures Grant - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.

22. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

24. AFH Quality Assurance - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

25. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

26. LTC Planning Task Force - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.

27. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

29. Kinship Caregiver - Funding is eliminated for the Kinship Caregiver program.

30. Assisted Living Capital Add-On - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.

31. Managed Care Rates - Rates for the managed care plan options administered by the department are reduced five percent.

32. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Health
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,641.1	157,544	1,105,116
2013-15 Carryforward Level	1,629.7	156,903	1,093,679
2013-15 Maintenance Level	1,623.7	158,292	1,070,696
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-8,362	-8,362
2. Online Licensing	8.1	0	2,475
3. MD Licensure Requirements	0.1	0	14
4. MQAC Communication Plan	0.0	0	200
5. MQAC Business Access Enhancement	0.0	0	55
6. Newborn Screening	2.4	0	1,382
7. Prescription Monitoring Program	2.7	0	923
8. HIV Drug Rebates	0.0	-3,431	0
9. Oral Health Funding	0.0	-592	-592
10. Public Health Block Grant	-3.0	-936	-936
11. Midwives	0.0	14	14
12. WA Autism Alliance	0.0	400	400
13. Water Protection	0.0	-645	0
14. Public Health Laboratories	0.0	-2,350	0
15. Water Filtration	0.0	0	150
16. Coordination of Care	0.1	0	64
17. Hepatitis C Screening	0.0	100	100
18. Birth Certificates	0.8	0	141
19. UW Health Science Library	1.4	0	809
20. Spay Neuter Assistance Program	1.6	0	409
21. Administrative Efficiencies	0.0	-2,424	-2,424
22. Diarrhetic Shellfish Poisoning	0.3	0	156
Policy -- Other Total	14.4	-18,226	-5,022
Policy Transfer Changes:			
23. Public Health Funding Transfer	0.0	-25,063	-25,063
Policy -- Transfer Total	0.0	-25,063	-25,063
Total Policy Changes	14.4	-43,289	-30,085
Total 2013-15 Biennium	1,638.1	115,003	1,040,611
Difference from 2011-13	-3.0	-42,541	-64,505
% Change from 2011-13	-0.2%	-27.0%	-5.8%

2013-15 Omnibus Operating Budget Department of Health

Comments:

1. Federal Medicaid Expansion - Under federal health reform legislation and through the state option to expand Medicaid coverage, individuals and families with adjusted gross income up to 400 percent of the federal poverty level will be required to have health insurance through a combination of public and private coverage beginning January 1, 2014. As a result, several currently funded state programs may duplicate coverage or services provided under federal health care reform. For the Department of Health (DOH) this includes 1) the HIV Client Services program which provides assistance to eligible HIV positive clients and 2) the Breast, Cervical and Colon Health program which is an early detection program that provides free breast, cervical, and colon cancer screening to low-income clients.

Funding is reduced to reflect the anticipated shift of clients to expanded Medicaid when it becomes available under the Affordable Care Act (ACA) in January 2014. The DOH programs retain funding for those clients who are ineligible for Medicaid or the Health Benefit Exchange (HBE) due to citizenship status. For the HIV program funding is also retained for those clients who are unable to afford out-of-pocket expenses in the HBE. DOH case managers shall work to transition all Medicaid eligible clients by January 1, 2014.

2. Online Licensing - One-time funding is provided for DOH to implement online access and credit card payment functionality for new license applications for health care professions, as well as new license applications and renewals for at least five regulated facility types. If the department has available funds or resources, DOH may implement online access and credit card payment functionality for the Emergency Medical Services licensees. (General Fund-State, General Fund-Private/Local, Health Professions Account-State, Medical Test Site Licensure Account-State)

3. MD Licensure Requirements - The Medical Quality Assurance Commission (MQAC) will update the training standards for licensed allopathic physicians in Washington state. One-time expenditure authority is provided to cover the costs of rulemaking to update these licensure requirements. (Health Professions Account-State)

4. MQAC Communication Plan - Expenditure authority is provided for the MQAC to continue a quarterly newsletter, direct mailings, and educational events for stakeholders. (Health Professions Account-State)

5. MQAC Business Access Enhancement - Expenditure authority is provided for a Citrix server access portal to consolidate business functions performed by MQAC members and staff. (Health Professions Account-State)

6. Newborn Screening - The DOH will add a screening for Severe Combined Immunodeficiency Disease (SCID) to the state newborn screening program. Fees paid by the facility of birth to fund these screenings will increase from \$60.90 to \$69 per child. (Health Professions Account-State)

7. Prescription Monitoring Program - Through the Prescription Monitoring Program (PMP), DOH monitors the prescribing and dispensing of controlled substances and provides this information to prescribers, dispensers, patients, and other legally-designated authorities. The DOH expects to deplete its current federal grant funding for PMP by June 2013 and to be ineligible for future federal grants. Ongoing funding is provided to continue the program from non-general fund state sources. (Medicaid Fraud Penalty Account-State, Medical Aid Account-State)

8. HIV Drug Rebates - DOH receives drug rebate revenue from medications paid for by the HIV Client Services, Early Intervention Program (EIP) on behalf of clients. Through efficiencies and other cost saving measures, DOH anticipates deferring rebate revenue to cover a one-time fund shift. The larger shift in the first year can be accomplished as the current level of rebate revenue is expected to continue for the first six months of FY14. However, once the Affordable Care Act (ACA) is implemented in January 2014, rebate revenue is expected to decrease.

9. Oral Health Funding - This proposal eliminates all state funding for the Oral Health Program beginning January 2014. The department contracts with local health jurisdictions to provide oral health services in their counties. This funding supports local oral health activities including in schools, referrals for services, access promotion, and needs assessment.

2013-15 Omnibus Operating Budget Department of Health

10. Public Health Block Grant - The state provides non-categorical financial support to local public health agencies through the Local Capacity Development Fund, the Motor Vehicle Excise Tax (MVET) replacement funds, and the Blue Ribbon Commission funds. The MVET is paid from the Treasurer's Office directly to the local public health jurisdictions through a directed formula. The other two sources are paid by the DOH to the health jurisdictions. DOH charges an indirect rate to manage these funds and for related programming. The Senate budget collapses these disparate funding streams into a single block grant dispersed through the Treasurer's Office per the current formula. Savings are achieved by eliminating the DOH indirect charge, FTE, and related programming. Local Health Jurisdictions will be required to report to the legislature each November measures that show whether their programs are achieving intended outcomes and spending information by category of spending.

11. Midwives - Additional funding is provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. The department shall charge no more than \$525 annually for new or renewed licenses for the midwifery program.

12. WA Autism Alliance - Under federal health reform legislation and through the state option to expand Medicaid coverage, individuals and families with adjusted gross income up to 400 percent of the federal poverty level will be required to have health insurance through a combination of public and private coverage beginning January 1, 2014. Funding is provided to the Washington Autism Alliance to help autistic individuals or families with autistic children to transition to federal health reform.

13. Water Protection - A portion of the state general fund for the Drinking Water and Water Protection programs are shifted to the Waterworks Operator Certification Account on a one-time basis. (General Fund-State, Waterworks Operator Certification Account-State)

14. Public Health Laboratories - A portion of the state general fund for the Public Health Laboratories are shifted to the Medical Test Site Licensure Account on a one-time basis. (General Fund-State, Medical Test Site Licensure Account-State)

15. Water Filtration - Funding is provided to the department for low income households with individuals at high public health risk from nitrate-contaminated wells in the lower Yakima basin. (State Toxics Control Account-State)

16. Coordination of Care - Funding is provided to begin the integration of the prescription monitoring program into the coordinated care electronic tracking program. The integration must provide prescription monitoring program data to emergency department personnel when the patient registers in the emergency department. (Medicaid Fraud Penalty Account-State)

17. Hepatitis C Screening - Funding is provided for the department to begin a hepatitis c screening program for individuals who were born between 1946 and 1956.

18. Birth Certificates - Funding is provided for staffing due to the estimated increase in birth certificate requests related to adopted children under the implementation Engrossed Second Substitute Senate Bill 5118 (Birth Certificates). (General Fund-Local)

19. UW Health Science Library - Funding is provided for the implementation of Engrossed Senate Bill 5206 (UW Health Services Library). (Health Professions Account-State)

20. Spay Neuter Assistance Program - Funding is provided to develop and implement the companion animal safety, population control, and spay/neuter assistance program in Substitute Senate Bill 5202 (companion animals). (Companion Animal Spay/Neuter Assistance Account-State)

21. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

22. Diarrhetic Shellfish Poisoning - Expenditure authority is provided for DOH to begin testing and analyzing diarrhetic shellfish poisoning samples at the Washington State Public Health Laboratory. (Biotoxin Account-State)

2013-15 Omnibus Operating Budget Department of Health

23. Public Health Funding Transfer - The state provides non-categorical financial support to local public health agencies through the Local Capacity Development Fund, the Motor Vehicle Excise Tax (MVET) replacement funds, and the Blue Ribbon Commission funds. The MVET is paid from the Treasurer's Office directly to the local public health jurisdictions through a directed formula. The other two sources are paid by the DOH to the health jurisdictions. DOH charges an indirect rate to manage these funds and for related programming. The Senate budget collapses these disparate funding streams into a single block grant dispersed through the Treasurer's Office per the current formula.

2013-15 Omnibus Operating Budget
Department of Veterans' Affairs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	690.3	15,339	116,790
2013-15 Carryforward Level	690.3	13,740	119,418
2013-15 Maintenance Level	690.3	14,035	125,095
Policy Other Changes:			
1. DVA Workforce Management System	0.0	0	204
2. Administrative Efficiencies	0.0	-135	-135
3. Veterans Innovation Program	0.0	600	600
4. Walla Walla State Veterans Home	37.0	0	6,729
Policy -- Other Total	37.0	465	7,398
Policy Comp Changes:			
5. Coll. Bargained Personal Leave Day	0.0	0	150
Policy -- Comp Total	0.0	0	150
Total Policy Changes	37.0	465	7,548
Total 2013-15 Biennium	727.3	14,500	132,643
Difference from 2011-13	37.0	-839	15,853
% Change from 2011-13	5.4%	-5.5%	13.6%

Comments:

1. DVA Workforce Management System - The Department of Veterans Affairs (DVA) will begin the planning phase of an electronic time, leave, and attendance scheduling system for the state veteran homes. The current scheduling system is a manual, paper-based process. The new system will be more effective and reduce processing errors. (General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Veterans Innovation Program - Funding is provided for the Veteran's Innovation Program.

4. Walla Walla State Veterans Home - Federal and local expenditure authority is provided for the first year of operation of the Walla Walla State Veterans Home. DVA expects to break ground in May 2013 and open the facility in July 2014. (General Fund-Federal, General Fund-Private/Local)

5. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This item provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Corrections
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	7,950.7	1,602,757	1,626,752
2013-15 Carryforward Level	7,920.0	1,614,532	1,631,714
2013-15 Maintenance Level	7,931.9	1,659,765	1,675,313
Policy Other Changes:			
1. Move OMNI off Mainframe	1.0	-1,531	-1,531
2. Federal Medicaid Expansion	0.0	-2,169	-2,169
3. New Hepatitis C Protocol	0.0	1,005	1,005
4. Assault Near Court Proceedings	0.0	72	72
5. Stalking Protection	0.0	96	96
6. Sex Offender Registration	0.0	48	48
7. Aggravated 1st Degree Murder	0.0	24	24
8. Radio Infrastructure Upgrades	0.0	981	981
9. Maple Lane Ongoing Costs	2.5	672	672
10. Prison Rape Elimination Act (PREA)	3.0	358	358
11. Special Needs Population	6.0	982	982
12. Sex Offender Risk Assessment	4.0	0	530
13. Improving Safety	25.5	2,494	2,494
14. Reducing Corrections Costs	0.0	-2,627	-2,627
15. Delay Opening Units	0.0	-12,879	-12,879
16. Residential DOSA	0.0	4,106	4,106
17. Drug Treatment Fund Shift	0.0	-4,106	0
18. Centralized Pharmacy	0.0	-2,458	-2,458
19. Offender Housing Voucher Program	1.5	0	203
20. Rent Jail Beds	0.0	3,975	3,975
21. Crimes Against Pharmacies	0.0	72	72
22. Program Underexpenditures	0.0	-6,707	-6,707
23. Risk Needs Responsivity Programming	0.0	225	225
24. Administrative Efficiencies	0.0	-16,286	-16,286
25. Trafficking	0.0	48	48
26. Vehicle Prowling	0.0	48	48
Policy -- Other Total	43.5	-33,557	-28,718
Policy Comp Changes:			
27. Coll. Bargained Personal Leave Day	0.0	16	16
Policy -- Comp Total	0.0	16	16
Policy Transfer Changes:			
28. McNeil Island Stewardship	35.0	8,308	8,308
Policy -- Transfer Total	35.0	8,308	8,308
Total Policy Changes	78.5	-25,233	-20,394
Total 2013-15 Biennium	8,010.4	1,634,532	1,654,919
Difference from 2011-13	59.7	31,775	28,167

2013-15 Omnibus Operating Budget
Department of Corrections
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
% Change from 2011-13	0.8%	2.0%	1.7%

Comments:

1. Move OMNI off Mainframe - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

2. Federal Medicaid Expansion - Implementation of the Affordable Care Act (ACA) expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the Federal Poverty Level. Savings will be realized by expanding the number of offenders who are eligible for hospital in-patient Medicaid reimbursement. The federal funds which are generated to offset these costs are reflected in the Health Care Authority budget. (General Fund-State, General Fund-Federal)

3. New Hepatitis C Protocol - A new treatment protocol is made available for offenders screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy beyond any previous drug treatment therapies and is an allowable benefit on other insurance programs including Medicaid.

4. Assault Near Court Proceedings - Funding is provided for three additional prison beds to accommodate anticipated increases in the adult daily population (ADP). Pursuant to Engrossed Senate Bill 5484 (assault in the third degree), a person is guilty of assault in the third degree when that person assaults another individual in any area of a building that is used in connection with court proceedings. Assault in the third degree is a Class C felony offense ranked at Seriousness Level III on the adult felony sentencing grid. An offender convicted of assault in the third degree may receive a prison sentence of between 51-68 months. Based on the Administrative Office of the Courts, there may be 13-20 cases per year that would meet the criteria.

5. Stalking Protection - Pursuant to Substitute Senate Bill 5452 (Stalking Protection Orders), the definition of stalking is expanded and the penalties for violating stalking orders are increased. Two existing Class C felonies are expanded and an aggravating factor for court employees is added. A Class C felony ranked at a Seriousness Level V on the adult felony sentencing grid may be punishable with a term of prison confinement between 72-96 months. It is expected this will increase the demand for prison beds by four ADP.

6. Sex Offender Registration - Pursuant to Engrossed Substitute Senate Bill 5735 (Sex or Kidnapping Offenders), the definition of failure to register as a sex offender for a second or third violation is expanded to include previous failure to register for convictions under federal law. Failure to register as a sex offender (second offense) is a Class C felony ranked at Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. Failure to register as a sex offender (third or subsequent offense) is a Class B felony ranked at a Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. It is expected that this expanded definition of failure to register will increase the demand for prison beds by two ADP.

7. Aggravated 1st Degree Murder - Pursuant to Senate Bill 5015 (aggravated first-degree murder), the definition of aggravated first degree murder is expanded by adding a new aggravating circumstance when the victim was fourteen years of age or younger. According to the Bureau of Justice Statistics, victims under fourteen years of age comprise about 4.8 percent of all homicide victims. While the age of victims are currently not tracked and therefore unknown, there were approximately 33 sentences in FY 2012 that may have risen to aggravated first degree murder if the victim was under age fourteen. It is anticipated that the demand for adult prison beds will increase by one ADP.

8. Radio Infrastructure Upgrades - Funding is provided for certificate of participation debt service payments to replace critical radio systems essential to staff safety at Larch Corrections Center, Cedar Creek Corrections Center, Clallam Bay Corrections Center, Stafford Creek Corrections Center, and Airway Heights Corrections Center. Debt service payments are scheduled for ten years.

9. Maple Lane Ongoing Costs - In the 2012 supplemental operating budget, DOC was provided \$165,000 per year to assume responsibility for a warm closure of the Maple Lane School property. Additional funding is provided to pay for utilities, fire protection contracts, and other costs previously not covered but necessary to maintain Maple Lane so that it stays in good repair and maintains its value while long-term plans are made for the facility. An additional 0.5 FTE is provided, bringing the total to 2.5 FTEs for on site staffing coverage.

2013-15 Omnibus Operating Budget Department of Corrections

10. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in adult institutions. Standards released June 2012, require DOC to have one-third of its facilities audited by an outside source each year with the first deadline being August 2013. In addition, the DOC is required to monitor 70 jails with which it contracts for beds to demonstrate compliance system-wide. One-time funding is provided for one temporary FTE to conduct agency-wide training on PREA implementation. Two ongoing FTEs are provided to conduct internal compliance reviews, make audit preparations on four prisons and five work release sites each year, and monitor jail contracts. Of the total costs, \$120,000 are estimated to be one-time and \$238,000 to be ongoing.

11. Special Needs Population - Funding for six psychiatric associates is provide to deliver additional support for offenders with developmental disabilities or traumatic brain injuries. Approximately nine percent of those incarcerated in the Washington prison system are offenders with special needs and many of these are housed in intensive management units for their own safety. These additional mental health staff will augment current staffing at Monroe Correctional Center and Washington State Penitentiary to provide specialized mission housing units for approximately 150 offenders with special needs as recommended by a review conducted by the Disability Rights of Washington.

12. Sex Offender Risk Assessment - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

13. Improving Safety - Pursuant to recommendations by the Statewide Security Advisory Committee, correctional officer staffing levels are increased in two areas: (1) stand-alone minimum security facilities on graveyard shift and (2) medium security housing units on the day shift.

14. Reducing Corrections Costs - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), areas are standardized in the system where inconsistencies occur and the forecasted demand for prison beds is reduced by 246 ADP through the following policy items: 1) The drug sentencing grid is modified so that any offender who commits a Seriousness Level 1 drug offense and has a criminal history score within the range of 3-5, will serve their sentence in jail. Currently, drug offenders who have committed an identical Seriousness Level 1 drug offense and have identical criminal history scores may be sentenced to either prison or jail. At no other seriousness level and for no other completed criminal offense does this discretionary placement occur; 2) Rates paid by county and city jails for offender health care are standardized to be no greater than the amount payable under the Medicaid reimbursement structure. Because of this, the DOC will see a reduction in the rates they are billed by jails for health care provided to DOC offenders who are in jail due to a violation in the terms of their community supervision; and 3) The DOC will implement a positive time option. Offenders who qualify and who are entering the last 12 months of their prison sentence may choose from a list of department approved programs. If they remain infraction free, continue to do everything they are required to in the reentry program, and complete the approved program, they may earn an additional 30 days off their sentence. Noncompliance with any of these provisions results in a revocation of the positive time option for the duration of the offender's sentence. These items are expected to decrease the adult daily prison population and thereby reduce the need for the DOC to open or build additional housing units.

15. Delay Opening Units - Two new medium custody units at Washington State Penitentiary are delayed in opening and the minimum security unit is delayed in closing until the 2015-17 biennium due to a declining trend in forecasted prison populations and strategic investments by the Legislature to reduce the future need for prison beds. Investments to reduce the forecasted Adult Daily Prison (ADP) population are as follows: 1) Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds; 2) modifications to the drug sentencing grid and the implementation of a positive time earned release program are expected to reduce ADP by 246 beds; 3) funds provided to rent jail beds for offenders with 120 days or less left to serve on their sentence when they would otherwise be transferred to the Department of Corrections is expected to reduce ADP by 83 beds.

16. Residential DOSA - Funding is provided to expand the Drug Offender Sentencing Alternative (DOSA) program to 220 residential beds. This program is provided as a community alternative by the courts for otherwise prison bound offenders who are in need of chemical dependency treatment and supervision. In FY 2013, the program was funded for 145 beds, but the courts have over-utilized this program by as much as 200 beds. This expansion will reduce the forecasted average daily population for prison beds by 197 in fiscal year 2014 and by 272 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

2013-15 Omnibus Operating Budget Department of Corrections

17. Drug Treatment Fund Shift - Excess funds from the Ignition Interlock Device account and the County Criminal Justice Assistance account will be used one-time to support drug treatment provided through the Drug Offender Sentencing Alternative (DOSA) residential program for offenders on community supervision. In 2012, there were 4,975 offenders who were admitted to this 95-day evidence-based residential program. Use of these excess funds does not impact or alter amounts distributed to the counties by the State Treasurer or Washington State Patrol appropriated levels in the County Criminal Justice Assistance account. (County Criminal Justice Assistance Account-State, Ignition Interlock Device Revolving Account-State)

18. Centralized Pharmacy - The Department of Corrections will realize savings by creating a centralizing pharmacy. Five independent prison based pharmacies will be consolidated into two (one on the Eastern side and one on the Western side of the state). One-time funding in the amount of \$700,000 is in the capital budget to coincide with this item and will be used to modify leased space so that it can accommodate the storage and disbursement of pharmaceuticals. Savings is achieved from a reduction in pharmacy waste and reduced staffing requirements.

19. Offender Housing Voucher Program - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

20. Rent Jail Beds - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), the DOC will contract for jail beds to house offenders with an earned release date of less than 120 days remaining on his or her sentence at the time when the offender would otherwise be transferred to the state correctional facility. The DOC saves on booking, transportation, and the daily costs of housing these offenders. The daily rate paid to jails for this population is lower than the daily rate paid for housing violators of community supervision. This short-term, otherwise prison-bound population has already been booked by the jails and are housed in the jail while awaiting sentencing. Because these offenders will remain in the jail, they will not need to be rebooked. In addition, medical, mental health, and substance abuse conditions have already been assessed by the jails and are typically already stabilized. The average daily rate is \$70.00 per day per offender which includes \$3 per offender per day to cover extraordinary medical costs. The rental of jail beds for this population is expected to reduce the forecasted average daily population for prison beds by 72 in fiscal year 2014 and by 83 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

21. Crimes Against Pharmacies - Pursuant to Senate Bill 5149 (Crimes Against Pharmacies), a special allegation may be brought against a person who commits robbery in the first degree if the crime is committed in a pharmacy. An additional 12 months is added to the standard sentence if the allegation is proven beyond a reasonable doubt. Funding is provided for three additional prison beds for an expected increase in adult daily population.

22. Program Underexpenditures - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the DOC is revamping the way programming is provided to offenders in prisons and in community supervision. This includes phasing-out several programs and replacing them with programs considered to be more effective and that follow the RNR model. The RNR model requires programming interventions to be dynamic and directly linked to criminal behavior. Upon full implementation, programming will be targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

2013-15 Omnibus Operating Budget Department of Corrections

23. Risk Needs Responsivity Programming - One-time funding is provided for the Department of Corrections (DOC) to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the Risk Needs Responsivity (RNR) model. By October 1, 2013, the consultant will provide an evaluation to the DOC, Office of Financial Management (OFM), and the Legislature on current plans and processes to phase out ineffective programs and to implement programs that are evidence-based or research-based. The Washington State Institute of Public Policy (WSIPP) will be consulted to systematically review select programs. Based on the report provided by the consultant and WSIPP's review of programs, the DOC will work collaboratively with the consultant to develop a comprehensive written implementation plan and provide it to OFM and the Legislature by January 15, 2014. The written plan must include an implementation timeline, the types of programs to be included, the locations for the programs, and a phasing up of the projected number of participants that will meet the threshold of available funds. Using the written implementation plan as a guide, the DOC must have programs in place and fully phase-up no later than June 30, 2015. The consultant will review quarterly the actual implementation compared to the written plan and will provide a report to the Secretary of DOC. The DOC will provide progress updates to OFM and the Legislature on July 1, 2014, and December 1, 2014.

24. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

25. Trafficking - Pursuant to Engrossed Substitute Senate Bill 5669 (Trafficking) the definition for a felony related to communication with a minor is expanded to include the purchase or sale of commercial sex acts and sex trafficking. This Class C felony may be punishable by 51-60 months in prison depending on criminal history. Consent of a minor no longer constitutes a defense. It is expected that this will increase the demand for prison beds by two ADP.

26. Vehicle Prowling - A new Class C felony offense is established pursuant to Engrossed Senate Bill 5053 (Vehicle Prowling). The offense is ranked at Seriousness Level V on the adult felony sentencing grid. Statistics on the number of adult offenses for vehicle prowl in the second degree are not available. Vehicle prowling in the second degree on the third or subsequent offense, would be subject to a standard range of confinement between 6-12 months in jail and 51-60 months in prison. An increase in the ADP for two prison beds is anticipated.

27. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

28. McNeil Island Stewardship - Funding is provided for Correctional Industries (CI) to manage stewardship of McNeil Island. Prior to April 2011 closure of the McNeil Island prison, Marine operations, the fire department, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of the DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Of the funding provided for this item, \$234,000 is one-time start-up and equipment funding.

2013-15 Omnibus Operating Budget
Dept of Services for the Blind
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	75.0	4,290	25,466
2013-15 Carryforward Level	75.0	4,325	25,378
2013-15 Maintenance Level	75.0	4,419	25,703
Policy Other Changes:			
1. Increase Vocational Rehabilitation	5.0	0	1,656
2. Administrative Efficiencies	0.0	-38	-38
Policy -- Other Total	5.0	-38	1,618
Total Policy Changes	5.0	-38	1,618
Total 2013-15 Biennium	80.0	4,381	27,321
Difference from 2011-13	5.0	91	1,855
% Change from 2011-13	6.7%	2.1%	7.3%

Comments:

1. Increase Vocational Rehabilitation - The department leverages excess federal grant capacity to provide direct services and client supports, such as education, training, adaptive devices, and to hire additional staff. Additional funding will lower the counselor caseload and allow the department to reach 165 more clients per year (it currently serves 1,316 clients). Lower caseloads increase successful rehabilitation rates and reduce the time it takes for clients to obtain services and become active in the job market. (General Fund-Federal, General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Student Achievement Council
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	48.2	325,468	345,430
2013-15 Carryforward Level	97.4	665,936	706,283
2013-15 Maintenance Level	101.9	666,080	707,652
Policy Other Changes:			
1. College Bound Admin Funding	2.0	476	476
2. College Bound Scholarship Funding	0.0	33,725	33,725
3. Re-suspend Future Teachers Schol	0.0	-2,000	-2,000
4. Re-suspend Health Prof Scholarship	0.0	-7,650	-7,650
5. Re-suspend Small Grant Program	0.0	-1,032	-1,032
6. Re-suspend WA Scholars and WAVE	0.0	-8,422	-8,422
Policy -- Other Total	2.0	15,097	15,097
Total Policy Changes	2.0	15,097	15,097
Total 2013-15 Biennium	103.9	681,177	722,749
Difference from 2011-13	55.7	355,709	377,319
% Change from 2011-13	115.6%	109.3%	109.2%

Comments:

1. College Bound Admin Funding - In 2007, the Legislature created the College Bound Scholarship (CBS) program. In August 2008, Washington was awarded a federal College Access Challenge Grant (CACG). Some of those funds have been used for CBS program administration as the program has grown. Washington was notified in August 2012 that the state's request for a waiver of the Maintenance of Effort (MOE) requirement was not granted and that the state will not receive continued CACG funding. Therefore, funding that was being used to cover some administrative costs for the CBS program is no longer available. Funding is provided to cover that portion of administrative costs no longer funded by the federal CACG grant.

2. College Bound Scholarship Funding - In 2007, the Legislature appropriated \$7.4 million to fund scholarships for eligible students in the College Bound Scholarship (CBS) program. The funds were used to purchase Guaranteed Education Tuition program units that are now worth over \$12.1 million as of July 2012. The first CBS cohort began receiving these funds in fall 2012. This item provides additional funding to cover CBS payouts for the 2013-15 biennium.

3. Re-suspend Future Teachers Schol - Savings are achieved as a result of continuing the suspension of the Future Teachers Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

4. Re-suspend Health Prof Scholarship - Savings are achieved as a result of continuing the suspension of the Health Professionals Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

5. Re-suspend Small Grant Program - Savings are achieved as a result of continuing the suspension of small grant programs that was implemented in the 2011-13 biennium for the 2013-15 biennium, including the Community Scholarship Matching Grant program, Western Interstate Commission for Higher Education student exchange, and state contributions to the Foster Care Endowed Scholarship Trust Fund.

6. Re-suspend WA Scholars and WAVE - Savings are achieved as a result of continuing the suspension of the Washington Scholars and Washington Award for Vocational Excellence Programs that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

2013-15 Omnibus Operating Budget
LEOFF 2 Retirement Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	6.0	0	2,044
2013-15 Carryforward Level	6.0	0	2,068
2013-15 Maintenance Level	6.0	0	2,075
Total 2013-15 Biennium	6.0	0	2,075
Difference from 2011-13	0.0	0	31
% Change from 2011-13	0.0%	0.0%	1.5%

Comments:

2013-15 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	47.1	292,480	310,818
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-47.1	-292,480	-310,818
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget**Public Schools**
(Dollars in Thousands)

		Senate June 8th Striker	
	FTEs	NGF-P	Total
2011-13 Estimated Expenditures	271.8	13,647,219	15,620,413
2013-15 Carryforward Level	279.0	13,937,418	15,845,306
2013-15 Maintenance Level	279.0	14,579,093	16,467,354
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	2.3	584	584
2. Audit Workload Increase	1.0	0	200
3. Levy Equalization	0.0	-134	-134
4. Longitudinal Data System	4.5	1,174	1,174
5. Expand Full Day Kindergarten	0.0	41,163	41,163
6. Increase Pupil Transportation	0.0	197,521	197,521
7. Remove Hold Harmless	0.0	-24,718	-24,718
8. Materials, Supplies, & Op. Costs	0.0	520,978	520,978
9. ALE Audit Recoveries	0.0	-9,125	-9,125
10. Assessment Reforms	0.0	-17,130	-17,130
11. Troubled Youth in Schools	0.4	155	155
12. State-Tribal Ed Compact	0.0	-856	-856
13. Computer Science Education	0.1	124	124
14. Mobius Science Center	0.0	200	200
15. Teacher Evaluation Training	0.0	10,215	10,215
16. Biling Student Transition (SB5330)	0.0	5,715	5,715
17. Improved Student Outcomes (SB5330)	3.3	1,109	1,109
18. STEM Alliance (SB5755)	1.0	253	253
19. High School Acceleration	0.7	2,171	2,171
20. Suspensions and Expulsions	0.7	190	190
21. Persistently Lowest-Achieving Sch.	1.0	10,281	10,281
22. Alternative Learning Experience	0.0	-1,620	-1,620
23. Learning Assistance Program (LAP)	0.0	240,816	240,816
24. Strategic Innovation Grant	0.0	5,030	5,030
25. Re-Suspend Alternative Routes	0.0	-5,064	-5,064
26. Consolidate Grants & Programs	0.0	-36,670	-36,670
27. Career & Tech. Ed. MSOC	0.0	-49,191	-49,191
28. Re-Suspend National Board Inflation	0.0	-3,167	-3,167
29. Educator Compensation Model	0.0	90	90
Policy -- Other Total	15.0	890,094	890,294
Policy Comp Changes:			
30. Initiative 732	0.0	-295,804	-295,804
Policy -- Comp Total	0.0	-295,804	-295,804
Total Policy Changes	15.0	594,290	594,490
Total 2013-15 Biennium	293.9	15,173,383	17,061,844
Difference from 2011-13	22.1	1,526,164	1,441,431
% Change from 2011-13	8.1%	11.2%	9.2%

2013-15 Omnibus Operating Budget Public Schools

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (Engrossed Substitute House Bill 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account-State)

3. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for maintenance, supplies, and operating costs; the learning assistance program; full-day kindergarten; and pupil transportation among other increases. As the basic education enhancements are increased between the 2013-14 and 2017-18 school years, new state funding lifts the levy base and, without a concurrent adjustment in the lid percentage, an automatic increase in capacity. Minimum levy lid percentages are scheduled in statute to return from the current 28 percent to the pre-2010 level of 24 percent for calendar year 2018 when the basic education enhancements are scheduled to be fully phased in. The lid percentage, therefore, is decreased on a linear basis to maintain essential neutrality and avoid an extreme reduction when the lid resets in 2018. The levy equalization percentage is decreased proportionately to maintain the 50 percent equalization policy.

4. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

5. Expand Full Day Kindergarten - Funding for full-day kindergarten is expanded from the current 22 percent of kindergarten enrollment to 30 percent in the 2013-14 school year and to 35 percent in the 2014-15 school year, with first priority to those elementary schools with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. (Education Legacy Trust Account-State)

6. Increase Pupil Transportation - As of the 2013-14 school year, funding is provided to fully complete phase-in of the state's new pupil transportation funding formula as provided in Chapter 548, Laws of 2009. Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations. (Education Legacy Trust Account-State)

7. Remove Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless by increasing the funding allocations for implementing the funding enhancement targets provided in statute and enhancing funding for the Learning Assistance Program (LAP).

8. Materials, Supplies, & Op. Costs - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) established target enhancement values for each of the seven components, to be achieved by the 2015-16 school year. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

Target MSOC rates are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. State allocations for the 2013-14 school year represent a 17 percent enhancement over maintenance level funding. School districts' reported expenditures, adjusted for inflation, are 100 percent funded by the state allocation in the 2014-15 school year. These enhancements represent per-pupil MSOC rate increases above maintenance-level of \$83.65 and \$500.42 for the 2013-14 and 2014-15 school years, respectively. The rates, according to statute, will be further inflation-adjusted in subsequent years. (Education Legacy Trust Account - State)

2013-15 Omnibus Operating Budget Public Schools

9. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumption for audit recoveries is assumed based on the scope and size of the audit findings.

10. Assessment Reforms - Engrossed Substitute Senate Bill 5587 (student assessments) modifies the statewide student assessments to implement, by the 2014-15 school year, the comprehensive English language arts and mathematics assessments developed by the multi-state Smarter Balance Assessment Consortium. The mathematics end-of-course (EOC) assessments are not administered after the 2014-15 school year. As the state transitions to the Smarter Balance English language arts and mathematics assessments, the graduating classes of 2016 and 2017 may meet the state standard for high-school graduation purposes using either the current reading and writing assessments or the consortium-developed English language arts assessment; or both of the mathematics EOCs or the consortium-developed mathematics assessments. For high-school graduation the graduating class of 2018 must meet the state standard on the Smarter Balance English language arts and mathematics assessments.

11. Troubled Youth in Schools - Engrossed Substitute House Bill 1336, Chapter 197, Laws of 2013, relates to increasing the capacity of school districts to recognize and respond to troubled youth. Funding is provided for the Professional Educator Standards Board (PESB) to develop and adopt training standards on youth suicide screening and referral as a condition of certification for a school nurse, a school social worker, school psychologists or a school counselor. Funding is also provided for the OSPI and the school safety advisory committee to develop a model school district plan for recognition, initial screening, and response to emotional or behavioral distress in students; for educational service districts to develop and maintain the capacity to offer training for school district staff; and for the OSPI to convene a temporary task force to identify best practices, model programs, and successful strategies for school districts to form partnerships with qualified health, mental health, and social services agencies in the community.

12. State-Tribal Ed Compact - Engrossed Second Substitute House Bill 1134, Chapter 242, Laws of 2013, relates to state-tribal education compact schools and authorizes the OSPI to enter into compacts directly with tribes. The bill includes provisions to temporarily preserve the local levy capacity of a school district that previously served as the conduit for tribal school funds; that is, allowing the tribal school funds to continue to be included in the district's levy base through calendar year 2017. However, the bill does not allow the revenue to be included in the calculations for state local effort assistance payments, thereby decreasing those state costs.

13. Computer Science Education - Substitute House Bill 1472, Chapter 241, Laws of 2013, requires school boards to approve advanced-placement computer science courses as equivalent to high-school mathematics or science. Funding is provided for implementation of the bill.

14. Mobius Science Center - The Mobius Science Center provides mobile outreach to provide hands-on and accessible science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

15. Teacher Evaluation Training - Chapter 35, Laws of 2012 (Engrossed Substitute Senate Bill 5895) implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for the office of the superintendent of public instruction to collaborate with educational service districts to develop and make available a professional development program for teachers, including a comprehensive on-line training package. The teacher training base-budget funding is enhanced by approximately \$5.1 million per year.

16. Biling Student Transition (SB5330) - Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes) creates a statutory requirement for additional, non-basic education funding for students who exited the Transitional Bilingual Instructional Program (TBIP) the previous year. The funding begins in the 2014-15 school year, is based on the cost of 3.0 additional hours of instruction per week, and must be used to provide academic support for exited students, if needed, or may be used within the TBIP.

17. Improved Student Outcomes (SB5330) - Engrossed Second Substitute Senate Bill 5330 (student achievement and outcomes) requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues. The office of the superintendent of public instruction will provide technical assistance, manage program applications, report to the legislature, provide professional development opportunities to districts, and monitor compliance. The bill further requires data collection and reporting regarding transition beyond high school of special education students.

2013-15 Omnibus Operating Budget Public Schools

18. STEM Alliance (SB5755) - Substitute Senate Bill 5755 (science, technology, engineering, and mathematics) creates the STEM Education Innovation Alliance with representatives from specified business, organizations and agencies. The Alliance will advise the Governor and offer overall vision and guidance on STEM initiatives; consolidate all the current programs and plans into one comprehensive framework; develop a STEM benchmark Report Card that will be posted online with updated data, measures, information from state education agencies about how their activities are aligned to the framework, and data about STEM job openings.

OSPI must consult with the Alliance and identify and distribute materials to K-12 schools to encourage instruction and learning in STEM areas.

19. High School Acceleration - Engrossed Second Substitute Senate Bill 5243 (high-school academic acceleration) creates a requirement for school boards to adopt and academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

20. Suspensions and Expulsions - Engrossed Second Substitute Senate Bill 5244 (suspensions and expulsions), regarding school suspensions and expulsions, places limits on the length of exclusionary discipline, requires additional data analysis and reporting, encourages schools to make efforts to allow students to return to an educational setting as soon as possible, and requires reentry and reengagement plans tailored to students' individual circumstances. One-time funding is provided to make student information available for access on the internet. Included in the total is \$25,000 for a contract with the Washington State School Directors' Association to develop model policy.

21. Persistently Lowest-Achieving Sch. - Engrossed Second Substitute Senate Bill 5329 requires OSPI to, by December 1, 2013, identify the ten most persistently lowest-achieving schools using the student results on the statewide reading and math assessments. The districts in which these schools reside are designated as required action districts (RADs) and will enter a three-year improvement process to be chosen by the district from the list of four federal intervention models or Washington State's Collaborative Schools for Innovation and Success model. If, at the end of the three-year period, the State Board of Education determines the district has not met requirements for release from RAD status, OSPI must review the actions that had been taken during the RAD three years and create a new three-year plan with the school district's board of directors to be implemented by OSPI using a management structure chosen by OSPI.

At the end of the second three-year intervention, if the SBE determines that any of the schools have not met sufficient progress, then that school is closed and the students assigned to another school, unless there is no viable option to accommodate students due to a lack of capacity or inability to provide equitable access to educational programs and services.

The RADs will be identified by December 2013 and districts will require lead time to establish an improvement model; therefore, state grants averaging \$1 million per school will be provided beginning in the second fiscal year.

22. Alternative Learning Experience - Second Substitute Senate Bill 5794 (alternative learning experience courses), defines ALE by type of course rather than by type of program, clarifies that the primary instructional contact must be with a teacher, and allocates funding for ALE courses using the statewide average Basic Education rate for Running Start, grades nine through 12. Converting to a statewide average funding rate is estimated to decrease total costs by 0.6 percent from the current funding methodology given full restoration of the temporary percentage reductions taken in the 2011-13 biennium. Compared to the 2011-13 funding levels, including the temporary percentage reductions, the revised methodology is estimated to provide a statewide average increase of 14.8 percent.

2013-15 Omnibus Operating Budget Public Schools

23. Learning Assistance Program (LAP) - The Learning Assistance Program (LAP) is Washington's state-funded program that provides additional academic support to eligible students. LAP funds are available to support programs in grades K-12 in reading, writing, and mathematics, and in readiness for those subjects. Engrossed Second Substitute Senate Bill 5330 requires LAP funds to be used for interventions and activities for which there is research showing that they are effective in improving academic achievement. The Washington State Institute for Public Policy (WSIPP) will provide an inventory of evidence-based practices, to be updated every two years. Funded program activities must be on this inventory or otherwise approved by OSPI as an effective, evidence-based program.

In support of Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes), LAP funding is increased. Currently, LAP provides an additional 1.516 hours of LAP instruction per-week, assuming class sizes of 15 students per certificated instructional staff. The formula translates to additional funding in the 2011-12 school year of approximately \$295 per eligible student. This enhancement is increased to 3.000 hours per week, beginning with the 2013-14 school year, which translates to approximately \$603 per student.

24. Strategic Innovation Grant - A Strategic Innovation Grant program is created, providing grants to school districts based on innovation and the degree to which the district's proposal implements compensation systems that are evidence-based and research-based. Grants are to provide incentives for hard-to-fill subject areas and challenging schools' assignments, among others. Grants will be awarded by the Professional Educator Standards Board, with the Washington Institute of Public Policy. PESB must report on the amount and purposes of the grants awarded.

25. Re-Suspend Alternative Routes - Alternative certification routes are teacher-training programs that serve as alternatives to traditional teacher-preparation programs. Additional grants are suspended for the 2013-15 biennium.

26. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Project Citizen; Collaborative Schools; open K-12 educational resources (Chapter 178, Laws of 2012); interpreter services standards; Nurse Corps; Navigation 101; Washington Achievers Scholars; College Bound Scholarship outreach; Building Bridges grants; and Jobs for America's Graduates (JAG). School districts that wish to continue programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330 (improving student achievement and student outcomes). School districts may coordinate implementation of the programs statewide, regionally, or individually. In addition to the combined programs listed here, school districts may include Communities in Schools and the Dream Big programs.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

27. Career & Tech. Ed. MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (SHB 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in career and technical education (CTE) courses in grades seven through 12. The statute states that these specialty rates are set in the omnibus appropriations budget bill. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The office of the superintendent of public instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal with restoration of a 15 percent withholding for central administration, and adjusted for inflation for the 2013-14 and 2014-15 school years. In addition a rate floor is established whereby if, at any time, the general education MSOC rate is higher than the calculated CTE MSOC rate, the general education rate will be provided instead. This results in a CTE MSOC rate that is 33 percent lower in the 2013-14 school year than the 2012-13 school year, and 22 percent lower in the 2014-15 school year. Compared to the general education rate, the 2013-14 CTE rate will be 44 percent higher and the 2014-15 rate will be equivalent.

2013-15 Omnibus Operating Budget Public Schools

28. Re-Suspend National Board Inflation - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,510. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

29. Educator Compensation Model - Funding is provided for the Superintendent of Public Instruction to contract with the Center for Reinventing Public Education, affiliated with the University of Washington, to develop a research-based set of recommendations to revise the current salary allocation schedule to create a new educator compensation model for certificated instructional staff and principals. An interim report is due to the Legislature by December 1, 2013, and a final report with the recommended new model or models is due by December 1, 2014.

30. Initiative 732 - The Initiative 732 cost-of-living adjustments are repealed pursuant to Senate Bill 5895 (education funding). Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

2013-15 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	234.3	52,476	138,057
2013-15 Carryforward Level	238.5	54,919	137,822
2013-15 Maintenance Level	238.5	55,802	129,955
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	2.3	584	584
2. Audit Workload Increase	1.0	0	200
3. Longitudinal Data System	4.5	1,174	1,174
4. Troubled Youth in Schools	0.4	155	155
5. Computer Science Education	0.1	124	124
6. Mobius Science Center	0.0	200	200
7. Suspensions and Expulsions	0.7	190	190
8. Re-Suspend Alternative Routes	0.0	-5,064	-5,064
9. Consolidate Grants & Programs	0.0	-18,592	-18,592
10. Educator Compensation Model	0.0	90	90
Policy -- Other Total	9.0	-21,139	-20,939
Total Policy Changes	9.0	-21,139	-20,939
Total 2013-15 Biennium	247.5	34,663	109,016
Difference from 2011-13	13.2	-17,813	-29,041
% Change from 2011-13	5.6%	-34.0%	-21.0%

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (Engrossed Substitute House Bill 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account-State)

3. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

2013-15 Omnibus Operating Budget Public Schools OSPI & Statewide Programs

4. Troubled Youth in Schools - Engrossed Substitute House Bill 1336, Chapter 197, Laws of 2013, relates to increasing the capacity of school districts to recognize and respond to troubled youth. Funding is provided for the Professional Educator Standards Board (PESB) to develop and adopt training standards on youth suicide screening and referral as a condition of certification for a school nurse, a school social worker, school psychologists or a school counselor. Funding is also provided for the OSPI and the school safety advisory committee to develop a model school district plan for recognition, initial screening, and response to emotional or behavioral distress in students; for educational service districts to develop and maintain the capacity to offer training for school district staff; and for the OSPI to convene a temporary task force to identify best practices, model programs, and successful strategies for school districts to form partnerships with qualified health, mental health, and social services agencies in the community.

5. Computer Science Education - Substitute House Bill 1472, Chapter 241, Laws of 2013, requires school boards to approve advanced-placement computer science courses as equivalent to high-school mathematics or science, Funding is provided for implementation of the bill.

6. Mobius Science Center - The Mobius Science Center provides mobile outreach to provide hands-on and accessible science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

7. Suspensions and Expulsions - Engrossed Second Substitute Senate Bill 5244 (suspensions and expulsions), regarding school suspensions and expulsions, places limits on the length of exclusionary discipline, requires additional data analysis and reporting, encourages schools to make efforts to allow students to return to an educational setting as soon as possible, and requires reentry and reengagement plans tailored to students' individual circumstances. One-time funding is provided to make student information available for access on the internet. Included in the total is \$25,000 for a contract with the Washington State School Directors' Association to develop model policy.

8. Re-Suspend Alternative Routes - Alternative certification routes are teacher-training programs that serve as alternatives to traditional teacher-preparation programs. Additional grants are suspended for the 2013-15 biennium.

9. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Project Citizen; Collaborative Schools; open K-12 educational resources (Chapter 178, Laws of 2012); interpreter services standards; Nurse Corps; Navigation 101; Washington Achievers Scholars; College Bound Scholarship outreach; Building Bridges grants; and Jobs for America's Graduates (JAG). School districts that wish to continue programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330 (improving student achievement and student outcomes). School districts may coordinate implementation of the programs statewide, regionally, or individually. In addition to the combined programs listed here, school districts may include Communities in Schools and the Dream Big programs.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

10. Educator Compensation Model - Funding is provided for the Superintendent of Public Instruction to contract with the Center for Reinventing Public Education, affiliated with the University of Washington, to develop a research-based set of recommendations to revise the current salary allocation schedule to create a new educator compensation model for certificated instructional staff and principals. An interim report is due to the Legislature by December 1, 2013, and a final report with the recommended new model or models is due by December 1, 2014.

2013-15 Omnibus Operating Budget
Public Schools
General Apportionment
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	10,412,087	10,434,414
2013-15 Carryforward Level	0.0	10,543,221	10,543,221
2013-15 Maintenance Level	0.0	10,733,692	10,733,692
Policy Other Changes:			
1. Expand Full Day Kindergarten	0.0	40,786	40,786
2. Remove Hold Harmless	0.0	-24,718	-24,718
3. Materials, Supplies, & Op. Costs	0.0	457,378	457,378
4. ALE Audit Recoveries	0.0	-9,125	-9,125
5. Alternative Learning Experience	0.0	-1,620	-1,620
6. Career & Tech. Ed. MSOC	0.0	-49,191	-49,191
Policy -- Other Total	0.0	413,510	413,510
Total Policy Changes	0.0	413,510	413,510
Total 2013-15 Biennium	0.0	11,147,202	11,147,202
Difference from 2011-13	0.0	735,115	712,788
% Change from 2011-13	0.0%	7.1%	6.8%

Comments:

1. Expand Full Day Kindergarten - Funding for full-day kindergarten is expanded from the current 22 percent of kindergarten enrollment to 30 percent in the 2013-14 school year and to 35 percent in the 2014-15 school year, with first priority to those elementary schools with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. (Education Legacy Trust Account-State)

2. Remove Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless by increasing the funding allocations for implementing the funding enhancement targets provided in statute and enhancing funding for the Learning Assistance Program (LAP).

3. Materials, Supplies, & Op. Costs - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) established target enhancement values for each of the seven components, to be achieved by the 2015-16 school year. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

Target MSOC rates are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. State allocations for the 2013-14 school year represent a 17 percent enhancement over maintenance level funding. School districts' reported expenditures, adjusted for inflation, are 100 percent funded by the state allocation in the 2014-15 school year. These enhancements represent per-pupil MSOC rate increases above maintenance-level of \$83.65 and \$500.42 for the 2013-14 and 2014-15 school years, respectively. The rates, according to statute, will be further inflation-adjusted in subsequent years. (Education Legacy Trust Account - State)

2013-15 Omnibus Operating Budget Public Schools General Apportionment

4. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumption for audit recoveries is assumed based on the scope and size of the audit findings.

5. Alternative Learning Experience - Second Substitute Senate Bill 5794 (alternative learning experience courses), defines ALE by type of course rather than by type of program, clarifies that the primary instructional contact must be with a teacher, and allocates funding for ALE courses using the statewide average Basic Education rate for Running Start, grades nine through 12. Converting to a statewide average funding rate is estimated to decrease total costs by 0.6 percent from the current funding methodology given full restoration of the temporary percentage reductions taken in the 2011-13 biennium. Compared to the 2011-13 funding levels, including the temporary percentage reductions, the revised methodology is estimated to provide a statewide average increase of 14.8 percent.

6. Career & Tech. Ed. MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (SHB 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in career and technical education (CTE) courses in grades seven through 12. The statute states that these specialty rates are set in the omnibus appropriations budget bill. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The office of the superintendent of public instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal with restoration of a 15 percent withholding for central administration, and adjusted for inflation for the 2013-14 and 2014-15 school years. In addition a rate floor is established whereby if, at any time, the general education MSOC rate is higher than the calculated CTE MSOC rate, the general education rate will be provided instead. This results in a CTE MSOC rate that is 33 percent lower in the 2013-14 school year than the 2012-13 school year, and 22 percent lower in the 2014-15 school year. Compared to the general education rate, the 2013-14 CTE rate will be 44 percent higher and the 2014-15 rate will be equivalent.

2013-15 Omnibus Operating Budget
Public Schools
Pupil Transportation
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	595,885	595,885
2013-15 Carryforward Level	0.0	646,312	646,312
2013-15 Maintenance Level	0.0	660,847	660,847
Policy Other Changes:			
1. Increase Pupil Transportation	0.0	197,521	197,521
Policy -- Other Total	0.0	197,521	197,521
Total Policy Changes	0.0	197,521	197,521
Total 2013-15 Biennium	0.0	858,368	858,368
Difference from 2011-13	0.0	262,483	262,483
% Change from 2011-13	0.0%	44.1%	44.1%

Comments:

1. Increase Pupil Transportation - As of the 2013-14 school year, funding is provided to fully complete phase-in of the state's new pupil transportation funding formula as provided in Chapter 548, Laws of 2009. Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations. (Education Legacy Trust Account-State)

2013-15 Omnibus Operating Budget
Public Schools
School Food Services
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	14,222	595,634
2013-15 Carryforward Level	0.0	14,222	595,637
2013-15 Maintenance Level	0.0	14,222	632,560
Total 2013-15 Biennium	0.0	14,222	632,560
Difference from 2011-13	0.0	0	36,926
% Change from 2011-13	0.0%	0.0%	6.2%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Special Education
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2.0	1,328,957	1,815,879
2013-15 Carryforward Level	2.0	1,382,013	1,844,036
2013-15 Maintenance Level	2.0	1,428,233	1,890,256
Policy Other Changes:			
1. Expand Full Day Kindergarten	0.0	307	307
2. Materials, Supplies, & Op. Costs	0.0	63,600	63,600
Policy -- Other Total	0.0	63,907	63,907
Total Policy Changes	0.0	63,907	63,907
Total 2013-15 Biennium	2.0	1,492,140	1,954,163
Difference from 2011-13	0.0	163,183	138,284
% Change from 2011-13	0.0%	12.3%	7.6%

Comments:

1. Expand Full Day Kindergarten - The 2013-15 biennial budget expands state funded full-day kindergarten. This increases districts' basic education allocation and special education allocation. The state special education allocation per student is based on percentages of each district's basic education allocation per student: 93.03 percent for students grade kindergarten through age 21, and 115 percent for students age birth to pre-kindergarten. (Education Legacy Trust Account-State)

2. Materials, Supplies, & Op. Costs - The 2013-15 biennial budget increases state per-pupil funding rates for materials, supplies, and operating costs (MSOC). This increases districts' basic education allocation and special education allocation. The state special education allocation per student is based on percentages of each district's basic education allocation per student: 93.03 percent for students grade kindergarten through age 21, and 115 percent for students age birth to pre-kindergarten. (Education Legacy Trust Account-State)

2013-15 Omnibus Operating Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	15,806	15,806
2013-15 Carryforward Level	0.0	16,073	16,073
2013-15 Maintenance Level	0.0	16,292	16,292
Total 2013-15 Biennium	0.0	16,292	16,292
Difference from 2011-13	0.0	486	486
% Change from 2011-13	0.0%	3.1%	3.1%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Levy Equalization
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	598,934	603,334
2013-15 Carryforward Level	0.0	598,732	598,732
2013-15 Maintenance Level	0.0	632,727	632,727
Policy Other Changes:			
1. Levy Equalization	0.0	-134	-134
2. State-Tribal Ed Compact	0.0	-856	-856
Policy -- Other Total	0.0	-990	-990
Total Policy Changes	0.0	-990	-990
Total 2013-15 Biennium	0.0	631,737	631,737
Difference from 2011-13	0.0	32,803	28,403
% Change from 2011-13	0.0%	5.5%	4.7%

Comments:

1. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for maintenance, supplies, and operating costs; the learning assistance program; full-day kindergarten; and pupil transportation among other increases. As the basic education enhancements are increased between the 2013-14 and 2017-18 school years, new state funding lifts the levy base and, without a concurrent adjustment in the lid percentage, an automatic increase in capacity. Minimum levy lid percentages are scheduled in statute to return from the current 28 percent to the pre-2010 level of 24 percent for calendar year 2018 when the basic education enhancements are scheduled to be fully phased in. The lid percentage, therefore, is decreased on a linear basis to maintain essential neutrality and avoid an extreme reduction when the lid resets in 2018. The levy equalization percentage is decreased proportionately to maintain the 50 percent equalization policy.

2. State-Tribal Ed Compact - Engrossed Second Substitute House Bill 1134, Chapter 242, Laws of 2013, relates to state-tribal education compact schools and authorizes the OSPI to enter into compacts directly with tribes. The bill includes provisions to temporarily preserve the local levy capacity of a school district that previously served as the conduit for tribal school funds; that is, allowing the tribal school funds to continue to be included in the district's levy base through calendar year 2017. However, the bill does not allow the revenue to be included in the calculations for state local effort assistance payments, thereby decreasing those state costs.

2013-15 Omnibus Operating Budget
Public Schools
Elementary/Secondary School Improv
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	6,152
2013-15 Carryforward Level	0.0	0	4,952
2013-15 Maintenance Level	0.0	0	4,052
Total 2013-15 Biennium	0.0	0	4,052
Difference from 2011-13	0.0	0	-2,100
% Change from 2011-13	0.0%	0.0%	-34.1%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Institutional Education
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	32,561	32,561
2013-15 Carryforward Level	0.0	31,398	31,398
2013-15 Maintenance Level	0.0	30,787	30,787
Total 2013-15 Biennium	0.0	30,787	30,787
Difference from 2011-13	0.0	-1,774	-1,774
% Change from 2011-13	0.0%	-5.5%	-5.5%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Ed of Highly Capable Students
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	17,533	17,533
2013-15 Carryforward Level	0.0	18,798	18,798
2013-15 Maintenance Level	0.0	19,083	19,083
Policy Other Changes:			
1. Expand Full Day Kindergarten	0.0	70	70
Policy -- Other Total	0.0	70	70
Total Policy Changes	0.0	70	70
Total 2013-15 Biennium	0.0	19,153	19,153
Difference from 2011-13	0.0	1,620	1,620
% Change from 2011-13	0.0%	9.2%	9.2%

Comments:

1. Expand Full Day Kindergarten - Expansion of full-day kindergarten increases the total K-12 student full-time equivalent enrollment. Because the Highly Capable Program funding is based on a fixed percentage of K-12 enrollment, increasing full-day kindergarten also increases allowable funding for the Highly Capable Program. (Education Legacy Trust Account-State)

2013-15 Omnibus Operating Budget
Public Schools
Education Reform
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	35.5	163,129	386,319
2013-15 Carryforward Level	38.5	201,748	424,993
2013-15 Maintenance Level	38.5	234,863	445,108
Policy Other Changes:			
1. Assessment Reforms	0.0	-17,130	-17,130
2. Teacher Evaluation Training	0.0	10,215	10,215
3. Improved Student Outcomes (SB5330)	3.3	1,109	1,109
4. STEM Alliance (SB5755)	1.0	253	253
5. High School Acceleration	0.7	2,171	2,171
6. Persistently Lowest-Achieving Sch.	1.0	10,281	10,281
7. Strategic Innovation Grant	0.0	5,030	5,030
8. Consolidate Grants & Programs	0.0	-18,078	-18,078
9. Re-Suspend National Board Inflation	0.0	-3,167	-3,167
Policy -- Other Total	6.0	-9,316	-9,316
Total Policy Changes	6.0	-9,316	-9,316
Total 2013-15 Biennium	44.5	225,547	435,792
Difference from 2011-13	9.0	62,418	49,473
% Change from 2011-13	25.2%	38.3%	12.8%

Comments:

1. Assessment Reforms - Engrossed Substitute Senate Bill 5587 (student assessments) modifies the statewide student assessments to implement, by the 2014-15 school year, the comprehensive English language arts and mathematics assessments developed by the multi-state Smarter Balance Assessment Consortium. The mathematics end-of-course (EOC) assessments are not administered after the 2014-15 school year. As the state transitions to the Smarter Balance English language arts and mathematics assessments, the graduating classes of 2016 and 2017 may meet the state standard for high-school graduation purposes using either the current reading and writing assessments or the consortium-developed English language arts assessment; or both of the mathematics EOCs or the consortium-developed mathematics assessments. For high-school graduation the graduating class of 2018 must meet the state standard on the Smarter Balance English language arts and mathematics assessments.

2. Teacher Evaluation Training - Chapter 35, Laws of 2012 (Engrossed Substitute Senate Bill 5895) implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for the office of the superintendent of public instruction to collaborate with educational service districts to develop and make available a professional development program for teachers, including a comprehensive on-line training package. The teacher training base-budget funding is enhanced by approximately \$5.1 million per year.

3. Improved Student Outcomes (SB5330) - Engrossed Second Substitute Senate Bill 5330 (student achievement and outcomes) requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues. The office of the superintendent of public instruction will provide technical assistance, manage program applications, report to the legislature, provide professional development opportunities to districts, and monitor compliance. The bill further requires data collection and reporting regarding transition beyond high school of special education students.

2013-15 Omnibus Operating Budget

Public Schools

Education Reform

4. STEM Alliance (SB5755) - Substitute Senate Bill 5755 (science, technology, engineering, and mathematics) creates the STEM Education Innovation Alliance with representatives from specified business, organizations and agencies. The Alliance will advise the Governor and offer overall vision and guidance on STEM initiatives; consolidate all the current programs and plans into one comprehensive framework; develop a STEM benchmark Report Card that will be posted online with updated data, measures, information from state education agencies about how their activities are aligned to the framework, and data about STEM job openings.

OSPI must consult with the Alliance and identify and distribute materials to K-12 schools to encourage instruction and learning in STEM areas.

5. High School Acceleration - Engrossed Second Substitute Senate Bill 5243 (high-school academic acceleration) creates a requirement for school boards to adopt and academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

6. Persistently Lowest-Achieving Sch. - Engrossed Second Substitute Senate Bill 5329 requires OSPI to, by December 1, 2013, identify the ten most persistently lowest-achieving schools using the student results on the statewide reading and math assessments. The districts in which these schools reside are designated as required action districts (RADs) and will enter a three-year improvement process to be chosen by the district from the list of four federal intervention models or Washington State's Collaborative Schools for Innovation and Success model. If, at the end of the three-year period, the State Board of Education determines the district has not met requirements for release from RAD status, OSPI must review the actions that had been taken during the RAD three years and create a new three-year plan with the school district's board of directors to be implemented by OSPI using a management structure chosen by OSPI.

At the end of the second three-year intervention, if the SBE determines that any of the schools have not met sufficient progress, then that school is closed and the students assigned to another school, unless there is no viable option to accommodate students due to a lack of capacity or inability to provide equitable access to educational programs and services.

The RADs will be identified by December 2013 and districts will require lead time to establish an improvement model; therefore, state grants averaging \$1 million per school will be provided beginning in the second fiscal year.

7. Strategic Innovation Grant - A Strategic Innovation Grant program is created, providing grants to school districts based on innovation and the degree to which the district's proposal implements compensation systems that are evidence-based and research-based. Grants are to provide incentives for hard-to-fill subject areas and challenging schools' assignments, among others. Grants will be awarded by the Professional Educator Standards Board, with the Washington Institute of Public Policy. PESB must report on the amount and purposes of the grants awarded.

2013-15 Omnibus Operating Budget

Public Schools

Education Reform

8. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Readiness to Learn; career and technical education (CTE) grants; regional education technology support centers; Leadership Academy; principal and superintendent internships; middle- and high-school applied mathematics, science, and engineering grants; the Science, Technology, Education, and Mathematics (STEM) work group; the Paying for Actual Student Success (PASS) program; project Lead the Way; skills centers aerospace manufacturing hub; and the aerospace assembly program. School districts that wish to continue the programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330, improving student achievement and student outcomes. School districts may coordinate implementation of the programs statewide, regionally, or individually.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

9. Re-Suspend National Board Inflation - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,510. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

2013-15 Omnibus Operating Budget
Public Schools
Transitional Bilingual Instruction
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	160,241	231,242
2013-15 Carryforward Level	0.0	165,654	236,669
2013-15 Maintenance Level	0.0	186,290	257,305
Policy Other Changes:			
1. Biling Student Transition (SB5330)	0.0	5,715	5,715
Policy -- Other Total	0.0	5,715	5,715
Total Policy Changes	0.0	5,715	5,715
Total 2013-15 Biennium	0.0	192,005	263,020
Difference from 2011-13	0.0	31,764	31,778
% Change from 2011-13	0.0%	19.8%	13.7%

Comments:

1. Biling Student Transition (SB5330) - Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes) creates a statutory requirement for additional, non-basic education funding for students who exited the Transitional Bilingual Instructional Program (TBIP) the previous year. The funding begins in the 2014-15 school year, is based on the cost of 3.0 additional hours of instruction per week, and must be used to provide academic support for exited students, if needed, or may be used within the TBIP.

2013-15 Omnibus Operating Budget
Public Schools
Learning Assistance Program (LAP)
 (Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	255,388	747,595
2013-15 Carryforward Level	0.0	264,328	746,663
2013-15 Maintenance Level	0.0	270,663	719,098
Policy Other Changes:			
1. Learning Assistance Program (LAP)	0.0	240,604	240,604
Policy -- Other Total	0.0	240,604	240,604
Total Policy Changes	0.0	240,604	240,604
Total 2013-15 Biennium	0.0	511,267	959,702
Difference from 2011-13	0.0	255,879	212,107
% Change from 2011-13	0.0%	100.2%	28.4%

Comments:

1. Learning Assistance Program (LAP) - The Learning Assistance Program (LAP) is Washington's state-funded program that provides additional academic support to eligible students. LAP funds are available to support programs in grades K-12 in reading, writing, and mathematics, and in readiness for those subjects. Engrossed Second Substitute Senate Bill 5330 requires LAP funds to be used for interventions and activities for which there is research showing that they are effective in improving academic achievement. The Washington State Institute for Public Policy (WSIPP) will provide an inventory of evidence-based practices, to be updated every two years. Funded program activities must be on this inventory or otherwise approved by OSPI as an effective, evidence-based program.

In support of Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes), LAP funding is increased. Currently, LAP provides an additional 1.516 hours of LAP instruction per-week, assuming class sizes of 15 students per certificated instructional staff. The formula translates to additional funding in the 2011-12 school year of approximately \$295 per eligible student. This enhancement is increased to 3.000 hours per week, beginning with the 2013-14 school year, which translates to approximately \$603 per student.

2013-15 Omnibus Operating Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	2
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	295,592	295,592
Policy Other Changes:			
1. Learning Assistance Program (LAP)	0.0	212	212
Policy -- Other Total	0.0	212	212
Policy Comp Changes:			
2. Initiative 732	0.0	-295,804	-295,804
Policy -- Comp Total	0.0	-295,804	-295,804
Total Policy Changes	0.0	-295,592	-295,592
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	0	-2
% Change from 2011-13	0.0%	0.0%	-100.0%

Comments:

1. Learning Assistance Program (LAP) - Because additional hours of instruction are added to the Learning Assistance Program (LAP), the Initiative 732 cost-of-living adjustment (COLA) costs at maintenance level are increased marginally. This increase is eliminated, along with the suspension of I-732 COLAs at the policy level.

2. Initiative 732 - The Initiative 732 cost-of-living adjustments are repealed pursuant to Senate Bill 5895 (education funding). Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

2013-15 Omnibus Operating Budget
State School for the Blind
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	86.0	11,448	13,401
2013-15 Carryforward Level	86.0	11,481	13,447
2013-15 Maintenance Level	86.0	11,836	13,851
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-52	-52
Policy -- Other Total	0.0	-52	-52
Policy Comp Changes:			
2. Coll. Bargained Personal Leave Day	0.0	4	4
3. Initiative 732	0.0	-88	-119
Policy -- Comp Total	0.0	-84	-115
Total Policy Changes	0.0	-136	-167
Total 2013-15 Biennium	86.0	11,700	13,684
Difference from 2011-13	0.0	252	283
% Change from 2011-13	0.0%	2.2%	2.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days.

3. Initiative 732 - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the prior calendar year's Seattle Consumer Price Index. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Childhood Deafness & Hearing Loss
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	109.2	16,775	17,301
2013-15 Carryforward Level	109.2	16,866	17,434
2013-15 Maintenance Level	109.2	17,343	17,911
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-62	-62
Policy -- Other Total	0.0	-62	-62
Policy Comp Changes:			
2. Coll. Bargained Personal Leave Day	0.0	8	8
3. Initiative 732	0.0	-137	-137
Policy -- Comp Total	0.0	-129	-129
Total Policy Changes	0.0	-191	-191
Total 2013-15 Biennium	109.2	17,152	17,720
Difference from 2011-13	0.0	377	419
% Change from 2011-13	0.0%	2.3%	2.4%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

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2013-15 Omnibus Operating Budget
Workforce Trng & Educ Coord Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	20.8	2,655	65,891
2013-15 Carryforward Level	18.3	2,679	57,242
2013-15 Maintenance Level	19.3	3,053	57,826
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-305	-305
Policy -- Other Total	0.0	-305	-305
Total Policy Changes	0.0	-305	-305
Total 2013-15 Biennium	19.3	2,748	57,521
Difference from 2011-13	-1.5	93	-8,370
% Change from 2011-13	-7.2%	3.5%	-12.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Archaeology & Historic Preservation
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	17.8	0	4,608
2013-15 Carryforward Level	17.8	2,505	4,642
2013-15 Maintenance Level	17.8	2,530	4,681
Total 2013-15 Biennium	17.8	2,530	4,681
Difference from 2011-13	0.0	2,530	73
% Change from 2011-13	0.0%	0.0%	1.6%

Comments:

2013-15 Omnibus Operating Budget
Department of Early Learning
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	222.7	130,688	412,002
2013-15 Carryforward Level	225.7	133,243	384,021
2013-15 Maintenance Level	225.7	133,896	450,517
Policy Other Changes:			
1. State Child Care Referral	0.0	-1,148	-1,148
2. Friend & Neighbor Care Training	0.0	-100	-100
3. Reach Out & Read	0.0	-300	0
4. Lease Rate Adjustments	0.0	-18	-18
5. Continue EBT System Implementation	10.5	1,112	1,112
6. Eligibility System Development	0.0	310	310
7. Maintain ECEAP Slots	0.0	0	2,256
8. FTE authority	5.0	0	0
9. Home Visiting Expansion	0.0	1,000	2,000
10. Therapeutic Child Care	0.0	500	500
11. Administrative Efficiencies	0.0	-114	-114
12. Enhance Audit Teams	5.0	0	0
13. Child Care Reform	1.2	234	234
14. Home Visiting Appropriation	0.0	0	1,868
15. Expand Preschool	17.0	22,384	22,384
Policy -- Other Total	38.7	23,860	29,284
Total Policy Changes	38.7	23,860	29,284
Total 2013-15 Biennium	264.4	157,756	479,801
Difference from 2011-13	41.7	27,068	67,799
% Change from 2011-13	18.7%	20.7%	16.5%

Comments:

1. State Child Care Referral - State funding is eliminated for child care resource information to parents and to improve child care quality. Over \$10 million in federal Child Care and Development Funds will continue to be provided for child care resources, referral, and quality improvement.

2. Friend & Neighbor Care Training - Funding to provide enrichment programs and training to license-exempt in-home care providers is reduced. This program is also known as Family, Friend, and Neighbor Care or Culturally Relevant Care.

3. Reach Out & Read - Funding for the Reach Out & Read program, which promotes early literacy, is moved to federal funds for the 2013-15 biennium.

4. Lease Rate Adjustments - Funding is eliminated for lease rate increases, which were funded at maintenance level.

5. Continue EBT System Implementation - Funding is provided for certificate of participation debt service payments for the Department of Early Learning (DEL) to proceed with the development and implementation of an electronic benefit transfer system for child care subsidy eligibility determinations. This new system updates the current child care subsidy payment model. Debt service payments for this item are scheduled for seven years. The remaining costs for the debt service payments will come from federal grants.

2013-15 Omnibus Operating Budget Department of Early Learning

6. Eligibility System Development - A COP funded through the state General Fund is provided to the Department of Early Learning to develop a new eligibility determination system that would replace existing systems currently housed at the Department of Social and Health Services. COP payments are scheduled for seven years for this item. The remaining debt service costs will be paid for with federal grants.

7. Maintain ECEAP Slots - For the 2011-13 biennium, the Legislature provided \$2.256 million from DEL's federal Child Care Development Fund (CCDF) appropriation to add 165 Early Childhood Education and Assistance Program (ECEAP) slots. This funding was originally indicated as one-time so funding was removed during carry forward. This makes this fund shift permanent.

8. FTE authority - DEL is given authority for five Quality Control Specialists for child care payment audits. These positions will be funded out of existing resources.

9. Home Visiting Expansion - Funding is provided to expand Home Visiting activities, specifically those with strong research evidence such as Nurse Family Partnerships. This funding shall be deposited into the Home Visiting Services Account. (General Fund-State, Home Visiting Services Account)

10. Therapeutic Child Care - Funding is provided in the event that federal funding is removed from the Medicaid Treatment Child Care program.

11. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

12. Enhance Audit Teams - FTE authority is provided to the Department of Early Learning to increase the number of child care payment auditors at DEL. FTEs are funded out of the Child Care and Development Block Grant. During the 2012 interim the Office of the State Auditor released a report outlining several findings related to subsidy payments to child care providers.

13. Child Care Reform - Funding is provided to implement Substitute Senate Bill 5595 (child care reform).

14. Home Visiting Appropriation - Pursuant to Senate Bill 5809 (home visiting services account), the Home Visiting Services Account now requires an appropriation. (General Fund-Federal, Home Visiting Services Account)

15. Expand Preschool - Funding is provided to increase the number of ECEAP slots by 860 slots while increasing the average slot reimbursement from \$6,800 to \$7,500 and increasing oversight.

2013-15 Omnibus Operating Budget
University of Washington
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	19,961.4	421,505	5,894,276
2013-15 Carryforward Level	19,961.5	451,071	5,947,369
2013-15 Maintenance Level	20,461.5	455,896	6,319,228
Policy Other Changes:			
1. Ocean Acidification	0.0	0	1,820
2. Higher Education Funding	0.0	13,497	13,497
3. Performance Funding	0.0	10,228	10,228
Policy -- Other Total	0.0	23,725	25,545
Total Policy Changes	0.0	23,725	25,545
Total 2013-15 Biennium	20,461.5	479,621	6,344,773
Difference from 2011-13	500.1	58,116	450,497
% Change from 2011-13	2.5%	13.8%	7.6%

Comments:

1. Ocean Acidification - The Center on Ocean Acidification is established to coordinate and conduct research to understand, monitor, and adapt to increasingly acidic waters. Specific work includes maintaining water quality monitoring at shellfish hatcheries; increasing water quality and biological monitoring to measure trends in acidification; developing a model to forecast corrosive conditions; conducting research on the impacts of ocean acidification on Washington's species and research on commercial scale water treatment methods; and undertaking hatchery design improvements to protect larvae from corrosive seawater. (State Toxics Control Account-State, Aquatic Lands Enhancement Account-State)

2. Higher Education Funding - Funding is provided to support core academic functions of the University of Washington.

3. Performance Funding - Funding is provided in recognition of the University of Washington's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Washington State University
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	5,865.3	301,223	1,230,003
2013-15 Carryforward Level	5,865.3	320,078	1,266,518
2013-15 Maintenance Level	6,072.1	323,155	1,378,601
Policy Other Changes:			
1. Medical Educ. & Biomedical Research	25.5	6,800	8,282
2. Forestry Program	0.0	0	450
3. Higher Education Funding	0.0	8,896	8,896
4. Performance Funding	0.0	9,000	9,000
Policy -- Other Total	25.5	24,696	26,628
Total Policy Changes	25.5	24,696	26,628
Total 2013-15 Biennium	6,097.6	347,851	1,405,229
Difference from 2011-13	232.4	46,628	175,226
% Change from 2011-13	4.0%	15.5%	14.3%

Comments:

1. Medical Educ. & Biomedical Research - Funding is provided for expansion of medical education and the associated biomedical research, which will support basic science teaching in the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) program and will expand medical education by 40 additional medical students in Spokane by the end of the biennium. A total of \$2 million of this funding is one-time funding to purchase the scientific instrumentation needed to equip the new Biomedical and Health Sciences building on the Spokane campus. (General Fund-State; Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2. Forestry Program - Funding from tuition resources shall be used to reestablish a Forestry Program at Washington State University. (Institutions of Higher Education-Operating Fees Account-Nonappropriated)

3. Higher Education Funding - Funding is provided to support core academic functions of Washington State University.

4. Performance Funding - Funding is provided in recognition of Washington State University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Eastern Washington University
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,305.9	68,089	248,403
2013-15 Carryforward Level	1,305.9	72,222	256,536
2013-15 Maintenance Level	1,305.9	73,254	292,399
Policy Other Changes:			
1. Higher Education Funding	0.0	2,528	2,528
2. Performance Funding	0.0	520	520
Policy -- Other Total	0.0	3,048	3,048
Total Policy Changes	0.0	3,048	3,048
Total 2013-15 Biennium	1,305.9	76,302	295,447
Difference from 2011-13	0.0	8,213	47,044
% Change from 2011-13	0.0%	12.1%	18.9%

Comments:

- 1. Higher Education Funding** - Funding is provided to support core academic functions of Eastern Washington University.
- 2. Performance Funding** - Funding is provided in recognition of Eastern Washington University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Central Washington University
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,219.3	65,062	300,244
2013-15 Carryforward Level	1,219.3	70,161	309,938
2013-15 Maintenance Level	1,219.3	70,980	317,876
Policy Other Changes:			
1. Higher Education Funding	0.0	3,362	3,362
Policy -- Other Total	0.0	3,362	3,362
Total Policy Changes	0.0	3,362	3,362
Total 2013-15 Biennium	1,219.3	74,342	321,238
Difference from 2011-13	0.0	9,280	20,994
% Change from 2011-13	0.0%	14.3%	7.0%

Comments:

1. Higher Education Funding - Funding is provided to support core academic functions of Central Washington University.

2013-15 Omnibus Operating Budget
The Evergreen State College
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	614.7	36,250	111,596
2013-15 Carryforward Level	614.9	38,236	115,670
2013-15 Maintenance Level	614.9	38,658	127,780
Policy Other Changes:			
1. Cost Sharing - WSIPP	0.0	100	100
2. ECEAP Evaluation - WSIPP	0.0	150	150
3. Higher Education Funding	0.0	1,159	1,159
4. Invol Treatment Assessment - WSIPP	0.0	100	100
5. Learning Assistance Program - WSIPP	0.3	85	85
6. Performance Funding	0.0	953	953
7. Risk Needs Resp Model - WSIPP	0.0	50	50
8. Safety Assessments - WSIPP	0.0	85	85
Policy -- Other Total	0.3	2,682	2,682
Total Policy Changes	0.3	2,682	2,682
Total 2013-15 Biennium	615.2	41,340	130,462
Difference from 2011-13	0.5	5,090	18,866
% Change from 2011-13	0.1%	14.0%	16.9%

Comments:

1. Cost Sharing - WSIPP - The Washington State Institute for Public Policy (WSIPP) shall study evidence and research based methodologies that the state can implement to control medicaid and other health care costs. The institute shall submit an interim report to the legislative fiscal committees by December 1, 2013, with a final report due July 1, 2014.

2. ECEAP Evaluation - WSIPP - One-time funding is provided for the Washington State Institute of Public Policy (WSIPP) to conduct a comprehensive retrospective outcome evaluation and return on investment analysis of the early learning childhood program (ECEAP). This evaluation is due December 15, 2014.

3. Higher Education Funding - Funding is provided to support core academic functions of The Evergreen State College.

4. Invol Treatment Assessment - WSIPP - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to develop a risk assessment instrument for patients committed for involuntary treatment in Washington State.

5. Learning Assistance Program - WSIPP - Funding is provided for implementation of Engrossed Second Substitute Senate Bill 5330 (student achievement, outcome), which directs the Washington State Institute of Public Policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program. The initial inventory is due by August 1, 2014 and shall be updated every two years thereafter.

6. Performance Funding - Funding is provided in recognition of The Evergreen State College's performance in statewide goals related to retention and completion.

7. Risk Needs Resp Model - WSIPP - Funding is provided for the Washington State Institute of Public Policy (WSIPP) to provide expertise to the Department of Corrections (DOC) on the implementation of programming that follows the Risk Needs Responsivity Model. The DOC is required to compile an inventory of existing programming and to consult with WSIPP to determine whether these programs are evidence-based or research-based using definitions provided by WSIPP. In addition, WSIPP in consultation with DOC, will systematically review selected programs for outcome measures.

**2013-15 Omnibus Operating Budget
The Evergreen State College**

8. Safety Assessments - WSIPP - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to conduct an empirical study of the validity and reliability of the safety assessment tool currently used in child welfare cases by the Children's Administration at the Department of Social and Health Services. This study is due December 14, 2013.

2013-15 Omnibus Operating Budget
Western Washington University
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,562.7	79,719	335,757
2013-15 Carryforward Level	1,562.7	88,823	348,760
2013-15 Maintenance Level	1,602.7	89,241	355,911
Policy Other Changes:			
1. Higher Education Funding	0.0	4,516	4,516
2. Performance Funding	0.0	2,485	2,485
Policy -- Other Total	0.0	7,001	7,001
Total Policy Changes	0.0	7,001	7,001
Total 2013-15 Biennium	1,602.7	96,242	362,912
Difference from 2011-13	40.0	16,523	27,155
% Change from 2011-13	2.6%	20.7%	8.1%

Comments:

- 1. Higher Education Funding** - Funding is provided to support the core academic functions of Western Washington University.
- 2. Performance Funding** - Funding is provided in recognition of Western Washington University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Washington State Arts Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	13.0	0	5,310
2013-15 Carryforward Level	13.0	2,206	5,333
2013-15 Maintenance Level	13.0	2,225	5,358
Policy Other Changes:			
1. Reduce Private Arts Funding	0.0	0	-1,047
Policy -- Other Total	0.0	0	-1,047
Total Policy Changes	0.0	0	-1,047
Total 2013-15 Biennium	13.0	2,225	4,311
Difference from 2011-13	0.0	2,225	-999
% Change from 2011-13	0.0%	0.0%	-18.8%

Comments:

1. Reduce Private Arts Funding - In fiscal year 2013, the Arts Commission completed a four-year private grant from the Wallace Foundation. Private-local expenditure authority is reduced to reflect the end of this grant. (General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Washington State Historical Society
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	34.0	0	6,088
2013-15 Carryforward Level	34.0	4,234	6,024
2013-15 Maintenance Level	34.0	4,250	6,048
Policy Other Changes:			
1. Restore Museum Hours	0.0	0	121
Policy -- Other Total	0.0	0	121
Total Policy Changes	0.0	0	121
Total 2013-15 Biennium	34.0	4,250	6,169
Difference from 2011-13	0.0	4,250	81
% Change from 2011-13	0.0%	0.0%	1.3%

Comments:

1. Restore Museum Hours - In Fiscal Years 2011 and 2012, the agency closed the history museum on Mondays and Tuesdays due to budget reductions. During the 2013-15 biennium, the agency plans to open Mondays and Tuesdays during the summer months to serve summer tourists visiting the Tacoma Museum District. This action is expected to increase museum admission income, membership dues income, donation income for the exhibits, and public programs for the summer months. (Local Museum Account-Washington State Historical Society-Nonappropriated)

2013-15 Omnibus Operating Budget
East Wash State Historical Society
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	30.0	0	5,458
2013-15 Carryforward Level	30.0	3,034	5,551
2013-15 Maintenance Level	30.0	3,135	5,660
Total 2013-15 Biennium	30.0	3,135	5,660
Difference from 2011-13	0.0	3,135	202
% Change from 2011-13	0.0%	0.0%	3.7%

Comments:

2013-15 Omnibus Operating Budget
Columbia River Gorge Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	6.0	805	1,611
2013-15 Carryforward Level	6.0	811	1,616
2013-15 Maintenance Level	6.0	828	1,670
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-100	-100
Policy -- Other Total	0.0	-100	-100
Total Policy Changes	0.0	-100	-100
Total 2013-15 Biennium	6.0	728	1,570
Difference from 2011-13	0.0	-77	-41
% Change from 2011-13	0.0%	-9.6%	-2.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
Department of Ecology
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,553.1	70,669	441,174
2013-15 Carryforward Level	1,560.3	91,617	458,294
2013-15 Maintenance Level	1,563.6	92,977	464,249
Policy Other Changes:			
1. Reduce Watershed Planning Asst.	-3.5	-2,873	-2,873
2. Air Quality Fund Shift	0.0	-5,130	0
3. Reduce Air Pollution Control Acct.	-2.0	0	-500
4. Fund Shift to Toxics	0.0	-24,000	0
5. Reduce Product Stewardship Exp.	0.0	0	-516
6. Reduce Flood Control Grants	0.0	0	-2,000
7. Reduce Freshwater Aquatic Weed Exp.	0.0	0	-300
8. Reduce Emergency Water Account Exp.	0.0	0	-110
9. Litter Account Reduction	0.0	0	-10,000
10. Reducing Toxic Gasoline Vapors	1.2	0	208
11. Pollution Source Regist Fund Shift	0.0	-114	0
12. Implementing Better Brakes Law	1.0	0	188
13. Meeting Air Operating Permit Needs	1.3	0	294
14. Preventing Nonattainment Areas	1.2	0	204
15. State Revolving Fund Admin Charge	0.6	0	131
16. Water Discharge Fees	5.2	0	1,169
17. Stormwater Training Program	1.4	0	1,981
18. Spokane Rivr Toxic Source Abatement	0.0	0	350
19. Protecting Washington Shorelines	2.9	0	2,856
20. Ocean pH Balance	2.0	0	860
21. San Juan County SMP Update Complete	0.0	0	150
22. Shift GF-S to State Toxics	0.0	-9,850	0
23. Administrative Efficiencies	0.0	-2,424	-2,424
24. Reduce Leasing Costs	0.0	-2,066	-2,066
Policy -- Other Total	11.3	-46,457	-12,398
Total Policy Changes	11.3	-46,457	-12,398
Total 2013-15 Biennium	1,574.8	46,520	451,851
Difference from 2011-13	21.8	-24,149	10,677
% Change from 2011-13	1.4%	-34.2%	2.4%

Comments:

1. Reduce Watershed Planning Asst. - The Watershed Planning Technical and Financial Assistance Program provides assistance to local watershed groups to develop plans and to address watershed issues. State general fund provided for this work is reduced on an ongoing basis. Over 30 watersheds have adopted plans and the remaining funds during the 2013-15 biennium will shift to support specific projects in three high-priority basins (Dungeness, Walla Walla, and Wenatchee), and fund implementation activities in the Chelan, Dungeness, Methow, Lower Lake Roosevelt, and Lower Spokane basins. (General Fund-State)

2013-15 Omnibus Operating Budget Department of Ecology

2. Air Quality Fund Shift - Work within the Air Quality Program related to preventing unhealthy air and violations of federal air quality standards is shifted on an ongoing basis from the state general fund to the State Toxics Control Account. (General Fund-State, State Toxics Control Account-State)

3. Reduce Air Pollution Control Acct. - Expenditure authority and staff are reduced on an ongoing basis in the Air Pollution Control Account to reflect lower-than-anticipated revenues. (Air Pollution Control Account-State)

4. Fund Shift to Toxics - State general fund expenditures are shifted on an ongoing basis to the State Toxics Control Account for activities in the Air Quality, Water Quality, Environmental Assessment, Shorelands and Environmental Assistance, and Administration Programs. (General Fund-State, State Toxics Control Account-State)

5. Reduce Product Stewardship Exp. - Expenditure authority is reduced on an ongoing basis in the Product Stewardship Programs Account to reflect lower-than-anticipated revenues into the account. (Product Stewardship Programs Account-Nonappropriated)

6. Reduce Flood Control Grants - The Flood Control Assistance Account Program provides grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management plans. Competitive grants to local governments for flood hazard reduction projects are suspended on a one-time basis to achieve \$2 million in savings. (Flood Control Assistance Account-State)

7. Reduce Freshwater Aquatic Weed Exp. - Expenditure authority is reduced on an ongoing basis in the Freshwater Aquatic Weeds Account to reflect lower available revenues from the boat trailer registration fee. (Freshwater Aquatic Weeds Account-State)

8. Reduce Emergency Water Account Exp. - Expenditure authority is reduced on an ongoing basis in the State Emergency Water Projects Revolving Account to reflect actual available funds. (State Emergency Water Projects Revolving Account-State)

9. Litter Account Reduction - Funding is reduced in the Waste Reduction, Recycling and Litter Control Account for litter pickup, prevention and marketing, and for other work related to waste reduction and recycling. (Waste Reduction, Recycling and Litter Control Account-State)

10. Reducing Toxic Gasoline Vapors - Gasoline vapors contain toxic and carcinogenic chemicals, in addition to volatile organic compounds that contribute to smog formation. Federal and state laws require gas stations to manage emissions of those vapors with vapor-recovery and spill-prevention technologies. The 2012 Legislature restored a gasoline vapor inspection program in areas not under the jurisdiction of a local clean air agency. Expenditure authority and FTE staff are provided to reflect increased fee revenues to carry out the program and ensure compliance with those laws. (Air Pollution Control Account-State)

11. Pollution Source Regist Fund Shift - Facilities that produce air contaminants are required to register their pollutant emissions and are inspected periodically to ensure compliance with laws and permit conditions. During the 2011-13 biennium, fees were increased to more fully recover the costs of operating the program. Expenditure authority is shifted on an ongoing basis from the state general fund to the Air Pollution Control Account, which receives the increased fee revenue. (General Fund-State, Air Pollution Control Account-State)

12. Implementing Better Brakes Law - Brake pads contain friction material such as copper, asbestiform fibers, cadmium, lead, mercury and their compounds, that are released from pads and may then be carried into streams, rivers, the Puget Sound, and other Washington waters where it can be toxic to many aquatic organisms, including salmon. The 2010 Better Brakes Law bans certain brake friction materials, effective January 2014. A combination of one-time and ongoing funding and FTE staff are provided to continue implementation of this program, including publicizing and enforcing the ban, certifying manufacturer compliance, tracking friction materials, and assessing safer alternatives. (Environmental Legacy Stewardship Account)

13. Meeting Air Operating Permit Needs - Major sources of air pollution are regulated by the Department of Ecology (DOE) under the federally-mandated Air Operating Permit Program. Under both federal and state law, the costs of the program must be fully supported with fees paid by the sources. Expenditure authority and FTE staff are increased on an ongoing basis to reflect increased fee revenues to cover the cost of serving new sources entering the program, provide technical assistance to regulated entities, and on a one-time basis to conduct rulemaking to address industry concerns and ensure alignment with state and federal law. (Air Operating Permit Account-State)

14. Preventing Nonattainment Areas - Funding is provided to address sources of pollution in the central region, and work with elected officials, citizens, local air agencies, businesses, and civic leaders to make changes that reduce pollution levels. (Environmental Legacy Stewardship Account)

2013-15 Omnibus Operating Budget Department of Ecology

15. State Revolving Fund Admin Charge - DOE manages a water pollution facility loan program that provides low-interest financing to local governments for infrastructure projects designed to protect and restore water quality in local communities. Administrative oversight of the loan program has historically been funded through federal grants that are at risk of being eliminated within the next few years. DOE faces a projected deficit in the 2013-15 biennium in federal funds used to manage the loan program. Substitute House Bill 1141 (Water Pollution Control Loans) establishes a new administration charge for the loan program and funding is shifted permanently from the Water Pollution Control Revolving Account to the new Water Pollution Control Revolving Administration Account. Bridge funding from the Environmental Legacy Stewardship Account is provided to close the anticipated 2013-15 shortfall in funding for program oversight and administration. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal, Water Pollution Control Revolving Administration Account-State, Environmental Legacy Stewardship Account-State)

16. Water Discharge Fees - DOE manages about 6,000 wastewater and stormwater discharge permits held by governmental, commercial, and industrial entities. The state Water Pollution Control Act authorizes DOE to collect permit fees to fully recover program costs; however, current fees do not cover some permit categories. Funding and FTE staff are increased on an ongoing basis to reflect increased fees on underpaying categories and will focus new resources on such priorities as source-control inspections and monitoring in Seattle's Duwamish waterway, and inspections in the Spokane area and other currently underserved permit categories. (Water Quality Permit Account-State)

17. Stormwater Training Program - To address pollution resulting from stormwater runoff, DOE updated municipal stormwater permits to require stormwater reducing low-impact development (LID) practices, where feasible, for new development and redeveloped properties. LID is a suite of construction technologies that use vegetation, healthy soils, porous pavement, and other tools to keep stormwater from running off-site and carrying pollution downstream. Funding and FTE staff are provided through FY 2016 for DOE to implement a comprehensive training plan for a wide range of audiences and stakeholders with a role in implementing LID techniques. (Environmental Legacy Stewardship Account)

18. Spokane Rivr Toxic Source Abatement - Sampling in the Spokane River has consistently found elevated levels of polychlorinated bipheyls (PCBs). In 2011, DOE issued wastewater discharge permits requiring municipal and industrial dischargers to serve, along with community stakeholders and the Spokane Trive, on a Regional Toxics Task Force (Task Force) to develop a comprehensive plan to bring the Spokane River into compliance with applicable water quality standards for PCBs, the highest priority toxic pollutant for this water body. Funding is provided on a one-time basis to implement the Task Force's highest-priority recommendations, due in April 2013. (Environmental Legacy Stewardship Account)

19. Protecting Washington Shorelines - DOE provides financial and technical assistance to local governments to update their local shoreline master programs, many of which have not been updated in over 25 years. Base operating funding is insufficient to complete shoreline updates in time to meet statutory deadlines resulting from a 2003 negotiated legal settlement. One-time funding and FTE staff are provided for grants to local government to complete their updates and for DOE staff to provide technical assistance, financial accountability, and final review of shoreline updates. (Environmental Legacy Stewardship Account)

20. Ocean pH Balance - Funding is provided for collaboration efforts with the University of Washington and the other state agencies to assess the effects of ocean pH balance. (Environmental Legacy Stewardship Account-State)

21. San Juan County SMP Update Complete - Funding for FY 2014 is provided to San Juan County to complete their Shoreline Master Program update. (Environmental Legacy Stewardship Account-State)

22. Shift GF-S to State Toxics - Shift General Fund-State expenditures to State Toxics Control Account. (General Fund-State, State Toxics Control Account)

23. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

24. Reduce Leasing Costs - Savings are acheived by reducing lease costs. (General Fund-State)

2013-15 Omnibus Operating Budget
WA Pollution Liab Insurance Program
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	6.0	0	1,613
2013-15 Carryforward Level	6.0	0	1,568
2013-15 Maintenance Level	6.0	0	1,586
Total 2013-15 Biennium	6.0	0	1,586
Difference from 2011-13	0.0	0	-27
% Change from 2011-13	0.0%	0.0%	-1.7%

Comments:

2013-15 Omnibus Operating Budget
State Parks and Recreation Comm
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	636.9	17,334	142,363
2013-15 Carryforward Level	661.9	0	132,638
2013-15 Maintenance Level	558.9	0	107,675
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-576	-576
2. Funding Parks GFS/Litter Tax	0.0	4,700	17,000
Policy -- Other Total	0.0	4,124	16,424
Total Policy Changes	0.0	4,124	16,424
Total 2013-15 Biennium	558.9	4,124	124,099
Difference from 2011-13	-78.0	-13,210	-18,264
% Change from 2011-13	-12.3%	-76.2%	-12.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2. Funding Parks GFS/Litter Tax - Pursuant to Substitute Senate Bill 5897 (State Parks) funding for State Parks is provided with General Fund-State and the Waste Reduction, Recycling and Litter Control Tax. (General Fund-State, Waste Reduction, Recycling, and Litter Control Tax)

2013-15 Omnibus Operating Budget
Rec and Conservation Funding Board
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	19.6	1,722	9,317
2013-15 Carryforward Level	19.6	1,624	9,754
2013-15 Maintenance Level	19.6	1,616	9,703
Policy Other Changes:			
1. Invasive Species Council Funding	0.0	0	86
2. Administrative Efficiencies	0.0	-50	-50
Policy -- Other Total	0.0	-50	36
Total Policy Changes	0.0	-50	36
Total 2013-15 Biennium	19.6	1,566	9,739
Difference from 2011-13	0.0	-156	422
% Change from 2011-13	0.0%	-9.1%	4.5%

Comments:

1. Invasive Species Council Funding - The Washington Invasive Species Council (Council) coordinates response, prevention, and education actions by federal, state, tribal, local, and non-governmental partners on invasive species. Ongoing funding to support the Council is shifted from the Vessel Response Account to the Aquatic Lands Enhancement Account to reflect lower-than-anticipated revenues in the Vessel Response Account. (Vessel Response Account-State, Aquatic Lands Enhancement Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
Environ & Land Use Hearings Office
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	17.7	4,229	4,229
2013-15 Carryforward Level	18.3	4,357	4,357
2013-15 Maintenance Level	18.3	4,388	4,388
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-128	-128
Policy -- Other Total	0.0	-128	-128
Total Policy Changes	0.0	-128	-128
Total 2013-15 Biennium	18.3	4,260	4,260
Difference from 2011-13	0.6	31	31
% Change from 2011-13	3.4%	0.7%	0.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
State Conservation Commission
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	17.1	13,210	14,511
2013-15 Carryforward Level	16.6	12,937	14,238
2013-15 Maintenance Level	16.6	13,045	14,346
Policy Other Changes:			
1. Cons System Investment for Results	0.5	0	1,000
2. Voluntary Stewardship-State Support	0.0	546	1,546
3. Administrative Efficiencies	0.0	-24	-24
4. Livestock Manure Mgmt - Cons Dist	0.0	0	1,000
Policy -- Other Total	0.5	522	3,522
Total Policy Changes	0.5	522	3,522
Total 2013-15 Biennium	17.1	13,567	17,868
Difference from 2011-13	0.0	357	3,357
% Change from 2011-13	0.0%	2.7%	23.1%

Comments:

1. Cons System Investment for Results - Funding is provided for technical assistance and incentive-based program support. (State Toxics Account-State)

2. Voluntary Stewardship-State Support - In 2011 the Legislature established the Voluntary Stewardship Program at the State Conservation Commission (SCC) as a new approach for counties to protect critical areas while maintaining agricultural production through watershed-based incentives. Funding is provided on an ongoing basis to initiate the program in Thurston County and Chelan County, and other participating jurisdictions in future biennia. Federal expenditure authority is increased in anticipation of the SCC successfully obtaining federal funds and would expand the program to additional counties during the 2013-15 biennium. (General Fund-State, General Fund-Federal)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

4. Livestock Manure Mgmt - Cons Dist - Funding is provided to South Yakima County and Whatcom County conservation districts for meeting the dairy nutrient management program requirements to protect drinking water aquifers from nitrate contamination. (State Toxic Control Account)

2013-15 Omnibus Operating Budget
Dept of Fish and Wildlife
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,465.4	57,740	362,134
2013-15 Carryforward Level	1,467.1	65,788	371,072
2013-15 Maintenance Level	1,460.1	68,541	372,153
Policy Other Changes:			
1. PILT Adjustment	0.0	-650	-650
2. Shift HPA Pgm Exp to ALEA	0.0	-2,336	0
3. Suspend Winter Elk Feeding	0.0	-300	-300
4. Shift PS Toxic Sampling to STCA	0.0	-43	0
5. Shift AIS and Ballast Wtr to ALEA	0.0	-175	0
6. Shift Comm. Shellfish Mgmt to ALEA	0.0	-94	0
7. Shift Water Quality Lab to STCA	0.0	-96	0
8. Shift Hatchery NPDES to STCA	0.0	-121	0
9. Shift GMA/SMA to STCA	0.0	-250	0
10. Shift Hatchery Expenses to ALEA	0.0	-4,400	0
11. Wildlife Area Operations & Maint	6.6	0	1,094
12. New WILD System	0.0	0	563
13. Pt. Whitney Staff Relocation	0.0	0	168
14. Vancouver Region Office Relocation	0.0	0	327
15. Reduce Deer & Elk Property Damage	2.2	0	400
16. Wolf Population Management	0.7	0	300
17. Administrative Efficiencies	0.0	-2,304	-2,304
18. Reduce GFS Approp to Exp Level	0.0	-1,039	-1,039
19. Invasive Species Passport	0.0	0	10
20. Cowlitz River Chinook Production	0.0	100	600
21. Clark Creek and Lakewood Hatchery	0.0	200	300
Policy -- Other Total	9.5	-11,508	-531
Total Policy Changes	9.5	-11,508	-531
Total 2013-15 Biennium	1,469.6	57,033	371,622
Difference from 2011-13	4.2	-707	9,488
% Change from 2011-13	0.3%	-1.2%	2.6%

Comments:

1. PILT Adjustment - The Department of Fish and Wildlife (WDFW) is statutorily obligated to make payments-in-lieu of taxes (PILT) to counties in the state if they opt to collect PILT payments rather than keep revenue from fines assessed for violations of hunting regulations. PILT payments for the 2013-15 biennium are at the 2009 payment level. (General Fund-State)

2. Shift HPA Pgm Exp to ALEA - The Hydraulic Project Approval (HPA) program permits projects that occur in state waters at or below the ordinary high water mark. To achieve state general fund savings during the 2013-15 biennium, 49 percent of the HPA program's state general fund expenditures are transferred to the Aquatic Lands Enhancement Account (ALEA) on a one-time basis. (General Fund-State, Aquatic Lands Enhancement Account-State)

3. Suspend Winter Elk Feeding - WDFW maintains two primary elk feeding stations in order to reduce conflicts with agricultural operations. During the 2013-15 biennium, the elk feeding budget is reduced by 50 percent to achieve state general fund savings. (General Fund-State)

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- 4. Shift PS Toxic Sampling to STCA** - WDFW samples two key indicator fish species to inform policy and decision makers regarding the presence of toxic contaminants in the Puget Sound food web and the general health of Puget Sound. Funding for this work is shifted on an ongoing basis from ALEA and the state general fund to the Environmental Legacy Stewardship Account. (General Fund-State, Aquatic Lands Enhancement Account-State, Environmental Legacy Stewardship Account-State)
- 5. Shift AIS and Ballast Wtr to ALEA** - WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. WDFW also monitors the spread of aquatic invasive species in the state and provides for cleaning and containment of infested areas. Funding for this work is shifted on an ongoing basis from the state general fund to the ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State)
- 6. Shift Comm. Shellfish Mgmt to ALEA** - WDFW manages recreational and commercial shellfish fisheries and is responsible for protecting species and their habitat. Funding for this work is shifted on an ongoing basis from the state general fund to ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State)
- 7. Shift Water Quality Lab to STCA** - WDFW analyzes water samples from its hatchery water intakes and outfalls for fish waste and chemical content under the pollution discharge permit issued by the Department of Ecology. These analyses are compiled into a mandatory compliance report. Funding for the water quality laboratory is shifted on an ongoing basis from the state general fund to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)
- 8. Shift Hatchery NPDES to STCA** - Hatchery facilities operated by WDFW are required to obtain National Pollution Discharge Elimination System permits administered by the Department of Ecology. Funding to pay the permit fees is shifted on an ongoing basis from the state general fund to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)
- 9. Shift GMA/SMA to STCA** - WDFW supports local governments in implementing the Shoreline Management Act which leads to the protection of aquatic lands and identifies restoration of degrading shoreline functions. Funding for this work is shifted on an ongoing basis from the state general fund to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)
- 10. Shift Hatchery Expenses to ALEA** - WDFW produces fish at state-operated hatcheries for recreational and commercial fisheries and to recover threatened and endangered fish populations. During the 2013-15 biennium, a portion of hatchery expenditures funded through the state general fund are shifted to the Aquatic Lands Enhancement Account. (General Fund-State, Aquatic Lands Enhancement Account-State)
- 11. Wildlife Area Operations & Maint** - WDFW generates revenue through timber thinning, agriculture agreements, easements, and other activities on wildlife area lands operated with a federal Pittman-Robertson grant and state funds. Federal expenditure authority is increased, in addition to the expenditure authority from the State Wildlife Account (SWA) that is required as matching funds, on an ongoing basis to address operation and maintenance needs on WDFW wildlife area lands. (General Fund-Federal, State Wildlife Account-State)
- 12. New WILD System** - WDFW's automated licensing system, the Washington Interactive Licensing Database (WILD), is the system through which hunting and fishing licenses and Discover Passes are sold. The WILD contract with the current vendor expires in FY 2014. A new licensing vendor was contracted to build a new WILD system and is allowed to request up to \$1 million in payment for services rendered and equipment purchased and installed. This payment would be a loan paid back to WDFW in the form of the contractor taking a lower percentage of the transaction fee revenue. There is available fund balance within the restricted sub-account of SWA where transaction fee revenue is deposited, and expenditure authority is increased to cover the costs of the new system. (State Wildlife Account-State)
- 13. Pt. Whitney Staff Relocation** - WDFW shares office space with a private commercial fish grower at WDFW's Point Whitney shellfish facility in Brinnon. The commercial grower wishes to expand operations and expenditure authority is increased in the State Wildlife Account to reflect an increase in revenue expected with the expanded lease. Funds are provided for WDFW staff stationed at Point Whitney to be relocated to a more urban location closer to the majority of WDFW's work stations in this region. (State Wildlife Account-State)
- 14. Vancouver Region Office Relocation** - During the 2013-15 biennium, WDFW will relocate its southwest regional office to a facility located in a more secure area that will improve accessibility and public safety, reduce travel costs for field operations, and provide adequate space and protection of WDFW equipment. Funding is provided on a one-time basis for moving and associated relocation costs. (State Wildlife Account-State)

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15. Reduce Deer & Elk Property Damage - A Wildlife Conflict Management Program is established to quickly and efficiently address the increasing number of interactions between wildlife and humans. This program will provide resources to landowners and take measure to support sustainable wildlife populations. Ongoing funding from increased sales of multi-season deer and elk hunting permits will focus on conflicts creating chronic property damage in the most vulnerable areas of the state. (State Wildlife Account-State)

16. Wolf Population Management - Engrossed Second Substitute Senate Bill 5193 (Large Wild Carnivore Conflict Management) increases the cost of personalized license plates that would generate revenue to strengthen the state's wolf management activities. (State Wildlife Account-State)

17. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

18. Reduce GFS Approp to Exp Level - General Fund-State appropriation level is reduced to reflect lower expenditures and vacancies. (General Fund-State)

19. Invasive Species Passport - Funding is provided to develop a passport system for local boaters to combat invasive species. (Aquatic Lands Enhancement - State)

20. Cowlitz River Chinook Production - Funding is provided for the department to increase fall Chinook salmon production on the Cowlitz River and to secure local matching funds for the same purpose. (General Fund-State, State Wildlife Account-State, Columbia River Recreational Salmon and Steelhead Pilot Stamp Program Account-Nonappropriated)

21. Clark Creek and Lakewood Hatchery - Funding is provided for the transfer of trout production from the Clarks Creek hatchery to the Lakewood hatchery and funding for increased production of Steelhead, Coho and Chinook salmon production at the Clarks Creek hatchery. (General Fund-State, State Wildlife)

2013-15 Omnibus Operating Budget
Puget Sound Partnership
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	42.2	4,526	18,130
2013-15 Carryforward Level	41.7	4,630	15,651
2013-15 Maintenance Level	43.7	4,746	17,055
Policy Other Changes:			
1. Levee Vegetation Demonstration	0.3	0	635
2. Puget Sound Steelhead Recovery	0.8	0	788
3. Adaptive Management and Grant Admin	2.3	0	450
4. Administrative Efficiencies	-1.0	-100	-100
5. Reduce ALEA appropriation	0.0	0	-95
Policy -- Other Total	2.4	-100	1,678
Total Policy Changes	2.4	-100	1,678
Total 2013-15 Biennium	46.1	4,646	18,733
Difference from 2011-13	3.9	120	603
% Change from 2011-13	9.2%	2.7%	3.3%

Comments:

1. Levee Vegetation Demonstration - One-time funding and FTE staff are provided for two watershed-based demonstration projects intended to address and resolve conflicting demands and federal policies that affect floodplains. The Puget Sound Partnership (PSP) will pass funds through to local governments who will undertake a risk assessment of their levees and flood control facilities and develop a prioritized capital project list for submittal to the U.S. Army Corps of Engineers for approval. (Aquatic Lands Enhancement Account-State)

2. Puget Sound Steelhead Recovery - One-time funding is provided for PSP to coordinate a study of juvenile steelhead marine survival conducted by the Department of Fish and Wildlife, based on a study plan developed in cooperation with federal, tribal and nongovernmental entities. (Aquatic Lands Enhancement Account-State)

3. Adaptive Management and Grant Admin - PSP is responsible for developing science-based revisions to the Puget Sound Action Agenda through the adaptive management process. Federal funds were provided to PSP in 2012 and ongoing expenditure authority is increased to support continued updates to the Action Agenda. In addition, FTE staff are provided for coordinating projects, to manage the federal grant reporting requirements, and for administrative workload increases. (General Fund-Federal)

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

5. Reduce ALEA appropriation - Funding has been reduced to achieve savings. (Aquatic Lands Enhancement Account)

2013-15 Omnibus Operating Budget
Department of Natural Resources
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	1,381.7	66,716	365,487
2013-15 Carryforward Level	1,388.9	71,768	382,187
2013-15 Maintenance Level	1,383.4	90,842	395,188
Policy Other Changes:			
1. Shift Forest Practices Expenditures	0.0	-4,764	0
2. Remove Derelict Vessel	1.3	0	2,000
3. Adaptive Mgmt for PS Recovery	0.0	0	1,850
4. Restore Aquatic Lands	1.3	0	1,320
5. Remove Creosote Piling	0.0	0	1,000
6. Remove Large Debris	0.5	0	824
7. Manage Aquatic Reserves	0.0	0	150
8. Eradicate Invasive Species	0.0	0	500
9. Investigate Outfalls on Aquatic Lds	0.0	0	250
10. Aquatic Lands Business Management	6.0	0	2,382
11. Aquatic Land Investigation/Cleanup	0.0	0	1,948
12. Protect Clean Water, Forests & Fish	0.6	0	739
13. Map Aggregate Resources	1.9	0	395
14. Administrative Efficiencies	0.0	-1,526	-1,526
15. Marine Spatial Planning	0.0	0	-500
16. Yakima Land Purchase	0.0	664	1,064
17. Research Ocean pH Balance	0.0	0	510
18. Enforcement Officers	0.0	500	500
19. Trust Land Productivity and Revenue	6.4	0	8,373
Policy -- Other Total	18.0	-5,126	21,779
Total Policy Changes	18.0	-5,126	21,779
Total 2013-15 Biennium	1,401.4	85,716	416,967
Difference from 2011-13	19.7	19,000	51,480
% Change from 2011-13	1.4%	28.5%	14.1%

Comments:

1. Shift Forest Practices Expenditures - The Forest Practices Program processes forest practices permits and enforces the state Forest and Fish Rules. During the 2013-15 biennium, 20 percent of the program's state general fund expenditures are shifted to ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State, Environmental Legacy Stewardship Account-State)

2. Remove Derelict Vessel - Ongoing funding from ALEA is provided to increase the DNR's ability to remove and dispose of derelict vessels that pose risks related to hazardous materials and navigation. (Aquatic Lands Enhancement Account-State)

3. Adaptive Mgmt for PS Recovery - Adaptive management is the process of verifying that DNR rules are achieving their policy objectives. Ongoing funding from the aquatics portion of RMCA is provided to establish an adaptive management program for Puget Sound and DNR's aquatic lands. Scientific information will be collected and integrated into decisions to avoid impacts on species and habitats and to enhance or restore habitat quality on state-owned aquatic lands, with a focus on Puget Sound recovery. (Resource Management Cost Account-State)

2013-15 Omnibus Operating Budget Department of Natural Resources

4. Restore Aquatic Lands - Ongoing funding from the aquatics portion of RMCA is provided for long-term planning and to enable DNR to provide funding to partners for large restoration projects on state-owned aquatic lands in support of the Puget Sound Action Agenda. (Resource Management Cost Account-State)

5. Remove Creosote Piling - One-time funding from the aquatics portion of RMCA is provided for DNR to remove pilings and creosote wood structures from Puget Sound, Hood Canal and other areas of the state. (Resource Management Cost Account-State)

6. Remove Large Debris - Ongoing funding from the aquatics portion of RMCA is provided for DNR to contract for the removal of large debris from state-owned aquatic lands. (Resource Management Cost Account-State)

7. Manage Aquatic Reserves - Ongoing funding from the aquatics portion of RMCA is provided for DNR to implement the management plans drawn up for each of the state's seven aquatic reserves. These plans outline baseline monitoring goals as well as education and outreach initiatives. (Resource Management Cost Account-State)

8. Eradicate Invasive Species - One-time funding from the aquatics portion of RMCA is provided for the completion of cooperative weed management agreements in the remaining areas of the state and implementation of the highest priority noxious weed eradication work. (Resource Management Cost Account-State)

9. Investigate Outfalls on Aquatic Lds - Ongoing funding is provided from the aquatics portion of RMCA for DNR to contract with other governmental entities or contractors to identify and recommend alternatives to existing outfalls, with the intention of decreasing the total volume of stormwater deposited into the state's waters. (Resource Management Cost Account-State)

10. Aquatic Lands Business Management - DNR manages 2.6 million acres of state-owned aquatic lands and more than 5,000 leases and contracts on those lands. Ongoing funding is provided from the aquatics portion of RMCA to address a growing backlog of expired leases and new applications. Additional staff will focus on processing new or reauthorized uses. Additionally, aquatic lease compliance data will be collected, stored, and analyzed to assess and ensure minimal impact to aquatic environments resulting from DNR-authorized uses. (Resource Management Cost Account-State)

11. Aquatic Land Investigation/Cleanup - DNR has been identified as a potential liable party by the Department of Ecology (Ecology) under the Model Toxics Control Act on three Puget Sound basin cleanup efforts. Under the Ecology order, DNR is required to pay for a portion of the costs to complete remedial investigation work at Whitmarsh Landfill (Fidalgo Bay) and Mill Site A (Everett). In addition, DNR is required by an existing hydraulic project approval permit to perform final-year maintenance of the Olympic View Triangle site in Commencement Bay. One-time funding is provided from the Environmental Legacy Stewardship Account to cover these costs. (Environmental Legacy Stewardship Account-State)

12. Protect Clean Water, Forests & Fish - Expenditure authority is increased from the Forest and Fish Support Account to allow DNR to complete high priority Clean Water Act milestones and Adaptive Management Program research/monitoring projects necessary to support the Forest Practices Habitat Conservation Plan. Funding from the Forest Practices Application Account is provided to DNR to continue integrating hydraulic project approvals with the Forest Practices application as directed by state law. (Forest Practices Application Account-State, Forest and Fish Support Account-State)

13. Map Aggregate Resources - Aggregate resources (sand, gravel, and crushed stone) are used in road construction and in commercial and residential development. Aggregate resource maps are recognized as best available science under the Growth Management Act and local governments use them to reduce permit costs and make long-term land use plans and decisions. Expenditure authority is increased in the Surface Mining Reclamation Account using available fund balance to conduct a three-year project that will result in one completed aggregate resource map each year for Pierce, Lewis, and Thurston counties. (Surface Mining Reclamation Account-State)

14. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

15. Marine Spatial Planning - Marine spatial planning is a process that brings together multiple stakeholders to make decisions about how to use marine resources. The work is funded through the Marine Resources Stewardship Trust Account which receives funding by a transfer from ALEA. Funding is provided for marine spatial planning activities and efforts including mapping, ecological assessment, data tools, and stakeholder engagement. (Marine Resources Stewardship Account-State)

2013-15 Omnibus Operating Budget Department of Natural Resources

16. Yakima Land Purchase - Funding is provided to assess the condition of the land, and perform weed management, road maintenance and other land management responsibilities associated with its Yakima land purchase. (General Fund-State, Nonhighway and Off-road Vehicle Account, Snowmobile Account)

17. Research Ocean pH Balance - Funding is provided for collaboration efforts with the University of Washington and the Department of Ecology to assess the effects of ocean pH balance. (Environmental Legacy Stewardship Account)

18. Enforcement Officers - Funding is provided for the Department of Natural Resources to increase the number of officers to protect the state's natural resources and ensure safe recreation on department-managed lands.

19. Trust Land Productivity and Revenue - Lands managed by the Department of Natural Resources (DNR) generate about \$205 million a year in non-tax revenues. The economic downturn that began in 2008 resulted in reduced revenues into the trust land management accounts and trust and forest land management activities were suspended or reduced. Timber prices and revenues have since increased and expenditure authority is thereby increased in the uplands portion of RMCA and the Forest Development Account to resume trust land management activities deferred during the recession such as silviculture vegetation management, land surveying, and research and monitoring. (Forest Development Account-State, Resource Management Cost Account-State)

2013-15 Omnibus Operating Budget
Department of Agriculture
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	755.4	29,974	149,794
2013-15 Carryforward Level	755.4	30,030	151,677
2013-15 Maintenance Level	755.4	30,272	153,041
Policy Other Changes:			
1. Reduce Fair Fund Expenditures	0.0	0	-194
2. Administrative Efficiencies	0.0	-916	-916
3. Fund Small Farm & Marketing Assist	0.0	250	250
4. Animal Traceability Program	0.0	0	275
Policy -- Other Total	0.0	-666	-585
Total Policy Changes	0.0	-666	-585
Total 2013-15 Biennium	755.4	29,606	152,456
Difference from 2011-13	0.0	-368	2,662
% Change from 2011-13	0.0%	-1.2%	1.8%

Comments:

1. Reduce Fair Fund Expenditures - The Fair Account is reduced to balance actual available funds with spending authority. (Fair Fund-Nonappropriated)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

3. Fund Small Farm & Marketing Assist - In 2001, the Small Farm and Direct Marketing Assistance Program was created to assist farmers selling directly to consumers. In 2008, the Farm to School Program was created to invest in new markets for Washington farms while increasing access to health foods. Funding is provided to partially restore the Small Farm and Direct Marketing Assistance Program and Farm to School Programs within the Department of Agriculture that were eliminated in 2011. (General Fund-State)

4. Animal Traceability Program - Provides funding for the implementation of the animal disease traceability program. (Local Agriculture Fund- Non Appropriated)

2013-15 Omnibus Operating Budget
Employment Security Department
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	2,331.5	23	705,206
2013-15 Carryforward Level	2,297.9	0	653,470
2013-15 Maintenance Level	2,317.5	16,006	678,857
Policy Other Changes:			
1. Family Leave Insurance Pgm	-19.6	-13,600	-13,600
2. Complete Next Generation Tax System	7.5	0	12,386
3. Modernize Call Center Technology	0.0	0	3,735
4. Evaluation of Training Benefits	0.0	0	182
5. State Data Center	0.0	-2,406	4
Policy -- Other Total	-12.1	-16,006	2,707
Total Policy Changes	-12.1	-16,006	2,707
Total 2013-15 Biennium	2,305.4	0	681,564
Difference from 2011-13	-26.2	-23	-23,642
% Change from 2011-13	-1.1%	-100.0%	-3.4%

Comments:

1. Family Leave Insurance Pgm - The Family Leave Insurance Program (Chapter 25, Laws of 2011, 1st Special Session), which would provide eligible employees with leave time and a weekly benefit while caring for a newborn or newly adopted child as of October 1, 2013, is suspended during the 2013-15 biennium.

2. Complete Next Generation Tax System - Federal expenditure authority is provided to complete the final phase of the Next Generation Tax System. This system will replace the current employer tax and payment system, the Tax Information System. Project completion is scheduled for December 2013, with the warranty period and final payment occurring in June 2014. (Unemployment Compensation Administration Account-Federal)

3. Modernize Call Center Technology - Federal expenditure authority is provided for the Department to purchase a commercial off-the-shelf system that will replace the telephone and computing systems used in claim centers. (Unemployment Compensation Administration Account-Federal)

4. Evaluation of Training Benefits - Funding is provided for costs associated with the second stage of the review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). The second stage will be conducted by the Joint Legislative Audit and Review Committee, and will consist of further work on the process study and net-impact/cost-benefit analysis components of the evaluation. (Employment Service Administrative Account-State).

5. State Data Center - Funding is provided for this agency's share of costs associated with the debt service for the State Data Center from dedicated accounts. (General Fund-State, Administrative Contingency Account-State, Employment Service Administrative Account-State)

2013-15 Omnibus Operating Budget
Community/Technical College System
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	14,584.7	1,144,958	2,399,034
2013-15 Carryforward Level	14,576.0	1,178,312	2,451,376
2013-15 Maintenance Level	14,676.0	1,215,714	2,581,230
Policy Other Changes:			
1. Maintenance and Operations	0.0	443	443
2. STEM or Career & Tech Ed	0.0	500	500
3. Higher Education Funding	0.0	24,231	24,231
4. Maritime Industries	0.0	510	510
5. Performance Funding	0.0	26,814	26,814
Policy -- Other Total	0.0	52,498	52,498
Policy Comp Changes:			
6. Initiative 732	0.0	-24,671	-30,561
Policy -- Comp Total	0.0	-24,671	-30,561
Total Policy Changes	0.0	27,827	21,937
Total 2013-15 Biennium	14,676.0	1,243,541	2,603,167
Difference from 2011-13	91.3	98,583	204,133
% Change from 2011-13	0.6%	8.6%	8.5%

Comments:

1. Maintenance and Operations - Funds are provided for maintenance and operations of facilities that will be available for occupancy in the 2013-15 biennium. These facilities include the Communications Technology Center (Bates Technical College), Health Science Building (Bellevue College), Health & Advanced Technology Building (Clark College), and Palmer Martin Building (Yakima Valley Community College).

2. STEM or Career & Tech Ed - One-time funding is provided to implement Second Substitute Senate Bill 5624 (STEM or career and tech ed), which requires the State Board for Community and Technical Colleges to develop and offer two programs that support the continuation of high-quality science, technology, engineering, and math or career and technical education programs offered to students in the K-12 system.

3. Higher Education Funding - Funding is provided to support the core academic functions at the community and technical colleges.

4. Maritime Industries - Funding is provided for South Seattle Community College to operate a center to provide training to students in a variety of maritime industrial sectors.

5. Performance Funding - Funding is provided for the Student Achievement Initiative.

6. Initiative 732 - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, Various Other Funds)

2013-15 Omnibus Operating Budget**Sundry Claims**

(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	278	278
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	-278	-278
% Change from 2011-13	0.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
State Employee Compensation Adjust
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	0
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Policy Comp Changes:			
1. New Step M for Classified-Yr 1 Impl	0.0	35,980	62,042
2. New Step M for Classified-Yr 2 Impl	0.0	2,640	4,321
3. State Employee Health Insurance	0.0	-16,637	-33,274
4. Retirement Savings Plan Option	0.0	-2,300	-2,300
5. PEBB eligibility - align w/ ACA	0.0	-8,417	-62,960
6. K12 eligibility - align w/ ACA	0.0	-46,141	-46,141
7. Reduce explicit Medicare subsidy	0.0	-30,822	-46,549
8. Wellness - smoker surcharge	0.0	-2,346	-4,692
9. PEBB - coverage waiver surcharge	0.0	-14,428	-32,062
Policy -- Comp Total	0.0	-82,471	-161,615
Total Policy Changes	0.0	-82,471	-161,615
Total 2013-15 Biennium	0.0	-82,471	-161,615
Difference from 2011-13	0.0	-82,471	-161,615
% Change from 2011-13	0.0%	0.0%	0.0%

Comments:

1. New Step M for Classified-Yr 1 Impl - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during Fiscal Year 2014. Funding is also included to continue that pay increase for only those employees through Fiscal Year 2015. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund - State, Other Funds)

2. New Step M for Classified-Yr 2 Impl - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during Fiscal Year 2014. The increase would affect those who reach six years at the current top step during Fiscal Year 2015 and were not yet eligible for the increase during Fiscal Year 2014.

3. State Employee Health Insurance - Funding for state employee health insurance is decreased from \$800/month per employee to \$782/month in the first fiscal year and \$791/month in the second fiscal year to reflect favorable claims experience. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

4. Retirement Savings Plan Option - School districts and state agencies will pay less in employer retirement contributions with the addition of a new defined contribution retirement plan option as provided in SSB 5851 (defined contribution retirement plan).

5. PEBB eligibility - align w/ ACA - Eligibility criteria for PEBB health insurance coverage for state agency and higher education part-time employees is modified beginning July 1, 2014, to align with the Affordable Care Act employer shared responsibility standard - 30 hours/week. (SB 5905) \$2.5 million of the \$10.9 million general fund-state savings, and \$17.1 million of the \$71.6 million other funds savings are allocated to reimburse health insurance premium costs for part-time employees who work between .5 FTE and .75 FTE and who purchase coverage from the Washington Health Benefit Exchange. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account;)

2013-15 Omnibus Operating Budget State Employee Compensation Adjust

6. K12 eligibility - align w/ ACA - Allocations for health insurance benefits for part-time school district and education service district employees are reduced beginning with the 2014-15 school year to reflect the Affordable Care Act employer shared responsibility standard - 30 hours/week. The anticipated savings from the eligibility change are reduced by \$10.1 million to provide funds for school districts to reimburse health insurance premium costs for part-time classified employees who purchase coverage from the Washington Health Benefit Exchange.

7. Reduce explicit Medicare subsidy - Reflects savings to school districts and the state from reducing the PEBB premium rate subsidies provided for retirees who are covered by Medicare from \$150 per month to \$100 per month in calendar year 2014, and to \$110 per month for calendar year 2015. The PEBB employer monthly contribution rate is reduced by \$7 for state agency and higher education employers in FY 2014 and by \$14 for FY 2015. The K-12 insurance allocation rate is reduced by \$10 for the 2013-14 and 2014-15 school years to reflect the reduction school districts will experience in the retiree remittance payments they have to send to the Health Care Authority . (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

8. Wellness - smoker surcharge - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning January 1, 2014, for persons not subject to collective bargaining agreements, and July 1, 2014 for other persons. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

9. PEBB - coverage waiver surcharge - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for PEBB subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse/partner has waived an opportunity to enroll in employer coverage. Savings consist of waiver revenue plus a reduction in the number of covered spouses/partners. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

2013-15 Omnibus Operating Budget
Contributions to Retirement Systems
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	129,476	129,476
2013-15 Carryforward Level	0.0	133,658	133,658
2013-15 Maintenance Level	0.0	144,400	144,400
Policy Comp Changes:			
1. Pension adjustments, nonrate	0.0	-2,900	-2,900
Policy -- Comp Total	0.0	-2,900	-2,900
Total Policy Changes	0.0	-2,900	-2,900
Total 2013-15 Biennium	0.0	141,500	141,500
Difference from 2011-13	0.0	12,024	12,024
% Change from 2011-13	0.0%	9.3%	9.3%

Comments:

1. Pension adjustments, nonrate - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

2013-15 Omnibus Operating Budget
Other Legislation
(Dollars in Thousands)

	FTEs	Senate June 8th Striker NGF-P	Total
2011-13 Estimated Expenditures	0.0	-3,850	-3,846
2013-15 Carryforward Level	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	3,850	3,846
% Change from 2011-13	0.0%	-100.0%	-100.0%

Comments: