

Other Human Services

Health Care Authority

A total of \$489 million is provided for operation of the Basic Health Plan, administration of state employee and retiree insurance benefits, and health care planning. This is a \$47.5 million (10.8 percent) increase from the 2003-05 biennium level. Major changes include:

- \$44 million (12 percent) increase so that the Basic Health Plan can maintain subsidized enrollment for 100,000 people per month despite the rising cost of medical premiums.
- \$7 million to acquire and implement a new computer system to track eligibility and payments for public employee insurance benefits.
- \$3 million for cost-of-living increases and the increased cost of medical benefits for agency employees.
- \$5 million reduction in state grants to low-income community health clinics.

Criminal Justice Training Commission

The budget funds \$205,000 for new servers to maintain Washington Association of Sheriffs and Police Chiefs' public information website on registered sex offenders and to purchase a National Incident-Based Reporting System program and data converter. The converter allows law enforcement agencies with incompatible records to transfer information to each other on crime scene data and suspect characteristics and to assist with solving crime across jurisdictions.

The budget reduces funding by \$250,000 to reflect a 20 percent decrease in the level of enrollment in correctional academies between fiscal year 2002 and fiscal year 2005.

Department of Labor and Industries

A total of \$5.2 million from the Electrical License, Accident, and Medicaid Accounts are provided to investigate and prosecute worker fraud and abuse within the underground electrical and construction industries. Funding is also provided to detect medical provider fraud by increasing the number of medical bill audits conducted by the Department. Additionally, the budget provides a total of \$4.9 million for increased crime victims compensation medical expenses.

Centers of Occupational Health and Education – \$0.4 Million Accident and Medical Account-State

Currently, the Department of Labor and Industries contracts with the University of Washington Centers of Occupational Health and Education (COHE). The centers administer programs to improve outcomes for employees injured on the job. They train medical providers with best practices in occupational injury treatment and assist employers in developing return-to-work options for injured employees. The budget provides funding for the Spokane COHE to expand services to include Yakima County, to recruit additional labor and business participants, and to train an additional 160 physicians.

Department of Health

A total of \$878 million is provided for public health activities in the 2005-07 biennium, a \$93 million (11.8 percent) increase over the previous biennium. The major components of this increase include:

- \$26.4 million of increased federal funding for a broad array of activities, including: bioterrorism preparedness and response; the Women, Infants, and Children (WIC) Nutrition program; and the Steps to a Healthier U.S. health promotion effort.
- \$6.8 million for increased staffing and a new management information system to improve the timeliness and accuracy of the health professional credentialing and disciplinary process.

- \$6.3 million of additional manufacturer rebates that will be used to increase the purchase of infant formula through the WIC program.
- \$1.3 million to assist the 14 local health jurisdictions with marine shorelines in developing and implementing management plans and data systems to ensure that septic systems are properly inventoried, monitored, and maintained.

Department of Corrections

A total of \$1.4 billion is appropriated for the Department of Corrections (DOC) to incarcerate an average of 17,800 inmates per month and to supervise an average of 23,600 offenders per month in the community. This represents a 10.9 percent (\$139.4 million) increase in corrections spending from the 2003-05 biennium.

In addition to providing funding for forecast and workload changes, the budget provides \$11.3 million in state funding for half of the third phase of the project to replace the Offender-Based Tracking System with the new Offender Management Network Information (OMNI) system, which is expected to reduce staff data entry efforts, improve reporting capabilities, and redirect staff time towards offender supervision. The total cost of the OMNI project has been estimated at \$58 million.

The budget provides \$800,000 in state funding to cover supervision of additional offenders as required by Chapter 400, Laws of 2005 (ESHB 1402), which brings the state into compliance with the Interstate Compact on Adult Offender Supervision (ICAOS). By participating in the ICAOS, offenders who move to another state would still be subject to community supervision. In exchange, Washington receives notification of out-of-state offenders who need supervision when they move to Washington. The state is then required to supervise these offenders under the terms of the compact. The funding level in the budget assumes about 200 out-of-state misdemeanor offenders will need to be supervised by the end of the 2005-07 biennium.

The budget provides \$400,000 in funding to purchase equipment necessary to expand Class II Correctional Industries and to help maintain overall offender employment levels. Due to the 2004 state Supreme Court decision in *Waterjet v. Yarbrough*, DOC can no longer use private employers in its facilities, and 250 related offender jobs were eliminated. Improvements at the Monroe Correctional Complex will result in the consolidation of laundry services and increase production at the facility print shop. Other equipment purchases will expand and maintain industries at the Pine Lodge Corrections Center, Stafford Creek Corrections Center, and the Washington State Penitentiary.

The budget assumes a one-time savings of \$7.4 million in state funds by delaying the opening of new prison beds currently under construction at the Washington State Penitentiary in Walla Walla. Offenders would occupy the units beginning in August of 2007, rather than in April of 2007, and would remain either in current Penitentiary housing or in out-of-state rental beds. The savings are realized as a result of delaying the significant start-up costs of opening the 892 new units.

The budget also assumes savings due to changes in community supervision. Chapter 362, Laws of 2005 (SSB 5256), eliminates supervision for 2,500 misdemeanants sentenced in superior court annually, saving \$3 million in state funds. Supervision requirements are maintained for misdemeanor offenders who are assessed as high risk (those with violent or sex offense histories) or those with domestic violence, residential burglary, or methamphetamine manufacture/dealing convictions. Additionally, Chapter 435, Laws of 2005, Partial Veto (HB 1136), creates a one-year pilot project using electronic monitoring in lieu of jail or prison sanction time when a low-risk offender violates the terms of their community supervision. The budget assumes that 100 low-risk offenders per day will be on electronic monitoring rather than incarcerated, saving \$2.2 million in state funds.

Washington State Health Care Authority

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	0	542,520	542,520
Total 2003-05 Biennium	0	542,520	542,520
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2005-07 Maintenance Level	0	616,728	616,728
Policy Changes			
1. Flexible Spending Accounts	0	346	346
2. Public Employees Program Support	0	500	500
3. Middle Management Reduction	0	-412	-412
4. Community Clinic Savings	0	-5,000	-5,000
5. Prescription Purchasing Consortium	0	391	391
6. Expand Drug Cost Management	0	700	700
7. WFSE COLA/Salary Survey	0	711	711
8. Super Coalition Health Benefits	0	563	563
9. Classification Revisions	0	4	4
10. COLA-Non-Represented	0	426	426
11. Non-Represented Health Benefit Chg	0	127	127
12. Salary Survey-Non-Rep Staff	0	145	145
13. General Inflation	0	-170	-170
14. Ins Eligibility/Acctg Syst Upgrade	0	7,130	7,130
15. Medicare Modernization Act Impacts	0	479	479
16. Enhance UMP Clinical & Provider Mgm	0	285	285
17. Certificate of Need Program	0	250	250
18. Dental Residency Program	0	395	395
19. Pension Rate for Gain Sharing	0	-166	-166
20. Suspend Unfunded Liability Contribs	0	-565	-565
21. Discontinue "Pharmacy Connections"	0	-750	-750
22. Electronic Medical Records	0	331	331
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Total 2005-07 Biennium	0	622,448	622,448
Fiscal Year 2006 Total	0	301,230	301,230
Fiscal Year 2007 Total	0	321,218	321,218

Comments:

1. **Flexible Spending Accounts** - Funding is provided to expand the state's flexible spending account (FSA) program from a limited pilot project in higher education to general government employees, as called for in the 2005-07 collective bargaining agreements. FSAs are plans that allow employees to defer pre-tax income, and subsequently spend those tax-free dollars on qualified health expenditures. The administrative cost of the program will be paid by state agencies according to the degree of participation of their employees. It is assumed for the 2005-07 biennium that agencies' savings on Federal Insurance Contributions Act (FICA) payments will cover the costs charged to them, as the agencies' tax liability will be lower for employees who are deferring pre-tax income. The Health Care Authority will administer the program and bill agencies directly for their participation. (Health Care Authority Administration Account-State)
3. **Middle Management Reduction** - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (Health Services Account-State, Health Care Authority Administrative Account-State, General Fund-Federal)
2. **Public Employees Program Support** - Funding is provided to make information system changes needed in FY 2006 in order to accommodate the proposed two-tiered funding rate for represented and non-represented state employees in FY 2007. (Health Care Authority Administration Account-State)
4. **Community Clinic Savings** - The level of grant funding for community clinic support statewide is reduced by \$5.0 million. (Health Services Account-State)
5. **Prescription Purchasing Consortium** - As provided in Chapter 129, Laws of 2005 (SSB 5471), the Health Care Authority will organize a drug purchasing consortium that will include state agencies and any private organization or uninsured state resident that chooses to join. Building upon state government's current evidence-based preferred drug list, the consortium will utilize the combined purchasing power of consortium members to leverage discounted prices from drug manufacturers. State funds are provided to cover the initial costs of designing and organizing the consortium. Ongoing operating costs are to be covered by enrollment fees charged to

Washington State Health Care Authority

consortium participants, currently estimated at about \$30 per enrollee per year. (Health Services Account-State, Drug Purchasing Consortium Account-Non-Appropriated)

6. **Expand Drug Cost Management** - Funding is provided to increase to approximately 50 the number of therapeutic drug classes included in the state preferred drug list established under RCW 70.14.050. This expansion of the number of drugs subject to evidence-based purchasing is expected to result in \$7 million of reduced drug expenditures for the Medical Assistance Program in the Department of Social and Health Services. (Health Services Account-State, General Fund-Federal)
7. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
8. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
9. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (State Health Care Administration Account-State and Health Services Trust-State)
10. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
11. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
12. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
13. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-Federal, Health Care Authority Administrative Account-State, Uniform Medical Plan Account-Non-Appropriated, Health Services Account-State)
14. **Ins Eligibility/Acctg Syst Upgrade** - Funding is provided to begin acquisition and implementation of a replacement benefit administration and insurance accounting system to support current and future business requirements. (Health Care Authority Administrative Account-State)
15. **Medicare Modernization Act Impacts** - Funding is provided to cover the administrative costs of coordinating the supplemental health benefits available to retired state and school employees with the new Medicare Part D prescription drug benefit. Beginning in January 2006, Medicare will offer incentives for employers, such as the state, to continue to offer retiree prescription drug benefits. Administrative efforts are needed to ensure that the state's retiree drug benefits are at least actuarially equivalent to those available through Medicare, and that the state receives the Medicare subsidy for which it is eligible. (Health Care Authority Administrative Account-State)
16. **Enhance UMP Clinical & Provider Mgm** - Funds are provided for the Health Care Authority to improve clinical and provider management activities within the Uniform Medical Plan (UMP) in the following ways: 1) establish an integrated database to coordinate, track, and document complaints and coverage issues such as appeals, prior authorizations, and other clinical decisions; 2) expand collaborative pilot projects to reward health care providers who deliver cost-effective care; and 3) enhance provider reimbursement systems to control costs and ensure appropriate payment levels for additional types of medical services. (Health Care Authority Administrative Account-State)
17. **Certificate of Need Program** - In accordance with Chapter 283, Laws of 2005 (E2SHB 1688), funding is provided for a task force to study and make recommendations to the Governor and the Legislature on improving the scope and operation of the Certificate of Need Program, under which the Department of Health regulates construction and programmatic changes in many different types of health care facilities. (Health Services Account-State)
18. **Dental Residency Program** - Funding is provided for Chapter 454, Laws of 2005 (SHB 1689). The bill permits exemption from dental licensure for post-doctoral dental students during a supervised residency in a community health clinic that serves predominantly low income patients or is located in an area of the state with a dental care health professional shortage. Funds will support start-up of one clinical site in FY 2006, and stipends for students serving a one-year residency at the site in FY 2007. (Health Services Account-State)

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19. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
20. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-Federal, State Health Care Administration Account-State, and Health Services Trust-State)
21. **Discontinue "Pharmacy Connections"** - Drug manufacturers, in coordination with a number of local patient assistance groups, have undertaken "Rx Help for Washington" to assist low-income people learn about and apply for manufacturer drug discount programs for which they may be eligible. Consequently, state funding for the Pharmacy Connections Program, which provides similar information and assistance, can be discontinued. (Health Services Account-State)
22. **Electronic Medical Records** - Funds are appropriated for a study of electronic medical record systems and other health information technologies, as called for in Chapter 261, Laws of 2005, Partial Veto (SSB 5064). (General Fund-Federal, Health Services Account-State)

* Please see the 2005 Supplemental Operating Budget Section for additional information.

Governor's Vetoes:

The Governor vetoed Section 213(11) of Chapter 518, Laws of 2005, Partial Veto (ESSB 6090), which directed the Public Employees' Benefits Board to report by December 2005 on options for including health savings accounts in the Basic Health Plan and in state employee health benefit plans.

Washington State Health Care Authority

WORKLOAD HISTORY

By Fiscal Year

	1998	1999	2000	2001	2002	2003	2004	2005	Estimated	
									2006	2007
Basic Health Plan										
Subsidized & HCW ⁽¹⁾	127,582	129,873	130,995	132,667	123,730	128,937	103,452	99,807	100,748	100,462
% Change from prior year		1.8%	0.9%	1.3%	-6.7%	4.2%	-19.8%	-3.5%	0.9%	-0.3%
Regular Enrollees ⁽¹⁾	126,472	128,610	129,530	131,111	122,250	127,603	102,271	98,774	100,000	100,000
% Change from prior year		1.7%	0.7%	1.2%	-6.8%	4.4%	-19.9%	-3.4%	1.2%	0.0%
Subsidized HCW ⁽²⁾	1,110	1,263	1,464	1,556	1,481	1,335	1,180	1,033	748	462
% Change from prior year		13.8%	15.9%	6.3%	-4.8%	-9.9%	-11.6%	-12.5%	-27.6%	-38.2%

⁽¹⁾ State subsidy for "regular" enrollees is provided through the Health Care Authority budget.

⁽²⁾ State and federal subsidy for home care worker (HCW) enrollees is provided in the Department of Social and Health Services Long-Term Care and Developmental Disabilities budgets. The number of HCWs receiving state-subsidized coverage is expected to increase substantially during 2005-07. However, because of the availability of other coverage options, the number electing to obtain that coverage through the Basic Health Plan is projected to continue to decline.

Data Sources :

FY 1998 through FY 2005 from the Health Care Authority.

FY 2006 and FY 2007 estimates from legislative fiscal staff.

Human Rights Commission

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	4,775	1,609	6,384
2005-07 Maintenance Level	5,127	1,687	6,814
Policy Changes			
1. WFSE COLA/Salary Survey	65	46	111
2. Super Coalition Health Benefits	64	38	102
3. COLA-Non-Represented	35	14	49
4. Non-Represented Health Benefit Chg	10	4	14
5. General Inflation	-14	-5	-19
6. Pension Rate for Gain Sharing	-18	-10	-28
7. Suspend Unfunded Liability Contribs	-62	-33	-95
8. Staff Training	23	0	23
Total 2005-07 Biennium	5,230	1,741	6,971
Fiscal Year 2006 Total	2,596	854	3,450
Fiscal Year 2007 Total	2,634	887	3,521

Comments:

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| <p>1. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State and General Fund-Federal)</p> <p>2. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State and General Fund-Federal)</p> <p>3. COLA-Non-Represented - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State and General Fund-Federal)</p> <p>4. Non-Represented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State and General Fund-Federal)</p> <p>5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> <p>6. Pension Rate for Gain Sharing - Contributions toward the future costs of gain sharing are suspended for the 2005-07</p> | <p>biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State and General Fund-Federal)</p> <p>7. Suspend Unfunded Liability Contribs - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State and General Fund-Federal)</p> <p>8. Staff Training - Funding is provided for staff training to prepare the Commission for potential cases related to civil service reform.</p> |
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Board of Industrial Insurance Appeals

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	0	30,149	30,149
2005-07 Maintenance Level	0	32,129	32,129
Policy Changes			
1. Middle Management Reduction	0	-78	-78
2. WFSE COLA/Salary Survey	0	812	812
3. Super Coalition Health Benefits	0	394	394
4. COLA-Non-Represented	0	138	138
5. Non-Represented Health Benefit Chg	0	34	34
6. General Inflation	0	-130	-130
7. Pension Rate for Gain Sharing	0	-112	-112
8. Suspend Unfunded Liability Contribs	0	-370	-370
Total 2005-07 Biennium	0	32,817	32,817
Fiscal Year 2006 Total	0	16,176	16,176
Fiscal Year 2007 Total	0	16,641	16,641

Comments:

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| <p>1. Middle Management Reduction - Middle management positions are reduced.</p> <p>2. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (Accident Account-State and Medical Aid Account-State)</p> <p>3. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Accident Account-State and Medical Aid Account-State)</p> <p>4. COLA-Non-Represented - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (Accident Account-State and Medical Aid Account-State)</p> <p>5. Non-Represented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Accident Account-State and Medical Aid Account-State)</p> <p>6. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.</p> | <p>7. Pension Rate for Gain Sharing - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (Accident Account-State and Medical Aid Account-State)</p> <p>8. Suspend Unfunded Liability Contribs - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (Accident Account-State and Medical Aid Account-State)</p> |
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Washington State Criminal Justice Training Commission

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	0	18,761	18,761
2005-07 Maintenance Level	0	19,103	19,103
Policy Changes			
1. Vendor Rate Increase	0	36	36
2. WFSE COLA/Salary Survey	0	76	76
3. Super Coalition Health Benefits	0	46	46
4. Classification Revisions	0	4	4
5. COLA-Non-Represented	0	103	103
6. Non-Represented Health Benefit Chg	0	25	25
7. General Inflation	0	-156	-156
8. Course Reimbursement	0	300	300
9. Firearms Certificate Program	0	88	88
10. Small Police Agencies Task Force	0	100	100
11. Pension Rate for Gain Sharing	0	-22	-22
12. Suspend Unfunded Liability Contribs	0	-77	-77
13. Incident-Based Reporting Software	0	205	205
14. Adjust Corrections Class Size	0	-250	-250
15. Sex Offender Website Equipment	0	30	30
Total 2005-07 Biennium	0	19,611	19,611
Fiscal Year 2006 Total	0	9,958	9,958
Fiscal Year 2007 Total	0	9,653	9,653

Comments:

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| <p>1. Vendor Rate Increase - Funding is provided for an inflationary vendor rate increase for the Washington Association of Sheriffs and Police Chiefs (WASPC) and the food services vendor at the Criminal Justice Training Center. The increased funding level is sufficient for an increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006, consistent with increases provided to most state vendors. (Public Safety and Education Account-State)</p> <p>2. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (Public Safety and Education Account-State)</p> <p>3. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Public Safety and Education Account-State)</p> <p>4. Classification Revisions - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Public Safety and Education Account-State)</p> | <p>5. COLA-Non-Represented - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (Public Safety and Education Account-State)</p> <p>6. Non-Represented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Public Safety and Education Account-State)</p> <p>7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Public Safety and Education Account-State)</p> <p>8. Course Reimbursement - Funding is provided for training courses to law enforcement personnel. Expenditures will be fully offset by course reimbursements recorded as revenue. (Public Safety and Education Account-State)</p> <p>9. Firearms Certificate Program - Funding is provided for staff and materials for a firearms certification program for security guards, which will be offset by an equivalent increase in fee revenues. Currently, the fees charged by the Criminal Justice Training Commission do not recover the costs incurred by the agency in administering the firearms certificate program, as is required by RCW 43.101.260. For the 2005-07 biennium, the Commission is authorized to raise its fees in excess of the Initiative 601 limit to recover actual expenditures. (Public Safety and Education Account-State)</p> |
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Washington State Criminal Justice Training Commission

10. **Small Police Agencies Task Force** - Funding is provided for support of the Coalition of Small Police Agencies Major Crimes Task Force. The Task Force will pool its resources and establish an efficient and cooperative approach in addressing major violent crimes. (Public Safety and Education Account-State)
11. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (Public Safety and Education Account-State)
12. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (Public Safety & Education-State)
13. **Incident-Based Reporting Software** - One-time funding is provided for WASPC to purchase a program to allow better crime data sharing between law enforcement agencies. WASPC intends to purchase an off-the-shelf National Incident Based Reporting System (NIBRS) program and data converter to support its current system. The converter allows agencies with incompatible records management to transfer information. NIBRS includes complex and specific crime information allowing the identification of common crimes, similar suspects, and victim information across jurisdictions to prevent and solve crimes. (Public Safety and Education Account-State)
14. **Adjust Corrections Class Size** - Funding is reduced consistent with underexpenditure patterns in the corrections academies, which have had fewer enrollees than in prior biennia. The agency may absorb this reduction by having slightly larger class sizes, fewer academies each year, or using other efficiency measures. (Public Safety and Education Account-State)
15. **Sex Offender Website Equipment** - One-time funding is provided for the WASPC to purchase two new servers and associated licenses to maintain the Sex Offender Information Center (SOIC) on its website. The SOIC was authorized and funded by the Legislature in 2003 and provides web-based information to the public on registered sex offenders living in their area. (Public Safety and Education Account-State)

Department of Labor and Industries

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	12,008	461,634	473,642
2005 Supplemental *	3,627	3,627	7,254
Total 2003-05 Biennium	15,635	465,261	480,896
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2005-07 Maintenance Level	13,192	468,017	481,209
Policy Changes			
1. Middle Management Reduction	-39	-1,770	-1,809
2. WFSE COLA/Salary Survey	294	14,585	14,879
3. Coalition COLA/Salary Survey	603	2,466	3,069
4. Super Coalition Health Benefits	211	6,906	7,117
5. Classification Revisions	0	30	30
6. COLA-Non-Represented	19	971	990
7. Non-Represented Health Benefit Chg	4	250	254
8. Salary Survey-Non-Rep Staff	0	4	4
9. Mandatory Caseload Adjustments	0	4,867	4,867
10. General Inflation	-31	-1,301	-1,332
11. Other Fund Adjustments	1,105	-1,105	0
12. Indust Insur Injury Rpt (SHB 1918)	0	550	550
13. Indust Ins Annual Audits (SHB 1856)	0	316	316
14. Pension Rate for Gain Sharing	-46	-1,468	-1,514
15. Older Mobile Homes (SHB 1393)	43	0	43
16. Suspend Unfunded Liability Contribs	-153	-4,953	-5,106
17. Medical Bill Paying - Self Insurers	0	142	142
18. Online Reporting & Customer Access	0	12,804	12,804
19. Self Insur Electronic Reporting	0	1,399	1,399
20. Critical Safety and Health Data	0	1,727	1,727
21. Protect Wrks from Chemical Hazards	0	0	0
22. COHE: Center of Occupational Health	0	805	805
23. Pesticide Handling and App Training	0	200	200
24. Medical Provider Fraud and Abuse	0	2,531	2,531
25. Fraud Detection and Targeted Action	0	2,671	2,671
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Total 2005-07 Biennium	15,202	510,644	525,846
Fiscal Year 2006 Total	7,554	253,199	260,753
Fiscal Year 2007 Total	7,648	257,445	265,093

Comments:

1. **Middle Management Reduction** - Middle management positions are reduced.
2. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State and various other funds)
3. **Coalition COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Coalition of employee unions with fewer than 500 members. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State and various other funds)
4. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, Public Safety and Education Account-State, various other funds)
5. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Accident Account-State, Medical Aid Account-State)
6. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State, various other funds)
7. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-

Department of Labor and Industries

- represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, various other funds)
8. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (Accident Account-State, Medical Aid Account-State)
 9. **Mandatory Caseload Adjustments** - Funding is appropriated for increased Crime Victims Compensation medical expenses. Sexual assault forensic exams are funded at worker's compensation rates; in-patient hospitalization at general assistance-unemployable; and all other medical at Department of Social and Health Services/Medicaid rates. (Public Safety and Education Account-State, Public Safety and Education Account-Federal)
 10. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
 11. **Other Fund Adjustments** - The agency's phase II cost allocation model and revised distribution of indirect costs is recognized. Allocation to the Public Works Administration Account is delayed until 2007. (General Fund-State, various other funds)
 12. **Indust Insur Injury Rpt (SHB 1918)** - Funding is provided to implement a Joint Legislative Audit and Review Committee recommendation regarding industrial insurance injuries pursuant to Chapter 108, Laws of 2005 (SHB 1918). (Accident Account-State, Medical Aid Account-State)
 13. **Indust Ins Annual Audits (SHB 1856)** - Funding is provided to implement Chapter 387, Laws of 2005 (SHB 1856 - Annual Audits of the State Industrial Insurance Fund). (Accident Account-State, Medical Aid Account-State)
 14. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State, Public Safety and Education Account-State, various other funds)
 15. **Older Mobile Homes (SHB 1393)** - Funding is provided for the implementation of Chapter 399, Laws of 2005 (SHB 1393).
 16. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State, Public Safety and Education Account-State, various other funds)
 17. **Medical Bill Paying - Self Insurers** - Funding is provided to add a position to audit the medical bill paying systems of self-insurers. (Medical Aid Account-State, Accident Account-State)
 18. **Online Reporting & Customer Access** - Funding is appropriated for the Department to complete phase II of the online reporting and customer access project, to increase online services and information on workers' compensation claims for customers, and use document imaging to replace paper-based systems. (Accident Account-State, Medical Aid Account-State)
 19. **Self Insur Electronic Reporting** - Funding is appropriated for the Department and the Washington Self-Insurers Association to implement Chapter 145, Laws of 2005 (SHB 1310), which authorizes the Department to develop a computer system to collect data from self-insured employers and create performance reports. The Department will be reimbursed by self-insured employers for this project. (Accident Fund-State, Medical Aid Account-State)
 20. **Critical Safety and Health Data** - Funding is appropriated for Department to improve Washington Information Network, the workplace safety data system used by Washington Industrial Safety and Health Act (WISHA) consultants. The improvement includes consolidating several computer systems, providing additional protection from system failure, and reducing ongoing system maintenance costs. (Accident Account-State, Medical Aid Account-State)
 21. **Protect Wrkrs from Chemical Hazards** - The Worker and Community Right-To-Know (RTK) fund balance will be depleted within the first quarter of the 2005-07 biennium. The budget maintains current service and appropriation levels for six FTEs currently funded out of the RTK account by through an appropriation from the Accident and Medical Aid Accounts. These FTEs work on activities related to recognizing, evaluating, and controlling hazardous chemicals in the workplace. (Worker and Community Right-to-Know Account-State, Accident Account-State, Medical Aid Account-State)
 22. **COHE: Center of Occupational Health** - Funding is appropriated for the Department to contract with the University of Washington's Centers of Occupational Health and Education (COHEs). COHEs provide medical treatment for employees injured on the job and offer employers training for developing return to work options for injured employees. Funding is provided to expand the Spokane COHE to include Yakima County. The Spokane COHE will recruit and train approximately 160 physicians in Yakima County for occupational medicine and work with labor and business. (Accident Account-State, Medical Aid Account-State)
 23. **Pesticide Handling and App Training** - Funding is provided to reimburse the Department of Agriculture for the agriculture worker pesticide handling and application training program. (Accident Account-State)

Department of Labor and Industries

24. **Medical Provider Fraud and Abuse** - Funding is appropriated for investigating medical provider fraud by increasing the number of medical bill audits and physician peer reviews. Five additional audit staff will audit medical provider bills, prepare the peer reviews, and contract with outside firms for peer review and medical provider bill audits. Four additional physician peer reviews will be performed annually. (Medical Aid Account-State)
25. **Fraud Detection and Targeted Action** - Funding is appropriated for 11 FTES. Six FTES are funded at mid-salary step to investigate the underground electrical and construction industry. Five FTES will investigate worker fraud and abuse. Attorney General services will be contracted for anticipated increases in legal assistance. (Electrical License Account-State, Accident Account-State, Medical Aid Account-State)

* Please see the 2005 Supplemental Operating Budget Section for additional information.

Indeterminate Sentence Review Board

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	1,960	0	1,960
2005-07 Maintenance Level	2,128	0	2,128
Policy Changes			
1. COLA-Non-Represented	37	0	37
2. Non-Represented Health Benefit Chg	14	0	14
3. Salary Survey-Non-Rep Staff	42	0	42
4. General Inflation	-7	0	-7
5. Pension Rate for Gain Sharing	-6	0	-6
6. Suspend Unfunded Liability Contribs	-20	0	-20
Total 2005-07 Biennium	2,188	0	2,188
Fiscal Year 2006 Total	1,092	0	1,092
Fiscal Year 2007 Total	1,096	0	1,096

Comments:

1. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State)

2. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)

3. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State)

4. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

5. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State)

6. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State)

Department of Veterans' Affairs

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	21,651	57,175	78,826
2005 Supplemental *	116	209	325
Total 2003-05 Biennium	21,767	57,384	79,151
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2005-07 Maintenance Level	22,951	60,851	83,802
Policy Changes			
1. Targeted Vendor Rate	15	0	15
2. Medical Inflation Reduction	-338	0	-338
3. Middle Management Reduction	-214	-109	-323
4. Eastern Washington Cemetery Study	25	0	25
5. Outreach for Returning Veterans	25	0	25
6. Post Traumatic Stress Syndrome	170	0	170
7. WFSE COLA/Salary Survey	1,410	0	1,410
8. Coalition COLA/Salary Survey	166	146	312
9. Super Coalition Health Benefits	1,438	0	1,438
10. Classification Revisions	80	0	80
11. COLA-Non-Represented	278	133	411
12. Non-Represented Health Benefit Chg	126	13	139
13. Salary Survey-Non-Rep Staff	208	70	278
14. General Inflation	-237	0	-237
15. Pension Rate for Gain Sharing	-74	-218	-292
16. Suspend Unfunded Liability Contribs	-254	-743	-997
17. Veterans Conservation Corps	140	0	140
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Total 2005-07 Biennium	25,915	60,143	86,058
Fiscal Year 2006 Total	12,988	29,598	42,586
Fiscal Year 2007 Total	12,927	30,545	43,472

Comments:

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| <p>1. Targeted Vendor Rate - Organizations that contract with the state to provide veterans post-traumatic stress disorder counseling will receive inflationary cost-of-living increases of 1.0 percent in July of each year.</p> <p>2. Medical Inflation Reduction - Agencies are required to find sufficient efficiencies in their operations to cover projected inflation in the cost of drugs and other medical services and supplies.</p> <p>3. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.</p> <p>4. Eastern Washington Cemetery Study - In conjunction with veterans' associations and local government officials, the Department of Veterans' Affairs will conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.</p> <p>5. Outreach for Returning Veterans - Funding is provided for the development of a public service announcement outreach</p> | <p>campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.</p> <p>6. Post Traumatic Stress Syndrome - The post-traumatic stress counseling program is expanded to address the needs of veterans returning from Iraq and Afghanistan.</p> <p>7. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)</p> <p>8. Coalition COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Coalition of employee unions with fewer than 500 members. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Private/Local)</p> <p>9. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is</p> |
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Department of Veterans' Affairs

provided in the general comments for "State Employee Compensation." (General Fund-State)

* Please see the 2005 Supplemental Operating Budget Section for additional information.

10. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
11. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
12. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, General Fund-Private/Local)
13. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
14. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
15. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State, General Fund-Federal, General Fund-Private/Local)
16. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, General Fund-Private/Local)
17. **Veterans Conservation Corps** - Funding is provided for the Department of Veterans' Affairs to assist with organization and development of the Veterans' Conservation Corps established by Chapter 257, Laws of 2005 (SSB 5539).

Home Care Quality Authority

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	2,201	0	2,201
2005-07 Maintenance Level	1,767	0	1,767
Policy Changes			
1. COLA-Non-Represented	19	0	19
2. Non-Represented Health Benefit Chg	6	0	6
3. General Inflation	-3	0	-3
4. Referral Registry Pilot (Phase 1)	180	1,034	1,214
5. Pension Rate for Gain Sharing	-4	0	-4
6. Suspend Unfunded Liability Contribs	-11	0	-11
7. New Agreement - HCQA Costs	58	0	58
Total 2005-07 Biennium	2,012	1,034	3,046
Fiscal Year 2006 Total	919	641	1,560
Fiscal Year 2007 Total	1,093	393	1,486

Comments:

1. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State)
2. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
3. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
4. **Referral Registry Pilot (Phase 1)** - Initiative 775, which established the Home Care Quality Authority (HCQA) and directed the state to collectively bargain with individual providers of home care service, also directed the Authority to establish a registry of qualified home care workers and a system for linking workers with people in need of their services. A total of \$700,000 was expended during the 2003-05 biennium to design and develop a computer information system for the registry. The Authority has proposed to phase in actual operations by contracting with local organizations in 14 service delivery areas statewide. The organizations will be responsible for recruiting potential home care providers, enrolling them in the database, processing consumer requests for workers, and sending the consumers a list of providers who match the consumer's needs and preferences. The Authority has obtained a federal grant to pay for the local referral registry function in four service delivery areas during the first 18 months of the 2005-07 biennium (Ferry, Mason, Pend Oreille, Snohomish, Spokane, Stevens, and Thurston Counties). State funds are provided to continue operations in those four areas during the last six months of the biennium. (General Fund-State, General Fund-Federal)
5. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State)
6. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State)
7. **New Agreement - HCQA Costs** - Funding is provided for additional expenses associated with the proposed 2005-07 biennium collective bargaining agreement between the state and individual providers of publicly-funded home care services. The Authority will incur additional costs for safety program translation and mailings; for re-programming the referral registry to prioritize referrals for workers with seniority; and for paying individual providers for hours spent participating in the joint labor/management training committee established by the agreement.

Department of Health

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	118,199	660,904	779,103
2005 Supplemental *	0	6,129	6,129
Total 2003-05 Biennium	118,199	667,033	785,232
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2005-07 Maintenance Level	125,612	738,780	864,392
Policy Changes			
1. Middle Management Reduction	-682	-1,354	-2,036
2. Marine Water Quality	700	600	1,300
3. WFSE COLA/Salary Survey	1,205	4,612	5,817
4. 1199 COLA/Sal Surv/Addt'l Step	40	219	259
5. Super Coalition Health Benefits	570	2,222	2,792
6. Classification Revisions	3	0	3
7. COLA-Non-Represented	494	1,086	1,580
8. Non-Represented Health Benefit Chg	131	306	437
9. Salary Survey-Non-Rep Staff	243	1,061	1,304
10. General Inflation	-206	-1,018	-1,224
11. Farmers Market Nutrition Program	250	0	250
12. Eastern WA Family Outreach Pilot	300	0	300
13. Precursor Drugs	0	268	268
14. Dental Residency Standards	0	80	80
15. Pension Rate for Gain Sharing	-204	-660	-864
16. Hospital Survey Capability-18 Month	0	256	256
17. Suspend Unfunded Liability Contribs	-692	-2,233	-2,925
18. Integrated Licensing and Reg System	0	3,332	3,332
19. Infertility Prevention Project	200	0	200
20. Newborn Screening Clinic	0	462	462
21. Public Disclosure Request Increases	0	523	523
22. Patient Safety Practices	134	641	775
23. Children's Health Collaborative	25	0	25
24. Autism Task Force	38	0	38
25. Nursing Resource Center	0	452	452
26. TB Testing - MTD	265	0	265
27. WIC Caseload & Local Agency Support	0	368	368
28. Other Bills with State Fund Impact	149	0	149
29. Other Health Professions Bills	0	333	333
30. Mercury-Free Vaccines	0	168	168
31. Lapse - E2SHB 1291	-134	-641	-775
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Total 2005-07 Biennium	128,441	749,863	878,304
Fiscal Year 2006 Total	64,008	374,220	438,228
Fiscal Year 2007 Total	64,433	375,643	440,076

Comments:

1. **Middle Management Reduction** - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.
2. **Marine Water Quality** - Funding is provided to assist the 14 local health jurisdictions with marine shorelines develop and implement management plans and data systems to assure that septic systems are properly inventoried, monitored, and maintained. (General Fund-State, Aquatic Lands Account-State)
3. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, various other funds)
4. **1199 COLA/Sal Surv/Addt'l Step** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Service Employees International Union 1199. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Department of Health

5. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, various other funds)
6. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
7. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State, various other funds)
8. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, various other funds)
9. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State, General Fund-Federal, various other funds)
10. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
11. **Farmers Market Nutrition Program** - Funding is provided to increase participation in the Women, Infants, and Children (WIC) Farmers' Market Nutrition Program. The program provides participants with vouchers for fresh fruits and vegetables and it is anticipated that the funding will expand the 2004 levels by 8,000 persons.
12. **Eastern WA Family Outreach Pilot** - Funding is provided for an additional family planning pilot project serving Franklin, Adams, Grant, Chelan, and Douglas counties. The project will target services to low-income women and men who are not likely to qualify for Medicaid services through the Department of Social and Health Services. The pilot project shall be designed to improve family planning services for at least 500 additional people in an area of the state with a large underserved population.
13. **Precursor Drugs** - Funding is provided to implement the provisions of Chapter 388, Laws of 2005 (ESHB 2266), which restricts access to certain precursor drugs used to manufacture methamphetamine by limiting the sale of products that contain ephedrine, pseudoephedrine, or phenylpropanolamine. (Health Professions Account-State)
14. **Dental Residency Standards** - Funding is provided to implement Chapter 454, Laws of 2005 (SHB 1689 - Dental Health Services), which requires the Dental Commission to establish standards for evaluating the competency of post-doctoral dental students who serve residencies in low-income dental clinics. (Health Professions Account-State)
15. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State, General Fund-Federal, General Fund-Private/Local, various other funds)
16. **Hospital Survey Capability-18 Month** - The Department of Health is unable to accomplish the current statutory requirement that all hospitals be inspected every 12 months, despite using limited surveys for hospitals with a good history of compliance with federal, state, and private accreditation standards. Meeting the 12-month standard would require a roughly 60 percent increase in staffing and hospital licensing fees. The Department is instead proposing a statutory change to require surveys every 18 months. Meeting the 18-month standard requires an approximately 20 percent increase in staffing and fees. (General Fund-Local)
17. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, General Fund-Private/Local, various other funds)
18. **Integrated Licensing and Reg System** - Funding is provided for the Department to purchase an automated replacement system for licensing and disciplinary activities to regulate health providers, facilities, and services. (General Fund-Private/Local, Health Professions Account-State)
19. **Infertility Prevention Project** - Funding is provided to implement effective prevention strategies to reduce the prevalence of chlamydia and gonorrhea.
20. **Newborn Screening Clinic** - Funding is provided to support specialty clinical care for children who are identified with one of the five disorders added to the newborn screening panel in 2003. Increased clinic care will result in an estimated \$3.10 increase in the fee charged for newborn specialty clinic care. (General Fund-Private/Local)

Department of Health

21. **Public Disclosure Request Increases** - Funding is provided for the Department to respond more quickly to public disclosure requests. This will be accomplished by completing the conversion of case files to electronic formats to permit more rapid searches, and by adding temporary staff to eliminate the backlog in requests awaiting responses. (Health Professions Account-State)
22. **Patient Safety Practices** - Funding is provided to implement the provisions of E2SHB 1291 which enhances patient safety and medical error reduction efforts by: 1) creating the Patient Safety Account from revenues associated with a \$2 surcharge on licenses for various health professions, \$2 charge per licensed bed for hospitals and psychiatric hospitals, and 1 percent of attorney fees for malpractice claims where the plaintiff prevails; 2) providing grants, loans, and other arrangements that support efforts to reduce medical errors and enhance patient safety; and 3) requiring health care facilities to report and the Department of Health to investigate adverse medical events. These funds lapsed (see item below). (General Fund-State, Patient Safety Account-State)
23. **Children's Health Collaborative** - Funding is provided for the Department of Health and the Kids Get Care program of Public Health - Seattle and King County to continue to work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health care expenditures. This funding will be matched by at least \$50,000 of local funding.
24. **Autism Task Force** - Chapter 259, Laws of 2005 (SB 5311), establishes a 14-member task force to study and to make recommendations to the Governor and Legislature regarding the incidence and treatment of autism. Funding is provided for the Department of Health to staff the task force.
25. **Nursing Resource Center** - Funding is provided to implement Chapter 268, Laws of 2005 (ESSB 5599), which establishes a nonprofit center that will develop and implement strategies aimed at maintaining and increasing the supply of qualified nurses in the state. The center will be funded by a \$5 surcharge on the nursing home licensure fee. (Nursing Resource Center Account-Non-Appropriated)
26. **TB Testing - MTD** - Funding is provided to increase the state public health laboratory's capacity to quickly identify suspected tuberculosis (TB) outbreaks. The Department will use these funds to more routinely use Mycobacterium Tuberculosis Direct (MTD) tests, which can be completed in six hours rather than two to four weeks, improving early intervention. In addition, funding is provided to conduct federally-required genotyping of TB strains, which allows for more accurate tracking, surveillance, and nationwide disease control. (General Fund-State)
27. **WIC Caseload & Local Agency Support** - Federal funds are provided to fulfill state-level responsibilities associated with caseload increases in the WIC nutrition program. (General Fund-Federal)
28. **Other Bills with State Fund Impact** - Funds are provided for implementation of Chapter 306, Laws of 2005 (E2SHB 1605 - Soil Contamination); Chapter 379, Laws of 2005 (SHB 1951 - Vision Exams for Children); and Chapter 465, Laws of 2005 (ESB 5049 - Mold in Residential Units).
29. **Other Health Professions Bills** - Funds are provided to implement Chapter 17, Laws of 2005 (SHB 1075 - Nursing Quality Commission); Chapter 501, Laws of 2005 (SHB 1137 - Physical Therapy); Chapter 275, Laws of 2005 (2SHB 1168 - Prescription Reimportation); Chapter 293, Laws of 2005 (ESSB 5470 - Prescription Importation); and Chapter 158 (HB 1546 - Naturopathic Physicians). (Health Professions Account-State)
30. **Mercury-Free Vaccines** - Funding is provided for a two-year pilot under which a limited number of parents will have the option to choose vaccines that do not contain mercury. Total expenditures on the project are limited to \$168,000. (Health Services Account-State)
31. **Lapse - E2SHB 1291** - Engrossed Second Substitute House Bill 1291 (improving health care professional and patient safety practices) was not enacted by the Legislature, so the appropriation to implement the legislation lapses. (General Fund-State, Patient Safety Account-State)

* Please see the 2005 Supplemental Operating Budget Section for additional information.

Department of Corrections

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	1,240,821	30,639	1,271,460
2005 Supplemental *	11,317	417	11,734
Total 2003-05 Biennium	1,252,138	31,056	1,283,194
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2005-07 Maintenance Level	1,365,278	31,774	1,397,052
Policy Changes			
1. Offender Management Network (OMNI)	11,250	0	11,250
2. Interstate Comp Misd Supervision	822	0	822
3. Leases, Med Inflation and Equip Red	-3,946	0	-3,946
4. Targeted Vendor Rate Increase	972	0	972
5. Elim Supervision of Low Risk Misd	-3,006	0	-3,006
6. Electronic Monitoring for Violators	-2,212	0	-2,212
7. Middle Management Reduction	-5,867	-59	-5,926
8. WFSE COLA/Salary Survey	4,604	615	5,219
9. Teamsters' COLA/Salary Survey	20,938	3	20,941
10. Coalition COLA/Salary Survey	49	0	49
11. Super Coalition Health Benefits	18,343	475	18,818
12. Classification Revisions	302	0	302
13. COLA-Non-Represented	6,927	99	7,026
14. Non-Represented Health Benefit Chg	2,572	29	2,601
15. Salary Survey-Non-Rep Staff	3,343	90	3,433
16. General Inflation	-3,986	-105	-4,091
17. Performance Contract Reduction	-600	0	-600
18. Pension Rate for Gain Sharing	-4,180	-106	-4,286
19. Suspend Unfunded Liability Contribs	-14,149	-359	-14,508
20. Substance Abuse Treatment Funding	100	0	100
21. Inmate Property Shipping	-660	0	-660
22. Expand Correctional Industries	396	0	396
23. Delay Opening of New Units	-7,385	0	-7,385
24. Expand Girl Scouts/Moms Program	276	0	276
<hr/>			
Total 2005-07 Biennium	1,390,181	32,456	1,422,637
Fiscal Year 2006 Total	686,161	16,548	702,709
Fiscal Year 2007 Total	704,020	15,908	719,928

Comments:

1. **Offender Management Network (OMNI)** - Beginning in the 1999-01 biennium, the Department of Corrections (DOC) initiated a multi-phase project designed to replace its Offender-Based Tracking System (OBTS), which is the primary information system used by the Department to track and manage roughly 17,000 incarcerated offenders and 28,000 offenders in the community. Funding is provided for a portion of the third phase of the project to replace OBTS with the new Offender Management Network Information (OMNI) system, which is expected to reduce staff data entry efforts, improve reporting capabilities, and redirect staff time toward offender supervision. The total cost of the OMNI project has been estimated at \$58 million.
2. **Interstate Comp Misd Supervision** - Funding is provided for the implementation of Chapter 400, Laws of 2005 (ESHB 1402 - Offender Travel and Transfer), which authorizes the Department to supervise misdemeanants transferring to Washington pursuant to rules promulgated by the Interstate Commission for Adult Offender Supervision. As a result of participating in the Interstate Compact for Adult Offender Supervision, offenders who move to another member state receive community supervision. In exchange, Washington receives notification of out-of-state offenders who need supervision and move into the state. It is assumed that about 200 out-of-state misdemeanants will need to be supervised by the Department during the 2005-07 biennium. The measure also authorizes DOC to serve as a clearinghouse for felony and nonfelony offenders transferring in and out of the state.
3. **Leases, Med Inflation and Equip Red** - Funding for leases, medical inflation, and equipment increases are eliminated.
4. **Targeted Vendor Rate Increase** - Funding is provided for contracted work-release facilities, chemical dependency treatment providers, and educational services providers to receive an inflationary vendor rate increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006.
5. **Elim Supervision of Low Risk Misd** - Savings are achieved in accordance with Chapter 362, Laws of 2005 (SSB 5256 - Misdemeanors), which applies the same supervision criteria to

Department of Corrections

- offenders convicted of misdemeanors in Superior Court as those currently applied to persons convicted of felonies. Chapter 379, Laws of 2003 (ESSB 5990), relieved DOC of supervision responsibilities for certain low- to moderate-risk felons but did not change statutory requirements to supervise misdemeanants sentenced in Superior Court. These changes are expected to result in the elimination of community supervision for an average 2,523 low- to moderate-risk misdemeanants during the 2005-07 biennium.
6. **Electronic Monitoring for Violators** - Savings are assumed in conjunction with the enactment of Chapter 435, Laws of 2005, Partial Veto (HB 1136 - Electronic Monitoring System), which would create a one-year pilot project using electronic monitoring in lieu of jail or prison sanction time when a low-risk offender violates the terms of their community supervision. The one-time savings assumes that 100 low-risk offenders per day will be on electronic monitoring rather than incarcerated.
 7. **Middle Management Reduction** - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.
 8. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, Public Safety and Education Account-State, Cost of Supervision-Non-Appropriated)
 9. **Teamsters' COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the International Brotherhood of Teamsters. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, Public Safety and Education Account-State)
 10. **Coalition COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Coalition of employee unions with fewer than 500 members. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
 11. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, Public Safety and Education Account-State, Cost of Supervision-Non-Appropriated)
 12. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
 13. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State, General Fund-Federal, various other funds)
 14. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, various other funds)
 15. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State, Public Safety and Education Account-State, Cost of Supervision-Non-Appropriated)
 16. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
 17. **Performance Contract Reduction** - Funding for the interlocal agreement between DOC and Peninsula College for the establishment of a Performance Institute is reduced. The Performance Institute provides the Department with internal consultation and designs, develops, implements, monitors, and evaluates DOC staff and organizational performance initiatives and products. Funding for instructional support and curriculum design and development is preserved.
 18. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State, Public Safety and Education Account-State, various other funds)
 19. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, various other funds)

Department of Corrections

20. **Substance Abuse Treatment Funding** - DOC receives federal funds through the Department of Community, Trade, and Economic Development for a Residential Substance Abuse Treatment (RSAT) grant. It is expected that the amount of RSAT funding available to DOC will be reduced. Funding of \$100,000 is provided to backfill the expected loss in federal funding and retain the current program service level.
21. **Inmate Property Shipping** - Funding is reduced in accordance with Chapter 382, Laws of 2005 (HB 2282 - Transporting Offender Property), which authorizes DOC to determine the types and amounts of offender property that the Department will transport between institutions or to other jurisdictions at the agency's expense. In January 2005, the state Supreme Court, in *Burton et al. v. Lehman*, held that the Department's policy of transporting up to two boxes of inmate property free of charge when an offender transfers from one location to another violated a state statute. This ruling was expected to increase property shipment costs to the Department. HB 2282 provides the necessary statutory authority for the DOC to resume its former policy.
22. **Expand Correctional Industries** - Funding is provided to purchase equipment necessary to expand Class II Correctional Industries and maintain overall offender employment levels. Improvements at the Monroe Correctional Complex will result in the consolidation of laundry services and increase production at the facility print shop. Other equipment purchases will expand and maintain industries at the Pine Lodge Corrections Center, Stafford Creek Corrections Center, and the Washington State Penitentiary.
23. **Delay Opening of New Units** - The opening of a new 892-bed complex at the Washington State Penitentiary in Walla Walla is deferred until the 2007-09 biennium, providing for one-time savings in staffing- and inmate-related costs. The opening of the new facility includes many one-time costs and the hiring of over 500 new staff. Rather than occupying the units in April 2007, offenders would either remain in current Penitentiary housing or in out-of-state rent-a-beds. The staffing for the facility will be delayed until May 2007.
24. **Expand Girl Scouts/Moms Program** - Funding is provided for the current Girl Scouts Beyond Bars program to continue to serve female offenders and their daughters. The recent conversion of Pine Lodge Pre-Release facility in Spokane to a female facility has increased the travel costs for the program, which has operated until now in western Washington with donations and some funding from offender contributions. The Girl Scouts Beyond Bars program provides girls with interactions with their incarcerated mothers, providing an incentive for female offenders to prepare for reentry to society.

* Please see the 2005 Supplemental Operating Budget Section for additional information.

Department of Corrections

WORKLOAD HISTORY

By Fiscal Year

	1998	1999	2000	2001	2002	2003	2004	Estimated		
								2005	2006	2007
Community Supervision ^{(1) (2)}										
# Active (Non-Monetary) Offenders	30,600	31,252	30,871	30,365	33,831	36,765	32,606	28,353	24,078	23,179
% Change from prior year		2.1%	-1.2%	-1.6%	11.4%	8.7%	-11.3%	-13.0%	-15.1%	-3.7%
Work Release										
Avg Daily Population/Month	612	636	642	656	654	642	675	699	699	699
% Change from prior year		3.9%	0.9%	2.2%	-0.4%	-1.8%	5.1%	-0.1%	0.0%	0.0%
Institutions ⁽³⁾										
Avg Daily Population/Month	12,694	14,265	13,910	14,386	14,808	15,702	16,061	16,702	16,955	17,261
% Change from prior year		12.4%	-2.5%	3.4%	2.9%	6.0%	2.3%	8.0%	1.7%	1.7%
Average Cost Per Inmate ^{(4) (5)}										
Annual	22,986	22,849	23,775	24,685	25,447	25,924	26,736	27,224	27,720	28,572
% Change from prior year		-0.6%	4.1%	3.8%	3.1%	1.9%	3.1%	1.8%	1.8%	3.1%

⁽¹⁾ Data reflect average monthly caseloads. These data are not comparable with caseloads published in prior editions of the Legislative Budget Notes, which measured end-of-year caseloads.

⁽²⁾ Accounting issues at the Department of Corrections (DOC) may have overcounted active caseloads.

⁽³⁾ For FY 2004 through FY2007, institutional counts include beds rented from other jurisdictions.

⁽⁴⁾ The FY 2005 average cost per inmate does not include funds paid toward the Stamey and Arrasmith lawsuit settlements.

⁽⁵⁾ FY 2005 through FY 2007 average cost per inmate does not include start-up costs for expansion at the Monroe Corrections Center or the Washington State Penitentiary.

Data Sources :

Caseload Forecast Council, DOC, and legislative fiscal staff.

Department of Services for the Blind

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	3,534	16,151	19,685
2005-07 Maintenance Level	3,727	16,802	20,529
Policy Changes			
1. Middle Management Reduction	-16	-72	-88
2. WFSE COLA/Salary Survey	36	175	211
3. Super Coalition Health Benefits	27	133	160
4. Classification Revisions	0	1	1
5. COLA-Non-Represented	16	46	62
6. Non-Represented Health Benefit Chg	4	14	18
7. General Inflation	-9	-46	-55
8. Pension Rate for Gain Sharing	-8	-32	-40
9. Suspend Unfunded Liability Contribs	-27	-108	-135
10. Caseworker Ratio & Service Costs	76	284	360
Total 2005-07 Biennium	3,826	17,197	21,023
Fiscal Year 2006 Total	1,887	8,492	10,379
Fiscal Year 2007 Total	1,939	8,705	10,644

Comments:

1. **Middle Management Reduction** - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)
2. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, Business Enterprises-Non-Appropriated)
3. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, Business Enterprises-Non-Appropriated)
4. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (Business Enterprises-Non-Appropriated)
5. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State, various other funds)
6. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, Business Enterprises-Non-Appropriated)
7. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)
8. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State, General Fund-Federal, Business Enterprises-Non-Appropriated)
9. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, Business Enterprises-Non-Appropriated)
10. **Caseworker Ratio & Service Costs** - Funding is provided to add one vocational rehabilitation counselor in FY 2007 and for increased case service costs. (General Fund-State, General Fund-Federal)

Sentencing Guidelines Commission

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	1,478	0	1,478
2005-07 Maintenance Level	1,682	0	1,682
Policy Changes			
1. COLA-Non-Represented	33	0	33
2. Non-Represented Health Benefit Chg	14	0	14
3. Salary Survey-Non-Rep Staff	16	0	16
4. General Inflation	-8	0	-8
5. Fiscal Note Simulation Software	13	0	13
6. Pension Rate for Gain Sharing	-6	0	-6
7. Suspend Unfunded Liability Contribs	-19	0	-19
Total 2005-07 Biennium	1,725	0	1,725
Fiscal Year 2006 Total	864	0	864
Fiscal Year 2007 Total	861	0	861

Comments:

1. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-State)
2. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State)
3. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State)
4. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
5. **Fiscal Note Simulation Software** - One-time funding is provided for an agency request item to improve the Commission's ability to produce caseload impact projections necessary for the development of fiscal notes on criminal justice legislation. The Sentencing Guidelines Commission prepares fiscal impact statements on sentencing legislation that impacts institutional caseloads in county jails and state prisons.
6. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-State)
7. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-State)

Department of Employment Security

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Expenditure Authority	0	535,960	535,960
2005-07 Maintenance Level	0	522,892	522,892
Policy Changes			
1. Middle Management Reduction	0	-1,898	-1,898
2. WFSE COLA/Salary Survey	0	7,476	7,476
3. Super Coalition Health Benefits	0	4,966	4,966
4. Classification Revisions	0	19	19
5. COLA-Non-Represented	0	1,194	1,194
6. Non-Represented Health Benefit Chg	0	317	317
7. Salary Survey-Non-Rep Staff	0	42	42
8. General Inflation	0	-1,367	-1,367
9. Readiness for Active Directory	0	2,087	2,087
10. Pension Rate for Gain Sharing	0	-1,244	-1,244
11. Port Jobs Program	120	0	120
12. Suspend Unfunded Liability Contribs	0	-4,188	-4,188
Total 2005-07 Biennium	120	530,296	530,416
Fiscal Year 2006 Total	60	263,981	264,041
Fiscal Year 2007 Total	60	266,315	266,375

Comments:

1. **Middle Management Reduction** - Middle management positions are reduced.
2. **WFSE COLA/Salary Survey** - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees (WFSE). More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-State, General Fund-Federal, various other funds)
3. **Super Coalition Health Benefits** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, General Fund-Private/Local, various other funds)
4. **Classification Revisions** - Funding is provided to continue phasing in the classification consolidation and revisions required by the Personnel System Reform Act of 2002. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, Unemployment Compensation Administration-Federal, Employment Service-State)
5. **COLA-Non-Represented** - Funding is provided to give cost-of-living adjustments (COLAs) of 3.2 percent on September 1, 2005, and 1.6 percent on September 1, 2006, to non-represented employees. (General Fund-Federal, various other funds)
6. **Non-Represented Health Benefit Chg** - Funding is provided for the current health benefit package and level of cost sharing during the 2005-07 biennium for both represented and non-represented employees. More detailed information about this item is provided in the general comments for "State Employee Compensation." (General Fund-Federal, General Fund-Private/Local, various other funds)
7. **Salary Survey-Non-Rep Staff** - Funding is provided for salary increases for non-represented employees in job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-Federal, Unemployment Compensation Administration-Federal, Administration Contingen Account-State)
8. **General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
9. **Readiness for Active Directory** - The budget provides appropriation authority for one-time use of Reed Act funds to purchase information technology infrastructure components necessary to allow the Department to participate in the state's Department of Information Services' managed Enterprise Active Directory network. This includes replacing and upgrading desktop personal computers and laptops to meet the minimum standards for Active Directory software. (Unemployment Compensation Administration Account--Federal)
10. **Pension Rate for Gain Sharing** - Contributions toward the future costs of gain sharing are suspended for the 2005-07 biennium, consistent with Chapter 370, Laws of 2005 (ESHB 1044). (General Fund-Federal, General Fund-Private/Local, various other funds)

Department of Employment Security

11. **Port Jobs Program** - Funding is provided for two FTEs to assist first generation immigrants find employment through the Port Jobs Program at the Port of Seattle.
12. **Suspend Unfunded Liability Contribs** - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with ESHB 1044 (Pension Funding Methodology). For employers and members of retirement plans unaffected by ESHB 1044, funding levels are provided consistent with the contribution rates recommended by the Pension Funding Council. Additional detail on pension contribution rates is provided in the general comments for "State Employee Compensation." (General Fund-Federal, General Fund-Private/Local, various other funds)