

Governmental Operations

The Liquor Control Board

Implementing Initiative 1183 and Privatizing the Sale of Liquor

Expenditure authority of \$79 million and 951 FTEs are reduced from the LCB to reflect the passage of Initiative 1183, approved by voters in November 2011. State liquor store operations will close by early June 2012, including approximately 160 state-managed retail locations and the central liquor warehouse in Seattle. The LCB estimates approximately \$30 million in one-time costs to close down the state liquor business. Costs to regulate the sale of liquor will shift from excess liquor funds or “profits” to new fees for distributors and retailers established under Initiative 1183.

The Office of the Secretary of State

State Library Funding

A portion of the fiscal year 2013 funding for the State Library is shifted from the state general fund to the State Heritage Center Account for a savings of \$4 million.

The Office of the Attorney General

Sexually Violent Predator Civil Commitment Cases

State general funds are provided to the Office of the Attorney General (OAG) for legal costs associated with the evaluation (including evaluations by the Joint Forensic Unit [JFU]), filing, prosecution, response to petitions for release, and appeal of sexually violent predator civil commitment cases. The OAG may establish an interagency agreement with a county prosecutor to perform prosecution services. Legal costs for these purposes, and for JFU, were previously funded through the Department of Social and Health Services.

The Department of Commerce

The Department of Commerce (COM) administers a variety of state programs focused on enhancing and promoting sustainable community and economic vitality in Washington. Key activities of COM include providing support for economic development, affordable housing and homeless programs, growth management planning, energy policy, and a variety of services for local communities. The 2012 supplemental operating budget provides COM with \$567.4 million in total funds, including \$124.6 million in state general funds, to maintain support for these activities in the 2011-13 biennium. This is a net reduction of \$5.1 million (-4 percent) in state general funds and an increase of \$53.8 million (+10 percent) in total funds from the amounts originally appropriated for the biennium. The change in total funds is primarily a result of \$56.4 million in increased federal funding across a variety of areas, including low-income weatherization, energy innovation, lead paint removal, homeless assistance, and export promotion. Other policy adjustments in the 2012 supplemental operating budget are specified below:

Community Services & Housing

A one-time savings of \$5.0 million is achieved in the Housing and Essential Needs Program created in Chapter 36, Laws of 2011, 1st sp.s. (ESHB 2082). This savings reflects anticipated under-expenditures resulting from a slower phase-in of the program than was originally anticipated in the 2011-13 operating budget. Fiscal year 2013 revenue from document recording fees used for housing and homeless services is increased by \$4.4 million in accordance with Chapter 90, Laws of 2012 (ESHB 2048). A portion of these funds will be used to offset a reduction of \$567,000 in state general funds for housing and homeless services. The 2012 supplemental operating budget provides \$1.0 million in state general funds for a two-year pilot project to enable young adults to move from temporary emergency shelter housing to transitional and permanent housing throughout King County.

State general fund reductions in other community services programs total \$518,000 and include: a 20 percent reduction in funding for the administrative activities of the Community Services and Housing Division (\$270,000); a 10 percent reduction in funding for the Community Mobilization Program (\$196,000); and a 10 percent reduction in funding for the Family Asset Building Program (\$52,000).

Energy Policy and Local Government

There is a 10 percent reduction in state general funds for the Washington State Energy Office and the Evergreen Jobs Program (\$149,000.) Local expenditure authority is increased by \$100,000 in accordance with Chapter 254, Laws of 2012 (SSB 6414), which allows the COM to charge an application fee for a proposed energy generation project that is seeking an advisory opinion on whether it must meet state-mandated energy conservation and renewable energy targets. State general funds of \$12,000 are provided to revise growth management technical assistance publications and education materials in accordance with Chapter 21, Laws of 2012 (E2SSB 5292).

Other Changes

There are a number of transfers and fund source changes that are budget neutral: funding for the Developmental Disabilities Council is transferred from the Department of Health; funding for the Local Government Fiscal Note Program is shifted to the state general fund; and funding for the Municipal Research Services Center is shifted to the Liquor Revolving Account. Expenditure authority for the Washington Manufacturing Innovation and Modernization Extension Service Program that was created in 2008 is eliminated because no manufacturer used these services.

The Military Department

Disaster Recovery

Expenditure authority of \$30.3 million is provided from the Disaster Response Account. This funding will be used to complete repairs to outstanding infrastructure projects and to begin repairing damage to state agencies and local jurisdictions incurred in the January 2012 storm.

The Office of the Insurance Commissioner

School Employee Benefits

The 2012 supplemental operating budget provides \$650,000 in state general funds for the Office of the Insurance Commissioner (OIC) to implement Chapter 3, Laws of 2012 (ESSB 5940). School districts and school district health benefit providers are required to submit specific health plan information to OIC annually. OIC may take enforcement action against those who do not fulfill these reporting requirements. Beginning on December 1, 2013, OIC must submit an annual report to the Legislature on school district health benefit plans.

Central Service and Information Technology Savings

The State Auditor

The Office of the State Auditor (Auditor) will use a risk-based methodology in selecting agencies to audit, saving \$1 million from the Audit of State Government Account. The Auditor will also utilize existing fund balances to reduce audit costs to state agencies. Across the operating and transportation budgets, agency appropriations are reduced by \$510,000 in near-state general funds and \$1.4 million in total funds.

The Attorney General

The OAG will reduce legal services billings by \$6 million to state agencies through efficiencies and other savings. Across the operating and transportation budgets, agency appropriations are reduced by \$1.7 million in near-state general funds and \$4.2 million in other funds.

Secretary of State

The Office of the Secretary of State will reduce billings for state archives and records management by \$794,000 as a result of lower than anticipated utilization of the state Archives by state agencies. Across the operating and

transportation budgets, agency appropriations are reduced by \$339,000 in near-state general funds and \$455,000 in other funds.

Central Service Savings

The Office of Minority and Women's Business Enterprises (OMWBE), Office of Administrative Hearings, and Labor Relations Office will reduce charges for services by \$524,000. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account. Across both the operating and transportation budgets, agency appropriations are reduced by \$181,000 in near-state general funds and \$343,000 in other funds.

Central Service Reforms

Funding is reduced by \$14.3 million to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. Agency appropriations are reduced by \$9.1 million in near-state general funds and \$5.2 million in other funds.

Self-Insurance Premium

The self-insurance premiums of state agencies are reduced by \$31.2 million. Agencies pay into the state's self-insurance pool based upon historical claims and projected liability. Reductions to premiums will require utilization of an excess fund balance within the Liability Account. Across the operating and transportation budgets, agency appropriations are reduced by \$18.4 million in near-state general funds and \$12.8 million in other funds.

Personnel Services Rate Reduction

Rates charged to agencies for personnel services such as recruitment, compensation, and classification are reduced by \$2.8 million. Across the operating and transportation budgets, appropriations are reduced by \$1.9 million in near-state general funds and \$900,000 in other funds.

Procurement Rate Reduction

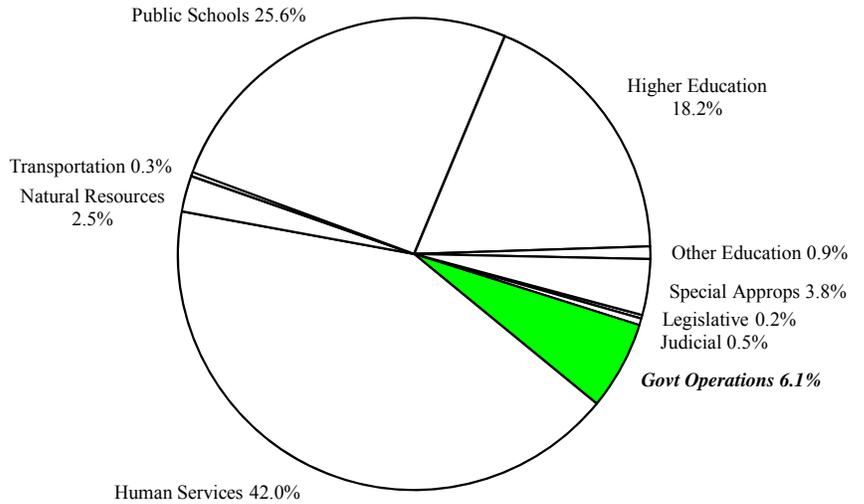
Rates charged to agencies for the procurement of goods and services are reduced by \$1.9 million. Across the operating and transportation budgets, appropriations are reduced by \$1.1 million in near-state general funds and \$800,000 in other funds.

Other Changes

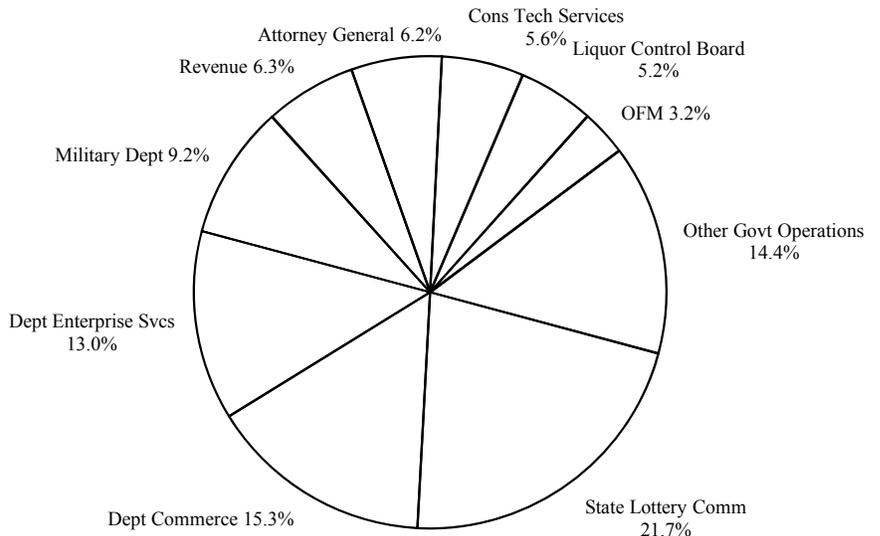
In addition to the changes discussed above, general government agency appropriations reflect reduced costs for employee health insurance. The budget-wide impact of this change is discussed in the special appropriations section.

2011-13 Revised Washington State Omnibus Operating Budget
Including 2012 Supplemental
Total Budgeted Funds
(Dollars in Thousands)

Legislative	146,551
Judicial	281,381
Governmental Operations	3,697,364
Human Services	25,576,787
Natural Resources	1,505,305
Transportation	170,099
Public Schools	15,620,392
Higher Education	11,095,338
Other Education	526,051
Special Appropriations	2,333,705
Statewide Total	60,952,973



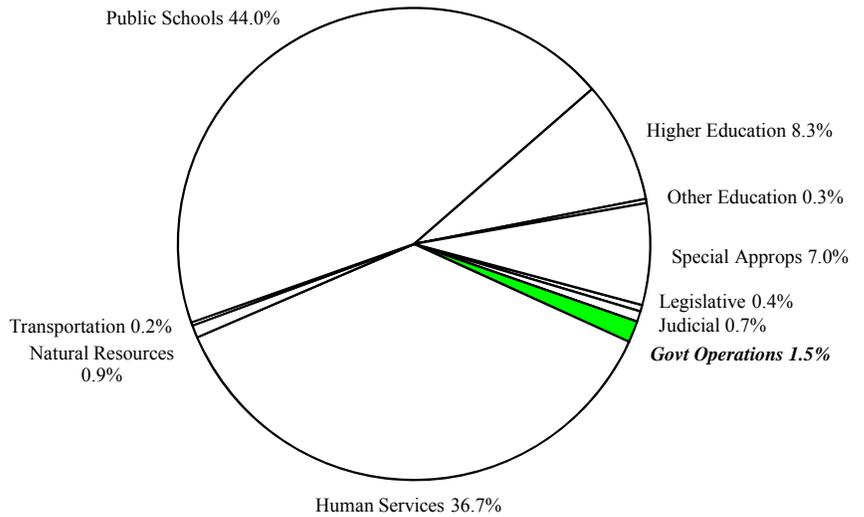
Lottery Commission	801,712
Dept Commerce	567,357
Dept Enterprise Svcs	479,676
Military Department	338,948
Revenue	231,531
Attorney General	228,713
Cons Tech Services	208,054
Liquor Control Board	192,113
OFM	116,696
Other Govt Operations	532,564
Governmental Operations	3,697,364



**2011-13 Revised Washington State Omnibus Operating Budget
Including 2012 Supplemental
Near General Fund-State**

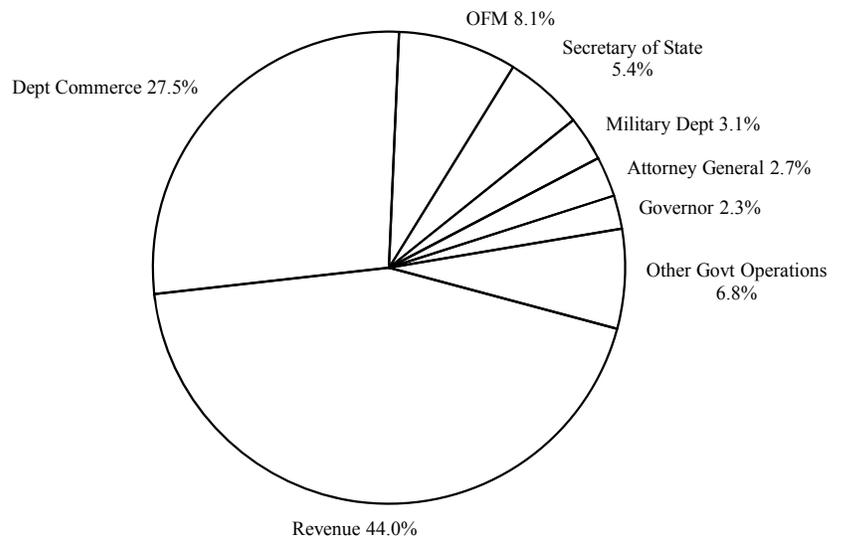
(Dollars in Thousands)

Legislative	139,294
Judicial	222,202
Governmental Operations	453,876
Human Services	11,394,475
Natural Resources	266,777
Transportation	70,160
Public Schools	13,647,198
Higher Education	2,587,640
Other Education	83,563
Special Appropriations	2,159,026
Statewide Total	31,024,211



Washington State

Revenue	199,898
Dept Commerce	124,638
OFM	36,930
Secretary of State	24,659
Military Department	13,988
Attorney General	12,448
Office of the Governor	10,349
Other Govt Operations	30,966
Governmental Operations	453,876



Governmental Operations

Office of the Governor

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	10,605	1,500	12,105
Total Maintenance Changes	-8	0	-8
Policy Changes - Other			
1. Executive Operations	-373	0	-373
2. Family/Children's Ombudsman	-41	0	-41
3. Education Ombudsman	-28	0	-28
4. Auditor Charges	-8	0	-8
5. Attorney General Reduction	-3	0	-3
6. Central Services Savings	1	0	1
7. Central Service Reforms	-10	0	-10
8. Governor's Transition Team	248	0	248
Policy -- Other Total	-214	0	-214
Policy Changes - Comp			
9. PEBB Funding Rate Reduction	-34	0	-34
Policy -- Comp Total	-34	0	-34
2011-13 Revised Appropriations	10,349	1,500	11,849
Fiscal Year 2012 Total	5,102	1,500	6,602
Fiscal Year 2013 Total	5,247	0	5,247

Comments:

1. **Executive Operations** - General Fund-State savings are achieved through elimination of positions within the Office of the Governor and field offices.
2. **Family/Children's Ombudsman** - General Fund-State funding is reduced by 5 percent for the Office of the Family and Children's Ombudsman. This item reduces staffing and other functions effective April 1, 2012.
3. **Education Ombudsman** - General Fund-State funding is reduced by 5 percent for the Office of the Education Ombudsman. This item reduces funding effective April 1, 2012.
4. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
5. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
6. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services.
7. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology.
8. **Governor's Transition Team** - Funding is provided for the incoming Governor's transition team for the period of November 2012 through January 2013.
9. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of the Lieutenant Governor

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	1,385	95	1,480
Total Maintenance Changes	-1	0	-1
Policy Changes - Other			
1. Auditor Charges	-8	0	-8
2. Central Service Reforms	-2	0	-2
3. Administrative Costs	-69	0	-69
Policy -- Other Total	-79	0	-79
Policy Changes - Comp			
4. PEBB Funding Rate Reduction	-4	0	-4
Policy -- Comp Total	-4	0	-4
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2011-13 Revised Appropriations	1,301	95	1,396
Fiscal Year 2012 Total	650	45	695
Fiscal Year 2013 Total	651	50	701

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
3. **Administrative Costs** - The Lieutenant Governor's Office will achieve vacancy savings and reduce funding for staff training, travel, and other goods and services. (General Fund-State)
4. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Public Disclosure Commission

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	4,237	0	4,237
Total Maintenance Changes	-16	0	-16
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
2. Attorney General Reduction	-14	0	-14
3. Sec of State Archive Reduction	-1	0	-1
4. Agency Staff and Equipment	-212	0	-212
5. Central Service Reforms	-17	0	-17
Policy -- Other Total	-250	0	-250
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	-14	0	-14
Policy -- Comp Total	-14	0	-14
2011-13 Revised Appropriations	3,957	0	3,957
Fiscal Year 2012 Total	2,019	0	2,019
Fiscal Year 2013 Total	1,938	0	1,938

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
4. **Agency Staff and Equipment** - The Public Disclosure Commission (PDC) will achieve savings through mandatory furloughs, voluntary reductions in staff work hours, reorganizing staff sections and responsibilities, and eliminating one position. PDC will also reduce funding for goods and services, including software and equipment. (General Fund-State)
5. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of the Secretary of State

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	30,845	58,019	88,864
Total Maintenance Changes	602	-28	574
Policy Changes - Early Action Savings			
1. Agency Administration & Serv	-1,566	0	-1,566
2. Limit TVW Coverage and Services	-300	0	-300
3. Delay Legacy Project Publications	-30	0	-30
4. State Library Services	-498	0	-498
5. Lower State Share of Election Costs	-203	0	-203
Policy Changes - Early Action Savings	-2,597	0	-2,597
Policy Changes - Other			
6. Lower Archive Central Service Rates	0	-794	-794
7. Charitable Organization Education	0	-90	-90
8. Local Government Archives	0	-2,000	-2,000
9. Attorney General Reduction	-24	-35	-59
10. Sec of State Archive Reduction	-3	-5	-8
11. Central Services Savings	1	1	2
12. Central Service Reforms	-61	-37	-98
13. State Library Funding Shift	-4,000	4,000	0
Policy -- Other Total	-4,087	1,040	-3,047
Policy Changes - Comp			
14. PEBB Funding Rate Reduction	-104	-90	-194
Policy -- Comp Total	-104	-90	-194
2011-13 Revised Appropriations	24,659	58,941	83,600
Fiscal Year 2012 Total	16,047	27,470	43,517
Fiscal Year 2013 Total	8,612	31,471	40,083

Comments:

- Agency Administration & Serv** - Funding is reduced for executive and library administration. reduced by \$203,000 on the assumption that counties will request less reimbursement than anticipated.
- Limit TVW Coverage and Services** - The Office of the Secretary of State will reduce pass-through funding to TVW by 7 percent. TVW will reduce coverage of public meetings outside of the Olympia area and will reduce staffing levels, including layoffs during the months when the Legislature is not in session.
- Delay Legacy Project Publications** - Funding for printing costs associated with the Legacy Project is reduced.
- State Library Services** - The State Library will reduce funds set aside for a new online library system, hold staff vacancies, and close the branch library at Washington State Penitentiary-Eastern Complex, a facility that is transitioning to a minimum security facility. Typically, libraries are not maintained in minimum security facilities.
- Lower State Share of Election Costs** - The Office of the Secretary of State (OSOS) is required by RCW 29A.04.420 to reimburse counties for the state's share of odd-numbered year election costs when state officers or measures are on the ballot. The budget for the OSOS includes \$4.1 million to reimburse counties for the state's share of 2011 election costs. Funding is
- Lower Archive Central Service Rates** - Modified archives and records management rates will reduce billing to customer agencies by 10 percent. (Public Records Efficiency, Preservation and Access Account-State)
- Charitable Organization Education** - Due to reduced numbers of charitable organization registrations, appropriations are reduced to available funding levels. (Charitable Organization Education Account-State)
- Local Government Archives** - Due to reduced numbers of documents recorded by counties, the appropriation for the local government record archives is reduced to reflect available funding levels. (Local Government Archives Account-State)
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)

Office of the Secretary of State

11. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
12. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
13. **State Library Funding Shift** - A portion of the FY 2013 funding for the State Library is shifted from the state general fund to the State Heritage Center Account on a one-time basis. (State Heritage Center Account-State)
14. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Governor's Office of Indian Affairs

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	526	0	526
Total Maintenance Changes	-1	0	-1
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
Policy -- Other Total	-6	0	-6
Policy Changes - Comp			
2. PEBB Funding Rate Reduction	-2	0	-2
Policy -- Comp Total	-2	0	-2
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2011-13 Revised Appropriations	517	0	517
Fiscal Year 2012 Total	257	0	257
Fiscal Year 2013 Total	260	0	260

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Washington State Commission on Asian-Pacific-American Affairs

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	451	0	451
Total Maintenance Changes	4	0	4
Policy Changes - Other			
1. Auditor Charges	-7	0	-7
Policy -- Other Total	-7	0	-7
Policy Changes - Comp			
2. PEBB Funding Rate Reduction	-2	0	-2
Policy -- Comp Total	-2	0	-2
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2011-13 Revised Appropriations	446	0	446
Fiscal Year 2012 Total	234	0	234
Fiscal Year 2013 Total	212	0	212

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.

2. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of the State Treasurer

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	15,146	15,146
Total Maintenance Changes	0	-19	-19
Policy Changes - Other			
1. Excess Authority	0	-756	-756
2. Auditor Charges	0	-37	-37
3. Attorney General Reduction	0	-45	-45
4. Sec of State Archive Reduction	0	-1	-1
5. Central Services Savings	0	1	1
6. Central Service Reforms	0	-14	-14
7. Efficiency Reduction	0	-375	-375
8. Governor Veto	0	1,288	1,288
Policy -- Other Total	0	61	61
Policy Changes - Comp			
9. PEBB Funding Rate Reduction	0	-44	-44
Policy -- Comp Total	0	-44	-44
2011-13 Revised Appropriations	0	15,144	15,144
Fiscal Year 2012 Total	0	7,722	7,722
Fiscal Year 2013 Total	0	7,422	7,422

Comments:

- Excess Authority** - The Office of the State Treasurer's appropriation authority is reduced to align with historical spending patterns and anticipated expenditures. A technical adjustment is made to keep the Treasurer's FTE allotment even in both fiscal years of the 2011-13 biennium. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127). (Treasurer's Service Account-State)
- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. The Governor vetoed all items in Section 124 Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (E3SHB 2127).
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127).
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127).
- Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127).
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127).
- Efficiency Reduction** - The State Treasurer will achieve savings through efficiency measures in FY 2013. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127). (State Treasurer's Service Account-State)
- Governor Veto** - The Governor vetoed Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127). The veto eliminated all reductions to the State Treasurer, including reductions in appropriation authority and global reductions for inter-agency charges.
- PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. The Governor vetoed all items in Section 124 of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127).

Office of the State Auditor

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	0	74,333	74,333
Total Maintenance Changes	0	-95	-95
Policy Changes - Other			
1. Streamline State Agency Audits	0	-1,040	-1,040
2. Attorney General Reduction	0	-22	-22
3. Sec of State Archive Reduction	0	-2	-2
4. Central Services Savings	0	3	3
5. Central Service Reforms	0	-74	-74
Policy -- Other Total	0	-1,135	-1,135
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	0	-216	-216
Policy -- Comp Total	0	-216	-216
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2011-13 Revised Appropriations	0	72,887	72,887
Fiscal Year 2012 Total	0	37,452	37,452
Fiscal Year 2013 Total	0	35,435	35,435

Comments:

- Streamline State Agency Audits** - The State Auditor's Office (SAO) performs several types of audits for the state, which are traditionally funded from three separate accounts. This reduction updates the allocation model to better reflect the audit plan for the remainder of the biennium. In addition to this realignment, funding for all state agency audits is reduced by 10 percent. Using risk-based auditing, the SAO will perform fewer audits focusing on higher-risk agencies and programs. (Auditing Services Revolving Account-State)
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
- Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
- PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is

projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Citizens' Commission on Salaries for Elected Officials

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	353	0	353
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
2. Hold Vacancy and Reduce Services	-18	0	-18
Policy -- Other Total	-24	0	-24
Policy Changes - Comp			
3. PEBB Funding Rate Reduction	-2	0	-2
Policy -- Comp Total	-2	0	-2
<hr/>			
2011-13 Revised Appropriations	327	0	327
Fiscal Year 2012 Total	141	0	141
Fiscal Year 2013 Total	186	0	186

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Hold Vacancy and Reduce Services** - The Washington Citizens' Commission on the Salaries of Elected Officials (WCCSEO) delayed the hiring of an Executive Assistant in FY 2012, and will reduce funding for travel reimbursement, services from the Office of the Attorney General, printed materials, and other goods and services in FY 2013. (General Fund-State)
3. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of the Attorney General

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	8,025	221,212	229,237
Total Maintenance Changes	1,460	-1,418	42
Policy Changes - Early Action Savings			
1. Shift Funds for Consumer Protection	-2,000	0	-2,000
Policy Changes - Early Action Savings	-2,000	0	-2,000
Policy Changes - Other			
2. Legal Service Billings	0	-5,976	-5,976
3. Auditor Charges	0	-6	-6
4. Attorney General Reduction	0	-1	-1
5. Sec of State Archive Reduction	0	-50	-50
6. Central Services Savings	0	14	14
7. Affordable Care Act Implementation	0	56	56
8. Anti-Trust Revolving Account	0	2,000	2,000
9. T.R. v Dreyfus DSHS Litigation	0	578	578
10. Central Service Reforms	0	-247	-247
11. Extended Foster Care	0	56	56
12. Elections Litigation	0	56	56
13. Amateurs and Mixed Martial Arts	0	11	11
14. Reflexologist Certification	0	94	94
15. Medicaid False Claims Act	-730	2,325	1,595
16. State Natural Resources	0	65	65
17. Medical Assistants	0	57	57
Policy -- Other Total	-730	-968	-1,698
Policy Changes - Comp			
18. PEBB Funding Rate Reduction	-50	-710	-760
Policy -- Comp Total	-50	-710	-760
Policy Changes - Transfers			
19. Civil Commitment Legal Costs	5,743	-2,737	3,006
20. Moore et. al. v HCA Litigation	0	886	886
Policy -- Transfer Total	5,743	-1,851	3,892
2011-13 Revised Appropriations	12,448	216,265	228,713
Fiscal Year 2012 Total	4,758	107,764	112,522
Fiscal Year 2013 Total	7,690	108,501	116,191

Comments:

- Shift Funds for Consumer Protection** - General Fund-State dollars supporting consumer protection activities are reduced by \$2 million and replaced with expenditure authority from the with Anti-Trust Revolving Account. (General Fund-State, Anti-Trust Revolving Account-Non-Appropriated)
- Legal Service Billings** - Billing authority for the Legal Services Revolving Fund is reduced. This reduction will impact the services provided to client agencies by the Office of the Attorney General (OAG).
- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
- Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE

Office of the Attorney General

- Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
7. **Affordable Care Act Implementation** - Expenditure authority is provided for implementation of Chapter 87, Laws of 2012 (E2SHB 2319) from the Legal Services Revolving Fund.
 8. **Anti-Trust Revolving Account** - Expenditure authority for the Anti-Trust Revolving Account is increased to reflect the shift of funding for the Consumer Protection Program from General Fund-State to the Anti-Trust Revolving Account in Chapter 9, Laws of 2011, 2nd sp.s. (SHB 2058). (Anti-Trust Revolving Account-Non-appropriated)
 9. **T.R. v Dreyfus DSHS Litigation** - Funding is provided for the OAG to provide additional legal services to the Department of Social and Health Services associated with children's mental health litigation (*T.R. v Dreyfus*). (Legal Services Revolving Account-State)
 10. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
 11. **Extended Foster Care** - Expenditure authority from the Legal Services Revolving Fund is provided for the implementation of Chapter 52, Laws of 2012 (ESHB 2592). (Legal Services Revolving Fund)
 12. **Elections Litigation** - Increased expenditure authority is provided to the OAG in FY 2012 for costs related to higher than anticipated expenses for ongoing elections litigation. (Legal Services Revolving Fund)
 13. **Amateurs and Mixed Martial Arts** - Expenditure authority is provided for implementation of Chapter 99, Laws of 2012 (ESHB 2301). (Legal Services Revolving Fund-State)
 14. **Reflexologist Certification** - Expenditure authority is provided for implementation of reflexology certification under Chapter 137, Laws of 2012 (ESSB 6103). (Legal Services Revolving Fund)
 15. **Medicaid False Claims Act** - Funds are provided for implementation of Chapter 241, Laws of 2012, Partial Veto (ESSB 5978). The bill establishes new tools for detecting and prosecuting Medicaid fraud, and new penalties for engaging in it. Additionally, to better track the effectiveness of fraud enforcement efforts, funds recovered from fraudulent activities will be deposited into a new state account that is to be used only for payment of Medicaid services and for fraud prevention, detection, and enforcement activities. (General Fund-State, Medicaid Fraud Penalty Account-State, General Fund-Federal)
 16. **State Natural Resources** - Expenditure authority is provided for implementation of Chapter 1, Laws of 2012, 1st sp.s., Partial Veto (2ESSB 6406). (Legal Services Revolving Fund)
 17. **Medical Assistants** - Expenditure authority is provided for implementation of Chapter 153, Laws of 2012 (ESSB 6237). (Legal Services Revolving Fund)
 18. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.
 19. **Civil Commitment Legal Costs** - General Fund-State and FTE authority are provided for legal costs associated with the evaluation, filing, prosecution, response to petitions for release, and appeal of sexually violent predator civil commitment cases, under Chapter 71.09 RCW. The OAG may enter into an interagency agreement with a county prosecutor to perform prosecution services under Chapter 71.09 RCW. Funding and responsibility for the Joint Forensic Unit are transferred from the Department of Social and Health Services to the OAG. These services will be funded directly through the General Fund, and a reduction is made to the Legal Services Revolving Fund's billing authority. (Legal Services Revolving Account-State)
 20. **Moore et. al. v HCA Litigation** - The class action litigation against the Health Care Authority (*Moore, et al. v Health Care Authority*) requires additional legal services. (Legal Services Revolving Account-State)

Caseload Forecast Council

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	2,613	0	2,613
Total Maintenance Changes	1	0	1
Policy Changes - Other			
1. Travel and Consultation	-53	0	-53
2. Self Insurance Premium	-78	0	-78
3. Auditor Charges	-12	0	-12
4. Attorney General Reduction	-1	0	-1
5. Central Service Reforms	-3	0	-3
6. Commute Trip Reduction	-4	0	-4
Policy -- Other Total	-151	0	-151
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	-6	0	-6
Policy -- Comp Total	-6	0	-6
2011-13 Revised Appropriations	2,457	0	2,457
Fiscal Year 2012 Total	1,277	0	1,277
Fiscal Year 2013 Total	1,180	0	1,180

Comments:

- Travel and Consultation** - The Caseload Forecast Council (CFC) will reduce the use of an outside consultant to assess its sentencing guidelines database. CFC will also reduce staff training and the use of services from the Office of the Attorney General. (General Fund-State)
- Self Insurance Premium** - CFC will achieve savings by lowering its self-insurance premium. The premium was transferred to CFC in 2011 when it absorbed responsibilities held by the Sentencing Guidelines Commission (SGC). The lower premium reflects CFC's lesser history of litigation and its statutory protection for errors in the sentencing guidelines database. (General Fund-State)
- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
- Commute Trip Reduction** - Funding is reduced to reflect the elimination of state general funds for the Commute Trip Reduction program.
- PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Department of Commerce

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	129,750	383,938	513,688
Total Maintenance Changes	-42	-85	-127
Policy Changes - Other			
1. BSD Manufacturing Innovation	0	-61	-61
2. Auditor Charges	-28	-62	-90
3. Attorney General Reduction	-90	-202	-292
4. Sec of State Archive Reduction	-1	-3	-4
5. Central Services Savings	-1	0	-1
6. BSD State Trade Export Program	-62	1,592	1,530
7. CSHD Homeless Assistance	-567	4,380	3,813
8. Central Service Reforms	-33	-39	-72
9. Increase Federal Authority	0	51,484	51,484
10. CSHD Program Management/Support	-270	0	-270
11. CSHD Asset Building Program	-52	0	-52
12. CSHD Community Mobilization Grants	-196	0	-196
13. IPPD State Energy Policy	-112	0	-112
14. IPPD Evergreen Jobs	-37	0	-37
15. LGID Local Government Fiscal Notes	327	-327	0
16. IPPD Advisory Opinions	0	100	100
17. HEN Underspending	-5,000	0	-5,000
18. Shelter to Housing Pilot	1,000	0	1,000
19. Irrigation and Port Districts	12	0	12
Policy -- Other Total	-5,110	56,862	51,752
Policy Changes - Comp			
20. PEBB Funding Rate Reduction	-102	-88	-190
Policy -- Comp Total	-102	-88	-190
Policy Changes - Transfers			
21. Transfer Development Disabilities C	142	2,092	2,234
Policy -- Transfer Total	142	2,092	2,234
2011-13 Revised Appropriations	124,638	442,719	567,357
Fiscal Year 2012 Total	51,799	223,760	275,559
Fiscal Year 2013 Total	72,839	218,959	291,798

Comments:

- 1. BSD Manufacturing Innovation** - The Washington Manufacturing Innovation and Modernization Extension Service Program was designed to provide small manufacturers with a voucher to pay for innovation and modernization services, such as strategic planning, Six Sigma training, and supply chain management. Funding for this program is eliminated because no manufacturer used these services. (Manufacturing Innovation and Modernization Account-State)
- 2. Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
- 3. Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
- 4. Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
- 5. Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates a vacant administrative position at the OAH, and reduces LRO services.

Department of Commerce

6. **BSD State Trade Export Program** - Agency authority is provided to expend the State Trade and Export Promotion grant for expanding export activities and transactions among small and medium enterprises (SMEs). The funds will support an integrated strategy of new activities for working with SMEs to increase exports, including targeted outreach to socially and economically disadvantaged small businesses. There are General-Fund State savings related to existing staff who will be paid under the federal grant. (General Fund-State, General Fund-Federal)
7. **CSHD Homeless Assistance** - Homeless and transitional housing programs provided by the Community Services and Housing Division (CSHD) of the agency are funded with General Fund-State and revenues from document recording fees. Chapter 90, Laws of 2012 (ESHB 2048) increases document recording fees used for low-income housing and homeless services and is expected to increase revenues by \$4.4 million in FY 2013. General Fund-State funding for homeless programs is reduced by 36 percent, effective May 1, 2012. (General Fund-State, Home Security Fund-State)
8. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
9. **Increase Federal Authority** - Federal expenditure authority and FTEs are increased to reflect new grant awards for the 2011-13 biennium. Activities increased include low-income weatherization, energy innovation, lead paint removal, and homeless assistance. Expenditure authority for local funding for weatherization activities is adjusted to reflect current revenues. (General Fund-Federal, Low-Income Weatherization Assistance Account-State)
10. **CSHD Program Management/Support** - Funding is reduced by 20 percent for the administrative activities of the CSHD.
11. **CSHD Asset Building Program** - The Family Asset Building Program provides a variety of services to promote financial independence for working low-income families. Services are provided through contracts with a variety of organizations including financial institutions, community action and social service agencies, and local government agencies. Biennial funding for the program is reduced by approximately 10 percent.
12. **CSHD Community Mobilization Grants** - The Community Mobilization Program provides funding to support local substance abuse and violence prevention programs. Biennial funding for the program is reduced by approximately 10 percent.
13. **IPPD State Energy Policy** - Biennial state funding for policy development, operations, and administrative support for the Innovation and Policy Priorities Division (IPPD) is reduced by approximately 10 percent.
14. **IPPD Evergreen Jobs** - The Evergreen Jobs Leadership Team coordinates energy sector grants authorized for Washington through the U.S. Department of Labor and provides the oversight to grow green jobs in Washington. Biennial funding is reduced by approximately 10 percent.
15. **LGID Local Government Fiscal Notes** - Funding for the Local Government Fiscal Note Program is changed from the City and Town Research Services Account and the County Research Services Account to the General Fund-State Account. (General Fund-State, County Research Services Account-State, City and Town Research Services Account-State)
16. **IPPD Advisory Opinions** - In accordance with Chapter 254, Laws of 2012 (SSB 6414), the agency must provide an analysis and advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet a target under RCW 19.285.040. The agency is authorized to require an applicant to pay a fee to cover the cost of reviewing the project and preparing an advisory opinion. (General Fund-Local)
17. **HEN Underspending** - A one-time reduction is taken in FY 2012 funding for the Housing and Essential Needs Program created in Chapter 36, Laws of 2011, 1st sp.s. (ESHB 2082). This reduction reflects anticipated under-expenditures resulting from a slower phase in of the program than was anticipated in the 2011-13 operating budget.
18. **Shelter to Housing Pilot** - \$1 million in General Fund-State is provided for deposit into the non-appropriated Shelter to Housing Project account. The agency must expend funds from the account for a two-year pilot project to enable young adults to move from temporary emergency shelter housing to transitional and permanent housing throughout King County. The pilot project will be administered under contract with the YMCA of Greater Seattle in collaboration with the Rising Out Of The Shadows young adult shelter. Funding may be used for case management, housing subsidy, transportation, training, and evaluation. The pilot project and the account will terminate on December 31, 2014.
19. **Irrigation and Port Districts** - Funding is provided for changes to technical assistance and education materials in accordance with Growth Management Act revisions included in Chapter 21, Laws of 2012 (E2SSB 5292).
20. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.
21. **Transfer Development Disabilities C** - The Developmental Disabilities Council (Council) and the Endowment Trust Fund (Fund) are transferred from the Department of Health to the Department of Commerce, effective July 1, 2012. The Council works with people with developmental disabilities and their families to promote a comprehensive system of services, and serves as an advocate and a planning body. The Fund works with families and individuals with developmental disabilities to prepare for their future financial stability. (General Fund-State, General Fund-Federal, Community and Economic Development Fee Account-State)

Economic & Revenue Forecast Council

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	1,402	50	1,452
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
2. Administrative Efficiency	-44	0	-44
3. Central Service Reforms	-1	0	-1
4. Budget Outlook	90	0	90
Policy -- Other Total	39	0	39
Policy Changes - Comp			
5. PEBB Funding Rate Reduction	-4	0	-4
Policy -- Comp Total	-4	0	-4
<hr/>			
2011-13 Revised Appropriations	1,437	50	1,487
Fiscal Year 2012 Total	648	25	673
Fiscal Year 2013 Total	789	25	814

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Administrative Efficiency** - Funding is reduced for administrative costs for the Economic & Revenue Forecast Council (ERFC).
3. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology.
4. **Budget Outlook** - Funding is provided to implement Chapter 8, Laws of 2012 (SSB 6636). The ERFC must prepare and regularly update comparisons of current and projected spending to current and projected resources. This budget outlook must include the current and ensuing biennium.
5. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of Financial Management

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	37,135	79,007	116,142
Total Maintenance Changes	248	-1,420	-1,172
Policy Changes - Other			
1. Vacated Space Lease Obligations	300	889	1,189
2. Auditor Charges	-49	0	-49
3. Attorney General Reduction	-39	0	-39
4. Sec of State Archive Reduction	-3	0	-3
5. Staff Positions	-1,024	0	-1,024
6. Performance Audit Coordinator	0	173	173
7. Office of Chief Information Officer	0	591	591
8. Geographic Information Systems	0	500	500
9. Base Realignment & Closure	250	0	250
10. Central Service Reforms	-142	0	-142
11. Commute Trip Reduction	-15	0	-15
12. Education Data Center	115	0	115
13. Education Study	250	0	250
14. Office of Regulatory Assistance	23	0	23
15. Multi-Agency Permit Team	0	100	100
16. Governor Veto	-23	0	-23
Policy -- Other Total	-357	2,253	1,896
Policy Changes - Comp			
17. PEBB Funding Rate Reduction	-96	-74	-170
Policy -- Comp Total	-96	-74	-170
<hr/>			
2011-13 Revised Appropriations	36,930	79,766	116,696
Fiscal Year 2012 Total	18,369	40,016	58,385
Fiscal Year 2013 Total	18,561	39,750	58,311

Comments:

1. **Vacated Space Lease Obligations** - Funding is provided for lease obligations in several buildings that the Office of Financial Management (OFM) vacated to move to the 1500 Jefferson Street Building and the General Administration Building. (General Fund-State, Personnel Services Account-State, Data Processing Revolving Account-State)
2. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
3. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
4. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
5. **Staff Positions** - General Fund-State is reduced for the OFM, resulting in reduced staffing and expenditures in the agency.
6. **Performance Audit Coordinator** - Funding is provided to establish a position to serve as the executive branch coordinator for State Auditor's Office performance audits. This position will be the single point of contact to coordinate responses from agencies affected by the performance audits and to help develop action plans for audit findings. (Performance Audit of Government Account)
7. **Office of Chief Information Officer** - Funding is provided for additional staff to perform information technology business analysis and total cost of ownership assessments. (Data Processing Revolving Account-State)
8. **Geographic Information Systems** - Funding is provided for the administration and operation of a Geographic Information System service for which customer agencies will provide reimbursement for operational costs. (Data Processing Revolving Account-Non-Appropriated)
9. **Base Realignment & Closure** - Funding is provided for the state to participate in the federal Base Realignment and Closure (BRAC) process.

Office of Financial Management

10. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology.
11. **Commute Trip Reduction** - Funding is reduced to reflect the elimination of state general funds for the Commute Trip Reduction program.
12. **Education Data Center** - Funding is provided for the implementation of Chapter 229, Laws of 2012, Partial Veto (E2SHB 2483). The legislation creates and sets out the duties and mission of the Student Achievement Council, and outlines specific work to be performed by the Education Research and Data Center.
13. **Education Study** - A joint task force on education funding is established in Chapter 10, Laws of 2012, 1st. sp.s. (HB 2824). The task force will review and make recommendations to fund basic education. The task force will consist of 11 members and will be staffed by the Office of Program Research, Senate Committee Services, and the OFM.
14. **Office of Regulatory Assistance** - Funding is provided for the Office of Regulatory Assistance (ORA) to coordinate a small business liaison team to assist small businesses with permitting and regulatory issues, and also to make recommendations for improvements to inspection and compliance practices and ways to improve customer service for regulatory agencies. The ORA must work with regulatory agencies regarding practices related to technical assistance and regulatory visits, and must develop a customer service survey that regulated entities may complete after an inspection or technical assistance visit. This was vetoed by the Governor.
15. **Multi-Agency Permit Team** - An ongoing General Fund-Local appropriation is established to allow the ORA to use the Multiagency Permitting Team Account to support multiagency permitting and to make improvements to online services and tools. (General Fund-Private/Local)
16. **Governor Veto** - The Governor vetoed Section 135(5) of Chapter 7, Laws of 2012, 2nd sp.s., Partial Veto (3ESHB 2127), which required the Office of Regulatory Assistance (ORA) to coordinate a small business liaison team to assist small businesses with permitting and regulatory issues, and also to make recommendations for improvements to inspection and compliance practices and ways to improve customer service for regulatory agencies.
17. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Office of Financial Management's budget is shown in the Transportation Budget Section of this document.

Office of Administrative Hearings

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	34,090	34,090
Total Maintenance Changes	0	-11	-11
Policy Changes - Other			
1. Administrative Reduction	0	-116	-116
2. Auditor Charges	0	-6	-6
3. Attorney General Reduction	0	-5	-5
4. Sec of State Archive Reduction	0	-1	-1
5. Central Services Savings	0	2	2
6. Central Service Reforms	0	-36	-36
7. DOT Toll Violation Adjudication	0	1,944	1,944
Policy -- Other Total	0	1,782	1,782
Policy Changes - Comp			
8. PEBB Funding Rate Reduction	0	-98	-98
Policy -- Comp Total	0	-98	-98
2011-13 Revised Appropriations	0	35,763	35,763
Fiscal Year 2012 Total	0	17,837	17,837
Fiscal Year 2013 Total	0	17,926	17,926

Comments:

- Administrative Reduction** - One administrative position is eliminated. The Office of Administrative Hearings (OAH) will continue to use the Department of Enterprise Services' Small Agency Client Services for agency accounting. Savings will be passed on to client agencies as a central service rate reduction. (Administrative Hearings Revolving Account-State)
- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
- Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
- DOT Toll Violation Adjudication** - OAH is given expenditure authority to cover the cost of adjudicating toll violation hearings. OAH entered into an agreement with the Washington State Department of Transportation (WSDOT), effective September 1, 2011, under which WSDOT is billed for adjudications heard by OAH. WSDOT is implementing a new toll collection and enforcement program that allows individuals the opportunity to dispute liability for toll violations through an administrative process. (Administrative Hearings Revolving Account-State)
- PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

State Lottery Commission

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	0	802,742	802,742
Total Maintenance Changes	0	-36	-36
Policy Changes - Other			
1. Auditor Charges	0	-71	-71
2. Attorney General Reduction	0	-5	-5
3. Sec of State Archive Reduction	0	-1	-1
4. Central Services Savings	0	-1	-1
5. Central Service Reforms	0	-30	-30
6. Administrative Efficiency	0	-800	-800
Policy -- Other Total	0	-908	-908
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	0	-86	-86
Policy -- Comp Total	0	-86	-86
<hr/>			
2011-13 Revised Appropriations	0	801,712	801,712
Fiscal Year 2012 Total	0	400,895	400,895
Fiscal Year 2013 Total	0	400,817	400,817

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (Lottery Administrative State)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (Lottery Administrative State)
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (Lottery Administrative State)
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (Lottery Administrative State)
5. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Lottery Administrative State)
6. **Administrative Efficiency** - Funding is reduced for administrative expenses for the operation of the State Lottery Commission. (Lottery Administrative State)
7. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Washington State Commission on Hispanic Affairs

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	496	0	496
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
Policy -- Other Total	-6	0	-6
Policy Changes - Comp			
2. PEBB Funding Rate Reduction	-2	0	-2
Policy -- Comp Total	-2	0	-2
<hr/>			
2011-13 Revised Appropriations	488	0	488
Fiscal Year 2012 Total	244	0	244
Fiscal Year 2013 Total	244	0	244

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.

2. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Washington State Commission on African-American Affairs

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	477	0	477
Policy Changes - Other			
1. Auditor Charges	-6	0	-6
Policy -- Other Total	-6	0	-6
Policy Changes - Comp			
2. PEBB Funding Rate Reduction	-2	0	-2
Policy -- Comp Total	-2	0	-2
<hr/>			
2011-13 Revised Appropriations	469	0	469
Fiscal Year 2012 Total	237	0	237
Fiscal Year 2013 Total	232	0	232

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Department of Retirement Systems

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	52,666	52,666
Total Maintenance Changes	0	-70	-70
Policy Changes - Other			
1. Auditor Charges	0	-173	-173
2. Attorney General Reduction	0	-165	-165
3. Sec of State Archive Reduction	0	-9	-9
4. Central Services Savings	0	3	3
5. Central Service Reforms	0	-48	-48
6. WSPRS Service Credit Transfer	0	32	32
Policy -- Other Total	0	-360	-360
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	0	-158	-158
Policy -- Comp Total	0	-158	-158
<hr/>			
2011-13 Revised Appropriations	0	52,078	52,078
Fiscal Year 2012 Total	0	26,411	26,411
Fiscal Year 2013 Total	0	25,667	25,667

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services.
5. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
6. **WSPRS Service Credit Transfer** - Funding is provided for administrative expenses, including information technology changes and staff training, to implement Chapter 72, Laws of 2012 (SB 5159). (Department of Retirement Systems Expense Account-State)
7. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Department of Revenue

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	208,612	31,813	240,425
Total Maintenance Changes	217	-19	198
Policy Changes - Early Action Savings			
1. Non-Revenue Personnel Costs	-7,301	0	-7,301
Policy Changes - Early Action Savings	-7,301	0	-7,301
Policy Changes - Other			
2. Auditor Charges	-106	-14	-120
3. Attorney General Reduction	-255	-34	-289
4. Sec of State Archive Reduction	-6	0	-6
5. Central Services Savings	-6	0	-6
6. Central Service Reforms	-605	-31	-636
Policy -- Other Total	-978	-79	-1,057
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	-652	-82	-734
Policy -- Comp Total	-652	-82	-734
<hr/>			
2011-13 Revised Appropriations	199,898	31,633	231,531
Fiscal Year 2012 Total	100,691	15,969	116,660
Fiscal Year 2013 Total	99,207	15,664	114,871

Comments:

1. **Non-Revenue Personnel Costs** - Funding is reduced 3.5 percent without impacting revenue collections by holding vacancies in non-revenue generating positions, reducing telephone assistance and customer service, and providing less support for agency administration, tax policy, fiscal analysis, and rulemaking.
2. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (Various Funds)
3. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (Various Funds)
4. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
5. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services.
6. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
7. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Board of Tax Appeals

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	2,460	0	2,460
Total Maintenance Changes	-1	0	-1
Policy Changes - Other			
1. Auditor Charges	-7	0	-7
2. Attorney General Reduction	-1	0	-1
3. Sec of State Archive Reduction	-1	0	-1
4. Central Service Reforms	-3	0	-3
5. Personnel Expenses	-100	0	-100
Policy -- Other Total	-112	0	-112
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	-8	0	-8
Policy -- Comp Total	-8	0	-8
<hr/>			
2011-13 Revised Appropriations	2,339	0	2,339
Fiscal Year 2012 Total	1,189	0	1,189
Fiscal Year 2013 Total	1,150	0	1,150

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
4. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
5. **Personnel Expenses** - The Board of Tax Appeals will achieve savings on personnel expenses through a staff furlough day and a temporary reduction in hearings officers' work hours. (General Fund-State)
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Office of Minority & Women's Business Enterprises

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	0	3,266	3,266
Total Maintenance Changes	0	-6	-6
Policy Changes - Other			
1. Moving Costs	0	40	40
2. Auditor Charges	0	-5	-5
3. Attorney General Reduction	0	-3	-3
4. Central Service Reforms	0	-4	-4
5. Correct Spending Authority	0	376	376
Policy -- Other Total	0	404	404
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	0	-10	-10
Policy -- Comp Total	0	-10	-10
2011-13 Revised Appropriations	0	3,654	3,654
Fiscal Year 2012 Total	0	1,856	1,856
Fiscal Year 2013 Total	0	1,798	1,798

Comments:

1. **Moving Costs** - Expenditure authority is provided for one-time costs associated with relocating the Office of Minority & Women's Business Enterprises (OMWBE) to the General Administration Building. (OMWBE Enterprises Account-State)
2. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
3. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
4. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
5. **Correct Spending Authority** - Expenditure authority is restored to permit OMWBE to hire 3.0 FTEs within its current allotment of 17.0 FTEs. These staff members will assist OMWBE in reducing a backlog of federal Disadvantaged Business Enterprise (DBE) certifications. Certified DBE businesses are required for the Washington State Department of Transportation to meet federal project goals. (OMWBE Enterprises Account-State)
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. (various funds)

Office of the Insurance Commissioner

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	0	51,961	51,961
Total Maintenance Changes	0	-71	-71
Policy Changes - Other			
1. Auditor Charges	0	2	2
2. Attorney General Reduction	0	-22	-22
3. Sec of State Archive Reduction	0	-5	-5
4. Central Services Savings	0	-2	-2
5. Affordable Care Act Implementation	0	758	758
6. Central Service Reforms	0	-46	-46
7. Public School Employee Benefits	650	0	650
Policy -- Other Total	650	685	1,335
Policy Changes - Comp			
8. PEBB Funding Rate Reduction	0	-138	-138
Policy -- Comp Total	0	-138	-138
<hr/>			
2011-13 Revised Appropriations	650	52,437	53,087
Fiscal Year 2012 Total	0	25,778	25,778
Fiscal Year 2013 Total	650	26,659	27,309

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
5. **Affordable Care Act Implementation** - Appropriation authority is provided for the Office of the Insurance Commissioner (OIC) to implement Chapter 87, Laws of 2012, Partial Veto (E2SHB 2319). OIC will monitor, analyze, and make determinations regarding health care marketplace activity and health plan options available to consumers. The OIC will also adopt rules to select the state's benchmark health plan, ensure substantial equivalence of prescription drug benefits, establish the reinsurance program, and establish the federal risk adjustment program. (Insurance Commissioners Regulatory Account)
6. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
7. **Public School Employee Benefits** - Funding is provided for the OIC to adopt rules and carry out oversight and reporting responsibilities pursuant to Chapter 3, Laws of 2012 (ESSB 5940), on public school employees' insurance benefits. (General Fund-State)
8. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. (various funds)

State Investment Board

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	29,256	29,256
Total Maintenance Changes	0	-12	-12
Policy Changes - Other			
1. Auditor Charges	0	-51	-51
2. Attorney General Reduction	0	-51	-51
3. Sec of State Archive Reduction	0	-1	-1
4. Central Services Savings	0	1	1
5. Central Service Reforms	0	-17	-17
Policy -- Other Total	0	-119	-119
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	0	-50	-50
Policy -- Comp Total	0	-50	-50
<hr/>			
2011-13 Revised Appropriations	0	29,075	29,075
Fiscal Year 2012 Total	0	14,409	14,409
Fiscal Year 2013 Total	0	14,666	14,666

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services.
5. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Washington State Liquor Control Board

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	296,326	296,326
Total Maintenance Changes	0	-104,004	-104,004
Policy Changes - Other			
1. Auditor Charges	0	-53	-53
2. Attorney General Reduction	0	-62	-62
3. Sec of State Archive Reduction	0	-10	-10
4. Central Services Savings	0	-6	-6
5. Central Service Reforms	0	-250	-250
6. Alcohol Awareness	0	25	25
7. Tobacco Enforcement	0	825	825
Policy -- Other Total	0	469	469
Policy Changes - Comp			
8. PEBB Funding Rate Reduction	0	-678	-678
Policy -- Comp Total	0	-678	-678
<hr/>			
2011-13 Revised Appropriations	0	192,113	192,113
Fiscal Year 2012 Total	0	109,365	109,365
Fiscal Year 2013 Total	0	82,748	82,748

Comments:

- | | |
|--|---|
| <p>1. Auditor Charges - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (Liquor Revolving State)</p> <p>2. Attorney General Reduction - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (Liquor Revolving State)</p> <p>3. Sec of State Archive Reduction - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (Liquor Revolving State)</p> <p>4. Central Services Savings - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (Liquor Revolving State)</p> <p>5. Central Service Reforms - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Liquor Revolving State)</p> | <p>6. Alcohol Awareness - Funding is provided for alcohol awareness and education activities. (General Fund-Private Local)</p> <p>7. Tobacco Enforcement - Funding is provided for tobacco enforcement activities including inspection of tobacco retailers for compliance with tobacco laws. (General Fund-Federal)</p> <p>8. PEBB Funding Rate Reduction - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.</p> |
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Utilities and Transportation Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	48,716	48,716
Total Maintenance Changes	0	-40	-40
Policy Changes - Other			
1. Auditor Charges	0	-14	-14
2. Attorney General Reduction	0	-162	-162
3. Sec of State Archive Reduction	0	-4	-4
4. Central Services Savings	0	-1	-1
5. Public Records Management System	0	125	125
6. Building Security Improvements	0	30	30
7. Central Service Reforms	0	-31	-31
8. Biomass Energy Facilities	0	46	46
Policy -- Other Total	0	-11	-11
Policy Changes - Comp			
9. PEBB Funding Rate Reduction	0	-98	-98
Policy -- Comp Total	0	-98	-98
<hr/>			
2011-13 Revised Appropriations	0	48,567	48,567
Fiscal Year 2012 Total	0	24,209	24,209
Fiscal Year 2013 Total	0	24,358	24,358

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
5. **Public Records Management System** - Expenditure authority is provided for the Utilities and Transportation Commission (UTC) to update its public records management system. A system redesign funded in the 2009-11 biennium did not meet its original launch date. Continued expenditure authority will enable the UTC to carry out remaining contracts and complete the project. (Public Service Revolving Account-State)
6. **Building Security Improvements** - One-time expenditure authority is provided for security upgrades to the UTC office building in Olympia. Additional walls and doors will be added to restrict public access within the building. (Public Service Revolving Account-State)
7. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
8. **Biomass Energy Facilities** - Appropriation authority is provided solely for UTC to engage in rulemaking pursuant to Chapter 22, Laws of 2012 (ESB 5575). UTC will update definitions related to biomass energy and renewable energy targets (Public Service Revolving Account-State)
9. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. (various funds)

Military Department

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	16,011	292,716	308,727
Total Maintenance Changes	-210	0	-210
Policy Changes - Early Action Savings			
1. Administrative Support	-361	0	-361
2. Facilities and Maintenance	-546	0	-546
3. State Support to EMD	-694	0	-694
Policy Changes - Early Action Savings	-1,601	0	-1,601
Policy Changes - Other			
4. Auditor Charges	-17	0	-17
5. Attorney General Reduction	-46	0	-46
6. Sec of State Archive Reduction	-2	0	-2
7. Central Services Savings	-3	0	-3
8. Central Service Reforms	-74	0	-74
9. Commute Trip Reduction	-6	0	-6
10. Disaster Recovery	0	30,298	30,298
11. Next Generation 911 Equipment	0	2,070	2,070
Policy -- Other Total	-148	32,368	32,220
Policy Changes - Comp			
12. PEBB Funding Rate Reduction	-64	-124	-188
Policy -- Comp Total	-64	-124	-188
2011-13 Revised Appropriations	13,988	324,960	338,948
Fiscal Year 2012 Total	7,116	167,218	174,334
Fiscal Year 2013 Total	6,872	157,742	164,614

Comments:

- Administrative Support** - The Information Technology Division will reduce goods and services and eliminate standby pay. The Finance Division will eliminate one Fiscal Technician 2 and one Supply Specialist. The Air National Guard (ANG) will eliminate one Administrative position. (General Fund-State)
- Facilities and Maintenance** - The Army National Guard (ARNG) will reduce its budget for goods and services, custodial services, equipment purchases, and planning services. ANG will achieve savings through the closure of operations at Boeing Field and Paine Field. ANG will temporarily eliminate one Maintenance Mechanic 2. (General Fund-State)
- State Support to EMD** - The Department will shift Emergency Management Division (EMD) salary costs to Federal Mitigation grants for the biennium, and to Federal Emergency Management Program grants for FY 2012 only. EMD will eliminate standby pay and one Chemical Stockpile Emergency Preparedness Coordinator position, and will reduce its budget for goods, services, and travel. (General Fund-State)
- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
- Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account.
- Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services.
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)

Military Department

9. **Commuter Trip Reduction** - Funding is reduced to reflect the elimination of state general funds for the Commuter Trip Reduction program.
10. **Disaster Recovery** - Expenditure authority is provided for the disaster recovery projects of state agencies and local jurisdictions, including repairs for damage incurred in the January 2012 storm. The Military Department will expend Federal Emergency Management Assistance (FEMA) grants and fulfill FEMA match requirements for these grants. (Disaster Response Account-State, Disaster Response Account-Federal).
11. **Next Generation 911 Equipment** - The Federal Communications Commission has encouraged local governments to accelerate Next Generation 911 (NG911) system adoption. The NG911 system will update 911 system architecture so that calls may be accepted from a wider variety of media. Expenditure authority is provided for the agency to reimburse local governments for the purchase of NG911 equipment. (Enhanced E911 Account-State)
12. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Public Employment Relations Commission

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	4,749	3,560	8,309
Total Maintenance Changes	-10	-1	-11
Policy Changes - Other			
1. Auditor Charges	-6	-4	-10
2. Attorney General Reduction	-5	-3	-8
3. Personnel Expenses	-237	0	-237
4. Training and Education	-238	0	-238
5. Central Service Reforms	-7	-3	-10
6. Postdoctoral Employees	0	25	25
Policy -- Other Total	-493	15	-478
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	-12	-8	-20
Policy -- Comp Total	-12	-8	-20
<hr/>			
2011-13 Revised Appropriations	4,234	3,566	7,800
Fiscal Year 2012 Total	2,104	1,779	3,883
Fiscal Year 2013 Total	2,130	1,787	3,917

Comments:

- Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
- Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
- Personnel Expenses** - Funding is adjusted to reflect savings achieved by holding two entry-level positions vacant in FY 2013 and by filling two positions at a lower classification after the retirement of senior labor relations adjudicator/mediators.
- Training and Education** - Funding is reduced to reflect lower expenditures on training, education, and out-of-state travel. Additionally, funds for the recruitment of a new executive director are eliminated and a half-time labor relations adjudicator position will not be filled in FY 2013.
- Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
- Postdoctoral Employees** - Funding is provided for the costs associated with collective bargaining for postdoctoral and clinical researchers at the University of Washington and the Washington State University, pursuant to Chapter 255, Laws of 2012 (ESSB 6486).
- PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured

claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Public Employment Relations Commission's budget is shown in the Transportation Budget Section of this document.

State Board of Accountancy

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	0	2,810	2,810
Total Maintenance Changes	0	-15	-15
Policy Changes - Other			
1. Auditor Charges	0	-6	-6
2. Attorney General Reduction	0	-137	-137
3. Sec of State Archive Reduction	0	-1	-1
4. Central Service Reforms	0	-3	-3
Policy -- Other Total	0	-147	-147
Policy Changes - Comp			
5. PEBB Funding Rate Reduction	0	-6	-6
Policy -- Comp Total	0	-6	-6
<hr/>			
2011-13 Revised Appropriations	0	2,642	2,642
Fiscal Year 2012 Total	0	1,897	1,897
Fiscal Year 2013 Total	0	745	745

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
4. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
5. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. (various funds)

Forensic Investigations Council

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	286	286
Policy Changes - Other			
1. Auditor Charges	0	-6	-6
2. Identifying Human Remains	0	210	210
Policy -- Other Total	0	204	204
<hr/>			
2011-13 Revised Appropriations	0	490	490
Fiscal Year 2012 Total	0	141	141
Fiscal Year 2013 Total	0	349	349

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)

2. **Identifying Human Remains** - One-time funding is provided for the Forensic Investigation Council to assist local jurisdictions in identifying human remains. (Death Investigations Account-State)

Washington Horse Racing Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	8,201	8,201
Total Maintenance Changes	0	-1,418	-1,418
Policy Changes - Other			
1. Auditor Charges	0	-20	-20
2. Attorney General Reduction	0	-4	-4
3. Central Service Reforms	0	-3	-3
Policy -- Other Total	0	-27	-27
Policy Changes - Comp			
4. PEBB Funding Rate Reduction	0	-12	-12
Policy -- Comp Total	0	-12	-12
<hr/>			
2011-13 Revised Appropriations	0	6,744	6,744
Fiscal Year 2012 Total	0	3,426	3,426
Fiscal Year 2013 Total	0	3,318	3,318

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
4. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Department of Enterprise Services

(Dollars in Thousands)

	<u>NGF-S</u>	<u>Other</u>	<u>Total</u>
2011-13 Original Appropriations	8,099	469,118	477,217
Total Maintenance Changes	7	3,949	3,956
Policy Changes - Early Action Savings			
1. DES Contracts Unit	-1,100	1,100	0
Policy Changes - Early Action Savings	-1,100	1,100	0
Policy Changes - Other			
2. Legislative Facility Support	-185	0	-185
3. Auditor Charges	-4	-236	-240
4. Attorney General Reduction	-2	-120	-122
5. Sec of State Archive Reduction	0	-7	-7
6. Central Services Savings	0	-4	-4
7. Central Service Reforms	-6	-224	-230
8. Capital Projects Board	-75	0	-75
Policy -- Other Total	-272	-591	-863
Policy Changes - Comp			
9. PEBB Funding Rate Reduction	-24	-610	-634
Policy -- Comp Total	-24	-610	-634
2011-13 Revised Appropriations	6,710	472,966	479,676
Fiscal Year 2012 Total	3,401	235,908	239,309
Fiscal Year 2013 Total	3,309	237,058	240,367

Comments:

- 1. **DES Contracts Unit** - Direct state general fund support for the personal services contracts unit is eliminated. The contracts unit will now be an enterprise service, and will be funded through central service charges to other state agencies. This results in a general fund savings of approximately 50 percent of the cost of the contracts unit.
- 2. **Legislative Facility Support** - Funding is reduced for operations and maintenance services provided to legislative agencies located on the Capitol Campus.
- 3. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (Various Funds)
- 4. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (Various Funds)
- 5. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (Various Funds)
- 6. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (Various Funds)
- 7. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
- 8. **Capital Projects Board** - Funding is reduced for the Capital Projects Advisory Review Board.
- 9. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Department of Enterprise Services's budget is shown in the Transportation Budget Section of this document.

Board for Volunteer Firefighters

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	1,064	1,064
Total Maintenance Changes	0	-1	-1
Policy Changes - Other			
1. Auditor Charges	0	-10	-10
2. Attorney General Reduction	0	-11	-11
3. Central Service Reforms	0	-1	-1
Policy -- Other Total	0	-22	-22
Policy Changes - Comp			
4. PEBB Funding Rate Reduction	0	-2	-2
Policy -- Comp Total	0	-2	-2
<hr/>			
2011-13 Revised Appropriations	0	1,039	1,039
Fiscal Year 2012 Total	0	521	521
Fiscal Year 2013 Total	0	518	518

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
4. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Innovate Washington

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	6,010	2,152	8,162
Total Maintenance Changes	-18	1,666	1,648
Policy Changes - Other			
1. Auditor Charges	-4	-2	-6
2. Attorney General Reduction	-1	-1	-2
3. Central Service Reforms	-2	-1	-3
4. Administrative Reduction	-408	0	-408
5. Aerospace Technology	65	0	65
Policy -- Other Total	-350	-4	-354
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	-8	0	-8
Policy -- Comp Total	-8	0	-8
<hr/>			
2011-13 Revised Appropriations	5,634	3,814	9,448
Fiscal Year 2012 Total	2,879	1,603	4,482
Fiscal Year 2013 Total	2,755	2,211	4,966

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account.
3. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
4. **Administrative Reduction** - A 7 percent administrative reduction is taken.
5. **Aerospace Technology** - Funding is provided to coordinate activities with the Joint Center for Aerospace Technology Innovation in accordance with Chapter 242, Laws of 2012 (SSB 5982).
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Department of Archaeology & Historic Preservation

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	4,639	4,639
Total Maintenance Changes	0	-3	-3
Policy Changes - Other			
1. Auditor Charges	0	-8	-8
2. Attorney General Reduction	0	-7	-7
3. Central Service Reforms	0	-4	-4
Policy -- Other Total	0	-19	-19
Policy Changes - Comp			
4. PEBB Funding Rate Reduction	0	-12	-12
Policy -- Comp Total	0	-12	-12
<hr/>			
2011-13 Revised Appropriations	0	4,605	4,605
Fiscal Year 2012 Total	0	1,936	1,936
Fiscal Year 2013 Total	0	2,669	2,669

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
4. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium. (various funds)

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Department of Archaeology & Historic Preservation's budget is shown in the Transportation Budget Section of this document.

Department of Financial Institutions

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	46,445	46,445
Total Maintenance Changes	0	-82	-82
Policy Changes - Other			
1. Auditor Charges	0	-15	-15
2. Attorney General Reduction	0	-52	-52
3. Sec of State Archive Reduction	0	-6	-6
4. Central Services Savings	0	2	2
5. Consumer Protection and Regulation	0	45	45
6. Central Service Reforms	0	-37	-37
Policy -- Other Total	0	-63	-63
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	0	-110	-110
Policy -- Comp Total	0	-110	-110
<hr/>			
2011-13 Revised Appropriations	0	46,190	46,190
Fiscal Year 2012 Total	0	22,948	22,948
Fiscal Year 2013 Total	0	23,242	23,242

Comments:

- | | |
|---|--|
| <p>1. Auditor Charges - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)</p> <p>2. Attorney General Reduction - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)</p> <p>3. Sec of State Archive Reduction - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)</p> <p>4. Central Services Savings - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)</p> <p>5. Consumer Protection and Regulation - The Department of Financial Institutions (DFI) will modify its licensing software program in order to participate in the National Multistate Licensing System for certain license types. (Financial Services Regulation Account-Non-Appropriated)</p> <p>6. Central Service Reforms - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)</p> | <p>7. PEBB Funding Rate Reduction - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.</p> |
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Washington State Gambling Commission

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	32,184	32,184
Total Maintenance Changes	0	-38	-38
Policy Changes - Other			
1. Auditor Charges	0	-21	-21
2. Attorney General Reduction	0	-19	-19
3. Sec of State Archive Reduction	0	-2	-2
4. Central Services Savings	0	2	2
5. Central Service Reforms	0	-33	-33
Policy -- Other Total	0	-73	-73
Policy Changes - Comp			
6. PEBB Funding Rate Reduction	0	-98	-98
Policy -- Comp Total	0	-98	-98
<hr/>			
2011-13 Revised Appropriations	0	31,975	31,975
Fiscal Year 2012 Total	0	16,014	16,014
Fiscal Year 2013 Total	0	15,961	15,961

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (various funds)
2. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (various funds)
3. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (various funds)
4. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (various funds)
5. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (various funds)
6. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

Consolidated Technology Services

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	7	184,041	184,048
Total Maintenance Changes	-7	11,688	11,681
Policy Changes - Other			
1. Office Building Debt Service	0	12,595	12,595
2. Auditor Charges	0	-15	-15
3. Attorney General Reduction	0	-14	-14
4. Sec of State Archive Reduction	0	-2	-2
5. Central Services Savings	0	-10	-10
6. Central Service Reforms	0	-59	-59
Policy -- Other Total	0	12,495	12,495
Policy Changes - Comp			
7. PEBB Funding Rate Reduction	0	-170	-170
Policy -- Comp Total	0	-170	-170
<hr/>			
2011-13 Revised Appropriations	0	208,054	208,054
Fiscal Year 2012 Total	0	108,282	108,282
Fiscal Year 2013 Total	0	99,772	99,772

Comments:

1. **Office Building Debt Service** - Expenditure authority is provided for the Consolidated Technology Services (CTS) agency to pay the debt service on the new 1500 Jefferson Building. CTS and other building tenants received expenditure authority to pay their portion of the debt service. This funding authority allows CTS to pay debt service for the entire building on behalf of the other tenants. (Data Processing Revolving Account-Non-Appropriated)
2. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit. (Various Funds)
3. **Attorney General Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Attorney General's Legal Services Revolving Account. (Various Funds)
4. **Sec of State Archive Reduction** - Agency funding levels are reduced to reflect reductions in billing authority for the Office of the Secretary of State's Archives and Records Management Account. (Various Funds)
5. **Central Services Savings** - Funding is reduced for Office of Minority & Women's Business Enterprises (OMWBE), Office of Administrative Hearings (OAH), and Labor Relations Office (LRO), with the resulting savings passed along to other state agencies as a central service billing reduction. The funding reduction utilizes an excess fund balance from the OMWBE Enterprises Account, eliminates an administrative position at the OAH, and reduces LRO services. (Various Funds)
6. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
7. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.

LEOFF 2 Retirement Board

(Dollars in Thousands)

	NGF-S	Other	Total
2011-13 Original Appropriations	0	2,055	2,055
Total Maintenance Changes	0	-2	-2
Policy Changes - Other			
1. Auditor Charges	0	-4	-4
2. Central Service Reforms	0	-1	-1
Policy -- Other Total	0	-5	-5
Policy Changes - Comp			
3. PEBB Funding Rate Reduction	0	-4	-4
Policy -- Comp Total	0	-4	-4
<hr/>			
2011-13 Revised Appropriations	0	2,044	2,044
Fiscal Year 2012 Total	0	1,027	1,027
Fiscal Year 2013 Total	0	1,017	1,017

Comments:

1. **Auditor Charges** - Agency funding levels are adjusted to reflect changes in the number of audit hours needed, reductions in billing authority for the Office of the State Auditor's Audit of State Government Account, and use of existing fund balance. The Office of the State Auditor will use a risk-based methodology in selecting agencies to audit.
2. **Central Service Reforms** - Funding is reduced to reflect efficiencies related to state agency use of cell phones, mailing, printing, and information technology. (Various Funds)
3. **PEBB Funding Rate Reduction** - The Public Employees' Benefits Board (PEBB) funding rate is reduced from \$850 to \$800 per eligible employee per month for FY 2013. This is projected to leave the PEBB reserves (both the self-insured claims reserve and the incurred-but-not-paid reserve) fully funded at the end of the 2011-13 biennium.