

2008
Supplemental Operating Budget
Conference Proposal

Budget Highlights

March 12, 2008

Proposed 2008 Supplemental Budget Highlights

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Overview

In April 2007, the Legislature enacted the 2007-09 biennial operating budget with an expected General Fund-State (GF-S) ending fund balance of \$560 million and Budget Stabilization Account (BSA) ending balance of \$165 million, for a total of \$725 million in reserve in these two accounts. (The Legislature assumed the Budget Stabilization Account would be approved by the voters in November 2007, which it was.) Since then, the revenue forecast resulted in these reserves increasing to \$970 million, with \$524 million in the GF-S ending balance and \$446 million in the BSA ending balance.

Appropriations Summary

The budget proposal appropriates \$230 million GF-S in the 2008 supplemental, for a new biennial GF-S total of \$29.9 billion. The Near General Fund-State supplemental appropriations total \$306 million, for a revised biennial GF-S total of \$33.7 billion. The total supplemental budget appropriations are \$453 million, for a revised total budget for the biennium of \$57.2 billion.

Reserves

The budget proposal leaves an ending fund balance of \$389 million in the GF-S, and \$446 million in ending fund balance in the Budget Stabilization Account, for total reserves of \$835 million.

Fee Authorization

Increases are authorized, subject to designated limits, for specified fees in the Department of Labor & Industries, Department of Health, Department of Ecology, Department of Agriculture, and Department of Licensing.

Authority is affirmed for both four-year and two-year colleges and universities to increase 2008-09 resident undergraduate tuition rates over tuition rates charged to resident undergraduates for the 2007-08 academic year based at the same levels authorized in the 2007-09 omnibus appropriations act (UW & WSU: up to 7 percent; CWU, EWU, TESC, WWU: up to 5 percent; and Community and Technical Colleges: up to 2 percent). In addition, institutions are provided authority to increase tuition for graduate, professional and non-resident undergraduate students as well as to increase other specified fees such as student services and activities fees.

Near General Fund - State

(Dollars in Thousands)

| | Passed House | Senate Floor Passed | Conference Proposal |
|---|---------------|---------------------|---------------------|
| <i>K-12 Education</i> | | | |
| COLA Increase | 35,583 | 0 | 17,780 |
| Special Education Medicaid Change | 21,219 | 21,219 | 21,219 |
| NERC Enhancement | 13,099 | 0 | 6,461 |
| Career and Technical Education | 3,000 | 3,000 | 2,750 |
| Other | 2,836 | 2,158 | 2,943 |
| Increased PPI | 1,895 | 1,895 | 1,895 |
| Apportionment and Financial Systems | 1,800 | 1,800 | 1,800 |
| Learning Assistance Program | 1,638 | 0 | 0 |
| Classified Staff Ratio | 0 | 12,509 | 3,089 |
| Eliminate PAS funding | 0 | 0 | -19,285 |
| End of Course Tests | 0 | 0 | 3,249 |
| Indigenous Learning Pilot Program | 0 | -1,000 | -1,000 |
| National Board Pension Benefits | 0 | 0 | 2,144 |
| School Librarian Allocation | 0 | 11,700 | 4,000 |
| Student Learning Opportunities | 0 | 26,932 | 17,919 |
| High school completion | -1,000 | 0 | -1,000 |
| Vocational Equipment Replacement | -1,669 | 0 | 0 |
| Full Day Kindergarten Adjustment | -8,044 | 0 | 0 |
| WASL Changes | -11,673 | -14,203 | -14,203 |
| K-12 Education Total | 58,684 | 66,010 | 49,761 |
| <i>Higher Education</i> | | | |
| COLA for I-732 Eligible Employees | 3,434 | 0 | 1,717 |
| Aerospace Apprenticeships | 3,000 | 3,000 | 3,000 |
| Other | 2,558 | 2,715 | 2,868 |
| 21st Century Library Resources | 1,500 | 0 | 750 |
| Health Care Career Advancement | 1,000 | 3,000 | 1,500 |
| Child Care | 650 | 1,000 | 1,000 |
| Campus Safety Mental Health Counsel | 477 | 472 | 472 |
| UW North | 100 | 0 | 100 |
| Community Technology Opportunities | 0 | 1,000 | 500 |
| Construction Trade Apprenticeships | 0 | 2,000 | 0 |
| Core Computer Systems Study | 0 | 1,000 | 0 |
| e-Science Institute | 0 | 1,000 | 1,000 |
| Job Skills Fund Source Change | 0 | -2,950 | -2,950 |
| Knowledge Worker Residency Status | 0 | 707 | 0 |
| Opportunity Grant Adjustment | 0 | -5,000 | 0 |
| Entrepreneurial Stars Program | -1,505 | 265 | 265 |
| Higher Education Total | 11,214 | 8,209 | 10,222 |
| <i>Long Term Care, DD, and Mental Health</i> | | | |
| LTC Task Force Initiatives | 3,794 | 2,157 | 2,913 |
| Move Pierce MH to Fee for Service | 3,236 | 3,031 | 3,381 |
| Nursing Home Funding Increase | 3,000 | 0 | 0 |
| Other | 2,987 | 2,876 | 2,981 |

* Near General Fund-State = GF-S + EJA + ELT + HSA + PFSA + PSEA + SAF + VRDE + WQA

Near General Fund - State

(Dollars in Thousands)

| | Passed House | Senate Floor Passed | Conference Proposal |
|--|---------------|---------------------|---------------------|
| Judicial ITA Costs | 2,373 | 2,033 | 2,033 |
| State MH Hospital Staffing | 2,278 | 2,278 | 2,278 |
| Adult Family Home Rate Increase | 2,257 | 2,175 | 0 |
| RSN Rate Adjustment | 1,391 | 1,403 | 1,403 |
| DD: Education (RHC Children) | 1,363 | 1,437 | 1,363 |
| Payment System for Providers | 1,000 | 1,000 | 1,000 |
| Long Term Care Worker Training | 944 | 0 | 839 |
| DD: Intensive In-Home Suppt/Children | 910 | 1,200 | 921 |
| LTC Taskforc- AFH 17 Levels of Care | 505 | 305 | 2,635 |
| Increased Mental Health Funding | 0 | 10,000 | 6,250 |
| Long-Term Care Training Pilot | 0 | 600 | 0 |
| Nursing Home Rate Adjustment | 0 | 1,818 | 0 |
| Nursing Home Worker Wages | 0 | 5,000 | 3,000 |
| Spokane Acute Care Diversions | 0 | 2,250 | 2,250 |
| DD Underexpenditure | -1,000 | -1,016 | -1,000 |
| Utter Request Legislation * | -5,574 | -5,574 | -5,574 |
| Long Term Care, DD, and Mental Health Total | 19,464 | 32,973 | 26,673 |
| Health Care | | | |
| <i>Health Care</i> | | | |
| Family Planning Support | 6,900 | 4,000 | 4,000 |
| Health Insurance Partnership | 2,685 | -1,777 | 2,240 |
| Other | 2,092 | 3,284 | 3,885 |
| DOH: Lost Federal Funds | 1,640 | 894 | 894 |
| Health Care Workgroup Support | 1,276 | 1,276 | 1,276 |
| Private Duty Nursing Increase | 1,054 | 0 | 0 |
| Adverse Events | 1,000 | 0 | 0 |
| Colon Cancer Screening | 956 | 0 | 956 |
| CHC Adult Dental Access Grant | 0 | 2,500 | 2,000 |
| Cover All Kids Outreach Adjustment | 0 | -921 | 0 |
| Health Professional Assistance | 0 | 1,250 | 1,250 |
| Lower Health Care Premium Growth | 0 | -2,253 | -2,253 |
| Prescription Drug Monitoring | 0 | 680 | 680 |
| Smoking Cessation Benefits | 0 | 1,883 | 0 |
| Critical Patient Information Init. | -2,000 | -2,000 | -2,000 |
| ProviderOne Schedule Adjustment | -2,000 | -2,000 | -2,000 |
| Eastern State Hospital IHIS | -2,340 | 0 | 0 |
| BHP underenrollment adjustment | -2,692 | -2,692 | -2,692 |
| Healthy Options Premium Reduction | -6,352 | -6,352 | -6,352 |
| Health Care Total | 2,219 | -2,228 | 1,884 |
| Other Human Services | | | |
| <i>Other Human Services</i> | | | |
| Other | 5,641 | 5,242 | 5,848 |
| Other Foster Care Improvements | 3,690 | 0 | 3,734 |
| IRS Collections Distribution Change | 2,739 | 2,739 | 2,739 |
| Extend DASA Pilot Programs | 2,400 | 5,757 | 4,299 |
| Supervised Visitation | 1,976 | 1,656 | 1,656 |

* Near General Fund-State = GF-S + EJA + ELT + HSA + PFSA + PSEA + SAF + VRDE + WQA

Near General Fund - State

(Dollars in Thousands)

| | Passed House | Senate Floor Passed | Conference Proposal |
|---|---------------|---------------------|---------------------|
| Sibling Visits | 1,829 | 0 | 1,829 |
| Local Farms and Healthy Kids | 1,000 | 1,490 | 1,490 |
| Additional Licensing Staff | 990 | 0 | 500 |
| Childrens: 30 Day Visit Phase In | 884 | 0 | 884 |
| 211 Enhancement | 500 | 750 | 750 |
| Food Stamp Gross Income Limits | 445 | 1,100 | 1,100 |
| Child Victims of Sexual Assault | 0 | 1,800 | 600 |
| DUI Legislation: Addl. Treatment | 0 | 4,947 | 0 |
| Family Leave Implementation | 0 | 6,218 | 6,218 |
| Home Support Specialists | 0 | 1,100 | 1,100 |
| Reactive Attachment Disorder Pilot | 0 | 1,000 | 500 |
| One-Time FTE Savings (Childrens) | -1,558 | -1,900 | -1,610 |
| Other Human Services Total | 20,536 | 31,899 | 31,637 |
| Corrections and Other Criminal Justice | | | |
| Treatment Beds for Violators | 9,845 | 9,845 | 9,845 |
| Sex Offender Address Verification | 5,000 | 5,000 | 5,000 |
| Other | 4,282 | 4,227 | 4,602 |
| Compensation Increases | 3,760 | 1,022 | 2,391 |
| DOC: Supervision & Safety | 3,070 | 3,070 | 3,070 |
| JRA: Parole Services | 2,808 | 2,808 | 2,808 |
| Criminal Street Gang Initiative | 2,380 | 0 | 1,180 |
| Custody Overtime Expenditures | 2,375 | 216 | 1,080 |
| DOC: Staff Recruitment | 1,624 | 2,387 | 2,005 |
| Correctional Worker Training | 994 | 1,094 | 994 |
| Comm Transition Coor Networks | 0 | 3,000 | 0 |
| Reentry Housing Pilot Project | -1,300 | 0 | -650 |
| Comm Corrections Vacancy Savings | -2,151 | -2,151 | -2,151 |
| Corrections and Other Criminal Justice Total | 32,687 | 30,518 | 30,174 |
| Lawsuits | | | |
| Shared Living Lawsuit | 22,907 | 22,907 | 22,907 |
| Other | 2,389 | 2,174 | 2,174 |
| Hyatt Lawsuit | 1,000 | 1,000 | 1,000 |
| Moore, et al v. HCA | 1,000 | 1,000 | 1,000 |
| Lawsuits Total | 27,296 | 27,081 | 27,081 |
| Natural Resources | | | |
| DNR: Emergency Fire Suppression | 3,707 | 3,707 | 2,707 |
| Fish & Wildlife | 1,668 | 2,250 | 2,354 |
| Puget Sound Partnership | 1,488 | 1,662 | 1,412 |
| Climate Change/Green Jobs | 1,325 | 1,905 | 2,460 |
| Other | 847 | 1,991 | 2,119 |
| DOE: Other | 687 | 898 | 1,209 |
| Lake Roosevelt Water Availability | 609 | 2,759 | 2,759 |

* Near General Fund-State = GF-S + EJA + ELT + HSA + PFSA + PSEA + SAF + VRDE + WQA

2007-09 Revised Omnibus Operating Budget (2008 Supp)**Near General Fund - State**

(Dollars in Thousands)

| | Passed House | Senate Floor Passed | Conference Proposal |
|--|---------------------|----------------------------|----------------------------|
| DNR: Other | 601 | 200 | 548 |
| Water Quality Capital Acct Transfer | -2,875 | -2,861 | -2,861 |
| Move Livestock Projects to Capital | -4,000 | -4,000 | -4,000 |
| Natural Resources Total | 4,057 | 8,511 | 8,707 |
| <i>Housing Related</i> | | | |
| Housing | 9,626 | 8,500 | 8,626 |
| Property Tax Deferral | 5,814 | 5,814 | 5,814 |
| Home Buyer Education | 1,500 | 1,500 | 1,500 |
| Other | 100 | 816 | 426 |
| Housing Related Total | 17,040 | 16,630 | 16,366 |
| <i>PEBB Rate Reduction</i> | | | |
| PEBB Rate Reduction | -115,524 | -115,524 | -115,736 |
| PEBB Rate Reduction Total | -115,524 | -115,524 | -115,736 |
| <i>All Other</i> | | | |
| PEBB System (BAIAS) | 12,098 | 4,036 | 4,661 |
| PEBB/Federal Audit Determination | 11,000 | 11,000 | 11,000 |
| Other | 8,709 | 10,198 | 11,319 |
| Fire Contingency | 4,500 | 4,500 | 4,500 |
| Family & Juvenile Court Improvement | 1,258 | 0 | 800 |
| Parents Representation Program | 500 | 961 | 398 |
| Other: Judicial Items | 231 | 90 | -458 |
| Administrative Contingency Transfer | 0 | -1,800 | -1,800 |
| DUI Emphasis Patrol Grants | 0 | 4,947 | 0 |
| Encourage Cleaner Energy | 0 | -2,000 | 0 |
| Judicial Information Fund Adj | 0 | -1,500 | -1,500 |
| New Americans | 0 | 1,000 | 344 |
| Working Families Tax Exemption | 0 | 2,364 | 1,250 |
| All Other Total | 38,296 | 33,796 | 30,514 |
| <i>Plus Maintenance Changes</i> | | | |
| Plus Maintenance Changes | 188,881 | 188,880 | 188,880 |
| Grand Total | 304,850 | 326,755 | 306,163 |

* Near General Fund-State = GF-S + EJA + ELT + HSA + PFSA + PSEA + SAF + VRDE + WQA

2007-09 Enacted Budget Balance Sheet with 2008 Supplemental (Conference Proposal)

General Fund-State

(dollars in millions)

RESOURCES

| | |
|---|-----------------|
| Beginning Fund Balance | 780.5 |
| November 2007 Forecast | 29,886.4 |
| February 2008 Update | (423.4) |
| Current Revenue Totals | 29,462.9 |
| Legislation with Revenue Impacts | (6.8) |
| Transfer to Budget Stabilization Account | (136.1) |
| Budget Driven Revenue | 1.1 |
| Transfers to/from Other Funds (2007) | 39.8 |
| Transfer to/from Other Funds (2008) | 101.0 |
| Total Resources (including beginning fund balance) | 30,242.4 |

EXPENDITURES

| | |
|-------------------------------|-----------------|
| 2007-09 Enacted Budget | 29,622.9 |
| 2008 Supplemental Budget | 230.4 |
| 2007-09 Appropriations | 29,853.3 |

RESERVES

| | |
|--|--------------|
| Projected General Fund Ending Balance | 389.1 |
| Emergency Reserve Fund Beginning Balance | 293.3 |
| New Deposits | 0.0 |
| Interest | 9.1 |
| Transfer To Budget Stabilization Account | (302.4) |
| Projected Emergency Reserve Fund Ending Balance | 0.0 |
| Budget Stabilization Account Beginning Balance | 0.0 |
| Transfer To Budget Stabilization Account (From ERF) | 302.4 |
| Interest | 7.1 |
| New Deposits | 136.1 |
| Projected Budget Stabilization Account Ending Balance | 445.7 |
| Total Reserves (General Fund plus Budget Stabilization) | 834.8 |

2008 Supplemental Detail of Fund Transfers

(Dollars in Millions)

| | <u>2007-09</u> |
|--|----------------------|
| Transfers To GFS | |
| Education Legacy Trust Account | 67.0 |
| Treasurers Service Account | 11.0 |
| Pension Funding Stabilization Account | 10.0 |
| Economic Development Strategic Reserve | 4.0 |
| DRS Expense Account | 5.0 |
| Public Safety & Education Account | 6.0 |
| Convention & Trade Center Capital Acct | 52.0 |
| Convention & Trade Center Operating | 5.0 |
| Total | <u>160.0</u> |
| Transfers From GFS | |
| Columbia River Water Delivery Account* | (6.0) |
| Health Services Account | (53.0) |
| Total | <u>(59.0)</u> |
| Net Transfers To/(From) GFS | 101.0 |

* Transfer made in 2SSB 6874 (Columbia River Water)

2008 Supplemental Budget Revenue Legislation & Budget Driven Revenue

(dollars, in millions)

| Bill | | <u>2007-09 Total</u> |
|----------------------|--|-----------------------------|
| 6828 | Aerospace Industry | (2.2) |
| 3275 | Grocery distribution co-ops | (1.1) |
| 2585 | Newspaper supplement tax | (0.9) |
| 6297 | Prosecutor Salaries | (0.9) |
| 6111 | Tidal and Wave Energy | (0.3) |
| 2847 | Weatherization | (0.3) |
| 6224 | Vendor overpayments | (0.3) |
| 3096 | 520 Bridge | (0.3) |
| 3360 | Linked Deposit | (0.2) |
| 2053 | Motor vehicle fuel | (0.1) |
| 3362 | Energy efficient equipment | (0.1) |
| 6468 | Honey Beekeeper | (0.1) |
| 3283 | Military personnel/taxes | (0.1) |
| 2678 | Timber industry tax | (0.0) |
| 2544 | Temporary medical housing | (0.0) |
| 1621 | Manufactured/mobile home | (0.0) |
| 2460 | Amphitheater property | (0.0) |
| 6375 | Trail Grooming Services | (0.0) |
| 6799 | Florists' personal property | 0.1 |
| | Total GFS Impact | (6.8) |
| | | |
| <u>Agency</u> | <u>Budget Driven Revenue Item</u> | <u>2007-09 Total</u> |
| Rev Dist | Correct Revenue For Distribution Error | (0.4) |
| Rev Dist | Correct PILT Calculation Error | 1.3 |
| LCB | Policy Enhancements (net) | 0.2 |
| | Total GFS Impact | 1.1 |

State Expenditure Limit (Fiscal Years 2008 and 2009)

(dollars, in millions)

| | FY 08 | FY 09 |
|---|-----------------|-----------------|
| Unadjusted Limit (FY08: Adopted by ELC 11/07) | 16,002.1 | 16,850.3 |
| (FY 09 limit rebased to FY08 expenditures) | | |
| Adjustments to The Expenditure Limit | | |
| 2007-09 Program Costs Shifts | | |
| FY 09 Changes Adopted by the ELC | | (54.4) |
| 2008 Supplemental -- Program Cost Shifts | | |
| WSP: Fingerprint ID Account/Criminal Records | | (3.0) |
| WSP: Cost Allocation Adjustment | (1.5) | |
| AOC: Judicial Information Fund - Adjustment | (1.5) | |
| CTED: Administrative Contingency Transfer | (0.9) | |
| CTC: Job Skills Fund Source Change | | (3.0) |
| DSHS/CFS: Targeted Case Mgt | 4.6 | 9.3 |
| DSHS/CFS: Mandatory Caseloads | (4.4) | 1.0 |
| DSHS/CFS: Foster Care Passport to College | | 0.1 |
| DSHS/All: Reduced Federal Financial Participation | 2.1 | 0.2 |
| DSHS/MHD: State Hospital Revenues | (4.8) | (0.2) |
| DSHS/ESA: Federal Food Stamp Program-Bonus | (2.9) | 2.9 |
| DSHS/MAA: Medicare Part D Clawback/FMAP | | 1.3 |
| DSHS/MAA: Medicare Part D Clawback Adjustment | (3.1) | (3.1) |
| DSHS/MAA: Hospital Hold Harmless Adjustment | (8.7) | 14.8 |
| DSHS/DVR: Technical Adjustment/Compensation | (1.1) | (0.5) |
| DSHS/Admin: Fund Source Adjustment | (0.4) | (0.0) |
| DSHS/All: FMAP Changes | | 27.6 |
| DOH: Early Hearing Loss program (Fed Loss) | | 0.3 |
| DOH: Local Funding Adjustments | (0.1) | (1.3) |
| DOH: Core Public Health Functions | 0.1 | 0.3 |
| DOH: Title XIX Changes | 0.4 | 0.4 |
| DVA: Federal and Local Fund Adjustments | (0.5) | (1.3) |
| Consv. Comm.: Move Livestock Projects to Capital | (2.0) | |
| DFW: HPA Backfill Technical Correction | (0.6) | 0.6 |
| PSP: Low Impact Development Fund Shift | (0.3) | |
| 2008 Supplemental Budget -- Legislation Impacting The Limit | | |
| HB 3309: Columbia River Water | | 6.0 |
| SB 6297: Prosecutor Salaries | | (0.9) |
| Revised Limit | 15,976.5 | 16,847.3 |
| Expenditures Subject To The Limit | 15,961.2 | 16,707.4 |
| Remaining Capacity Under The Expenditure Limit | 15.3 | 140.0 |

Adjustments are for display purposes only and are not official until adopted by the State Expenditure Limit Committee (ELC).
The limit for FY 09 is rebased to FY 08 projected actual spending (FY 08 appropriations are used as the proxy).
Fiscal Growth factors for FY 08 (5.53%) and FY 09 (5.57%) are as adopted at the November, 2007 Expenditure Limit Committee meeting.

K-12 EDUCATION & EARLY LEARNING

STUDENT LEARNING OPPORTUNITIES

Implementation for E2SSB 6673 - Student Learning Opportunities (\$17.9 million General Fund-State)

Funding is provided for a variety of programs contained in E2SSB 6673 (student learning opportunities). Additional support programs are funded for students not on track to meet state or local high school graduation requirements, including passing the WASL. These programs are funded through an 18 percent enhancement to the Learning Assistance Program (LAP) budget. An additional LAP program enhancement is also provided to school districts that serve concentrations of english language learners in high poverty settings. These two enhancements generate about \$14.8 million in new LAP allocations. In the Educational Service District (ESD) budget, funding is provided for reading improvement specialists, as well as community outreach programs targeted to non-English speaking student populations. Additionally, funding is provided for the Office of the Superintendent of Public Instruction to evaluate online curriculum support in languages other than English. Finally, funding is provided for summer school for middle and high schools to explore career opportunities in math, science, and technology using career and technical education as the delivery model.

INITIATIVE 732 COLA

Initiative 732 COLA Increase for School Year 2008-09 in Maintenance Level (\$39.1 million General Fund-State)

The 2007-09 enacted base budget included an I-732 COLA of 2.8 percent for school year 2009. Updated consumer price index data has increased the COLA required to 3.9 percent for school year 2009.

ADDITIONAL SALARY INCREASE

Additional One-Half of One Percent Salary Increase for K-12 Staff (\$17.8 million General Fund-State)

In addition to Initiative-732 salary increases, a 0.5 percent salary increase is provided in school year 2009 to certificated instructional staff, classified staff, and administrative staff funded by the state finance formulas. Funding will be allocated in the same manner as I-732 allocations.

WASL CHANGES

Shortening the WASL in Grades 3-8 & Developing End-of-Course Assessments for High School Math (\$15 million General Fund-State)

A number of changes to the Washington Assessment of Student Learning (WASL) are funded in the budget. The costs of developing, scoring, and administering the WASL are expected to increase by \$25.4 million for fiscal year 2009. Separately, a net savings of \$10.5 million is realized through the combined effects of several new policies, including shortening the WASL in grades 3-8, and phasing in end-of-course assessments for high school math testing as described in Engrossed Substitute House Bill 3166 (State assessment system/WASL). The net cost increase for WASL in fiscal year 2009 is approximately \$15 million.

NERC ENHANCEMENT

Non-Employee Related Costs Enhancement (\$6.5 million General Fund-State)

The Non-Employee Related Costs (NERC) allocation is funding provided for items such as books, supplies, computers, utilities, and other school district costs not related to employee compensation. The NERC allocation is enhanced by \$6.5 million, translating into an increase of about \$6.50 per student.

LEVY EQUALIZATION

Levy Equalization - Per Pupil Inflation (\$1.8 million General fund state)

The per pupil inflator is a factor used in the calculation of the amounts that can be collected through local school district levies and it impacts state levy equalization payments. Based on various increases included in the budget, the per pupil inflator is expected to increase to 6 percent in the 2008-09 school year. Funding is provided for the increased state levy equalization costs resulting from this change.

CAREER & TECHNICAL EDUCATION

Secondary Career & Technical Education Programs (\$2.75 million General Fund-State)

Funding is provided for the various policy and resource enhancements to career and technical education programs in the state described in Second Substitute Senate Bill 6377 (Career and technical education).

LIBRARY FUNDING

School Library Funding (\$4.0 million General Fund-State)

Funding is provided for a per student allocation of about \$4 per student for library materials, collections, and services.

CLASSIFIED STAFF

Classified Staff Ratio Enhancement (\$3.1 million General Fund-State)

Beginning in the 2008-09 school year, additional funding is provided to lower the classified staff ratio to one classified staff for every 58.75 students. The current ratio is one classified staff for every 59 students.

EARLY LEARNING

Child Care Quality Improvements (\$435,000 General Fund-State)

The Department of Early Learning will add five quality improvement specialists to establish a consistent statewide approach to licensing actions.

PENSION BENEFITS

Pension Benefits on National Board for Professional Teaching Standards (NBPTS) Certification Bonus (\$2.1 million General Fund-State)

Teachers who achieve certification with the National Board for Professional Teaching Standards (NBPTS) are eligible for certain bonus compensation. Senate Bill 6657 (national board salary bonus) will allow those individuals to earn pension benefits on the bonus amounts. This has the effect of increasing retirement system contributions and also increase the cost of salary increases through the adjustment of pension rates.

SAVINGS

Discontinuing the Promoting Academic Success Program after the 2007-08 School Year (\$19.3 million General Fund-State Savings)

Funding for the Promoting Academic Success program will be discontinued starting in the 2008-2009 school year. Approximately \$4.8 million of funding is provided in fiscal year 2009 to cover the remaining two months of the 2007-2008 school year.

HIGHER EDUCATION

CAREER TRAINING

Aerospace Apprenticeships (\$3.0 million General Fund-State)

Funding is provided to support apprenticeships in the aerospace sector. Of the \$3.0 million, \$2,150,000 is to support program development, curriculum development, equipment purchases, training and related expenses of the apprenticeship program. The remaining \$85,000 is to support 130 enrollment slots at no more than three community and technical colleges, with at least one college being located east of the Cascade Mountains.

Health Care Career Advancement (\$1.5 million General Fund-State)

Funding is provided for the State Board for Community and Technical Colleges to disburse competitive grants to labor, management and college partnerships. These grants will be used to develop or expand and evaluate innovative training programs for current hospital workers that lead to careers in nursing and other high demand health care fields.

COMPENSATION

Initiative 732 COLA Increase for Academic Year 2008-09 in Maintenance Level for Eligible Community and Technical College Staff (\$3.8 million General Fund-State)

The 2007-09 enacted budget included an I-732 COLA of 2.8 percent for fiscal year 2009. Updated consumer price index data has increased the COLA amount required to 3.9 percent for fiscal year 2009.

Increased Salaries for Eligible Education Staff (\$1.7 million General Fund-State)

A 0.5 percent COLA increase will be given to all Initiative 732 eligible employees in the Community and Technical College System, the Washington State School for the Deaf, and the Washington State School for the Blind.

STUDENT SERVICES & SAFETY

Mental Health Services at Four-Year Institutions (\$472,000 General Fund-State)

Funding is provided to support one additional mental health professional FTE at each of the four-year public baccalaureate institutions. The additional mental health professionals will assist in shortening wait lists for mental health services and increasing services to students in need of assistance.

Child Care Grants (\$1.0 million General Fund-State)

Funding for the existing \$250,000 Child Care Grant Program administered by the Higher Education Coordinating Board and the State Board for Community and Technical Colleges is increased by \$1.0 million. Funds will help students access affordable quality child care at the four- and two-year institutions.

21st Century Library Resources (\$750,000 General Fund-State)

Funding is provided for the State Board for Community and Technical Colleges to purchase licenses that will allow college students throughout the community and technical college system to access online library resources including specialized periodicals, journals and books.

Washington State Campus Compact Mentoring Program (\$250,000 General Fund-State)

Funding is provided for outreach and training of college students to prepare them to serve as mentors to eighth through 12th grade students. Funds provided will also be used to support campus and school partnerships to develop or expand mentoring programs, and to improve accountability by developing assessment mechanisms that measure the impacts of mentoring on students.

INCREASING ACCESS

Snohomish, Island, Skagit County Region University of Washington Branch Campus Siting (\$100,000 General Fund-State)

Funding is provided for the Higher Education Coordinating Board (HECB) to convene interested parties from Snohomish, Island and Skagit counties to consider the November 2007 site options and recommendations for a new campus of the University of Washington in Snohomish County. The plan is to be developed in consultation with a committee of local business, community and educational leaders. A preferred site recommendation is due to the Legislature by December 1, 2008.

OTHER

University of Washington e-Science Initiative (\$1.0 million, General Fund-State)

Funding is provided to support the University of Washington's e-Science initiative which will provide infrastructure and consulting expertise to university researchers in advanced computational techniques needed to capture, store, organize, access, mine, and interpret massive data sets.

Health Professional Assistance (\$1.25 million, General Fund-State)

Funds are provided to increase the number of students and practitioners who receive scholarships and loans through the Health Professional Scholarship and Conditional Loan program. Priority is to be given to primary care providers employed or seeking employment in organizations that serve a disproportionate number of uninsured patients.

HEALTH CARE

HEALTH CARE COVERAGE

Health Insurance Partnership (\$2.2 million Health Services Account)

Funding is provided for premium subsidies to low-income employees of small employers participating in the Health Insurance Partnership, beginning in March 2009. The program, enacted in 2007, assists small employers in providing health care coverage by pooling the purchasing of small group health benefit plans. Amounts are also provided to complete the administrative infrastructure necessary for the program and to pay for third-party administrator costs.

Family Planning Support (\$5.0 million General Fund-State, Public Health Services Account-State)

Washington's Take Charge program expands Medicaid coverage for family planning services. Program goals are to reduce unintended pregnancies and to reduce state and federal Medicaid expenditures for births from unintended pregnancies and their associated costs. More than 20,000 people lost eligibility for certain family planning and sexually transmitted disease-related services from this program as a result of the Federal Center for Medicaid Services changing eligibility rules. Additional state funding is provided for this program.

Medical Homes (\$309,000 General Fund-State, \$100,000 Health Services Account-State)

Funding is provided to the Department of Health (DOH) to implement a pilot project for primary care medical homes, based on the DOH's current Collaborative to Improve Health, an approach to address chronic disease management in a comprehensive and coordinated way. The project for primary care medical homes will utilize the collaborative approach to implement medical home delivery of primary care in at least 20 practices. In addition, funding is provided to the Health Care Authority to develop reimbursement mechanisms that would reward primary caregivers for adopting strategies that demonstrate improved patient outcomes.

Studying Medical Assistance Coverage for Persons Leaving Confinement (\$100,000 General Fund-State)

Funding is provided to the Department of Social and Health Services to evaluate mechanisms that would expedite medical assistance eligibility determinations for persons leaving confinement in a corrections institution or an institution for mental diseases. Under current law, persons leaving confinement must reapply for eligibility, a process that may take a number of weeks.

Lead Blood Level Assessments for Children on Medicaid (\$165,000 General Fund-State, \$269,000 Health Services Account)

Funding is provided for blood screening for lead toxicity levels for any Medicaid eligible child under the age of 21.

Adult Dental Access Grant (\$2 million Health Services Account-State)

Funding is provided for one-time competitive grants to community health centers (CHCs) to increase the number of adults served on an ongoing basis.

DETECTION & PREVENTION

Colon Cancer Screening (\$956,000 General Fund-State)

Funding is provided for colorectal cancer screening and diagnostic follow-up services that include case management and referrals for medical treatment of screened individuals. These funds will be primarily directed to low-income, uninsured, and underinsured individuals between 50 and 64 years of age, or those less than 50 with a high risk of colorectal cancer.

Cord Blood Collection (\$150,000 General Fund-State)

Funding is provided for the Department of Health (DOH) to identify and fund a work group on expanding cord blood collection practices. The bill also requires the DOH to identify an institution that conducts prematurity research to participate in a pilot project with three hospitals in Eastern Washington to increase the ethnic and racial diversity of umbilical cord blood units that are collected for research and transplantation.

Early Hearing Loss Program (\$325,000 General Fund-State)

Funding is provided to replace the loss of federal funding for the Early Hearing Loss Detection Diagnosis and Intervention Program. This funding will enable the program to continue support for hearing screening surveillance and tracking to ensure all infants receive hearing screening; and for those with hearing loss, to be referred to appropriate services. It will also provide technical assistance to hospitals, audiologists and early intervention providers who serve these infants. Contracts for tracking and surveillance system maintenance and data entry will also be funded.

OTHER

Special Education Medicaid Enhancement (\$11.4 Million General Fund-State, \$9.8 Million Health Services Account-State)

Beginning with the 2007-08 school year, federal regulations have changed the method by which school districts are reimbursed for school-based Medicaid eligible services. The Department of Social Health Services will now reimburse school districts directly and state funding is provided to match federal funds. The net effect will be an anticipated \$21.2 million increase in the amount school districts will receive through the state and federal Medicaid program.

Regulation of Health Professions (\$4.4 million Health Professions Account-State, General Fund-State)

Funding is provided to implement Fourth Substitute House Bill 1103 (health professions), which increases regulatory authority over the health professions. The Department of Health is given authority over all complaints that involve sexual misconduct and to conduct national criminal background checks on all out-of-state applicants to help prevent individuals with criminal convictions in other states from obtaining a credential in Washington. Additional reporting requirements of unprofessional conduct are established and penalties are established for failing to submit documentation pertaining to an investigation in a timely manner. Five-year mandatory pilot projects are also established beginning July 1, 2008 to evaluate the effect of granting the Medical Quality Assurance Commission and the Nursing Care Quality Assurance Commission authority over budget development, spending, and staffing. Voluntary five-year pilot projects are established for the Chiropractic Quality Assurance Commission and the Dental Quality Assurance Commission. Funds are provided to hire additional staff needed for this transition.

Counselors Credentialing Standards (\$558,000 Health Professions Account-State)

Effective July 1, 2009, all registered counselors must obtain a new health profession credential. Eight new credentials are created: Mental Health Counselor Associate, Social Work Associate, Advanced Social Work Associate, Marriage and Family Therapy Associate, Chemical Dependency Professional Trainee, Hypnotherapist, Agency Affiliated Counselor, and Limited Professional Counselor (the latter is for private practice counseling). The existing registered counselor credential is abolished July 2010. The department must establish continuing education requirements for all renewals and is required to educate the public on the new responsibilities of therapeutic counselors.

SAVINGS

Medical Assistance Managed Care Premium Growth (\$3.1 million General Fund-State savings, \$3.2 million Health Services Account savings)

Slowing growth in managed care premium rates within the Health Options program provides a \$6.3 million savings in fiscal year 2009.

Lower Basic Health Plan Cost Growth (\$2.3 million Health Services Account-State Savings)

The funding level for the Basic Health Plan (BHP) is adjusted to reflect a slower growth rate in per member costs than previously anticipated.

OTHER HUMAN SERVICES

CHILD WELFARE

Additional Licensing Staff (\$500,000 General Fund-State, \$157,000 General Fund-Federal)

Funding is provided to the Division of Licensed Resources to hire additional licensors to address licensing backlog and allow for smaller licensing caseloads

Expedite 30-Day Visit Phase-in (\$884,000 General Fund-State, \$264,000 General Fund-Federal)

One-time funding is provided to expedite the phase-in of staff by May 2008 to achieve the goal of face-to-face contact with children, parents, and/or caregivers every 30 days, for both in-home dependencies and out-of-home placements.

Specialized Foster Parent Program (\$857,000 General Fund-State, \$140,000 General Fund-Federal)

Funding is provided to implement Engrossed Second Substitute House Bill 3145 (foster parent licensing), which implements a specialized licensed foster parent program in two geographical areas with high concentrations of high-needs children in foster care. The specialized foster parent class will receive a monthly stipend, training, and professional consultation.

Sibling Visits (\$1.8 million General Fund-State, \$578,000 General Fund-Federal)

Funding is provided for the Children's Administration to contract with non-profit organizations to facilitate twice-monthly visits between siblings living apart from each other in out-of-home care.

Additional CHET Screeners (\$812,000 General Fund-State, \$256,000 General Fund-Federal)

The Children's Administration undertakes a screening of all children who are in out-of-home care for 30 days or longer, called the Child Health Education and Tracking (CHET) screen. Funding is provided for 12 additional staff to perform CHET screens.

Foster Youth Education (\$655,000 General Fund-State, \$38,000 General Fund-Federal)

Funding is provided to implement Section 4 of House Bill 2679 (students in foster care), which authorizes two school district-based foster care recruitment pilots in one or more school districts with a high number of Child Protective Services' removals and out-of-home placements. Funding is also provided for contracted educational advocates to assist foster children in succeeding in school.

Multi-Dimensional Treatment Foster Care (\$581,000 General Fund-State, \$319,000 General Fund-Federal)

Funding is provided for a multi-dimensional treatment foster care program to recruit foster homes that have the tools to serve children with high behavioral and emotional needs.

Safety Assessments (\$616,000 General Fund-State, \$184,000 General Fund-Federal)

Funding is provided to conduct comprehensive safety assessments of high-risk families receiving in-home child protective services or family voluntary services as well as families with an infant, age birth to 15 days, diagnosed as substance exposed. These safety assessments will use validated assessment tools to guide intervention decisions through the identification of additional safety and risk factors.

Home Support Specialists (\$1.1 million General Fund-State, \$347,000 General Fund-Federal)

Funding is provided to hire 20 additional home support specialists to assist families with dependent children or those at risk of becoming dependent with support services, including transportation, supervised visitation, and parenting skills instruction. The department shall concentrate the additional specialists in the field offices of counties experiencing an increase in dependency filings above the state average.

MENTAL HEALTH

State Hospital Direct Care Nursing Staff (\$2.3 million General Fund-State)

Funding is provided to pilot a direct-care nurse staffing plan for six high-incident wards at Eastern and Western State Hospitals in an effort to improve patient and staff safety. The pilot includes funding for 31 direct-care positions to include registered nurses, licensed practical nurses, and mental health technicians. The DSHS must monitor outcomes for improved patient and staff safety and provide a written report to the Legislature by October 1, 2009.

Increased Non-Medicaid Funding (\$6.5m General Fund-State)

Additional state funds are provided to enable the community mental health system to maintain and improve delivery of non-Medicaid services. These include crisis response, counseling, case management, acute care, and residential services for children and adults who are not presently eligible for Medicaid due to income, family circumstances, or the stage or nature of their illness. These state-only funds are also used to provide services such as care in larger residential facilities, help finding a job, and emergency rent assistance that are not covered by the Medicaid program. Increased non-Medicaid funding for the Pierce County area and for the Spokane Regional Support Network (RSN) are provided separately. The amounts provided here are for the other 11 RSNs.

Spokane Acute Care Diversions (\$2.3m General Fund-State)

Funding is provided to enable the Spokane Regional Support Network to implement a comprehensive plan it has developed for reducing its use of Eastern State Hospital. Key elements of the RSN's plan, much of which is being funded with its locally-authorized mental health sales tax, include additional crisis triage and crisis stabilization beds; an intensive outpatient treatment team for persons with co-occurring disorders and other special needs; housing assistance for high-utilizers of hospital and jail services who are at risk of homelessness; and respite care to assist elderly individuals avoid or return home after hospitalization.

Mental Health First Aid Train-the-Trainer Program (\$80,000 General Fund-State, \$80,000 General Fund-Federal)

One-time funding is provided for a mental health first aid train-the-trainer program. The course will teach participants how to train others to recognize the symptoms of mental disorders; to determine possible causes or risk factors; to give appropriate initial help and support to a person suffering from a mental health disorder; and to recognize a mental health crisis and take appropriate action.

Hospital Ward Size & Case Mix (\$100,000 General Fund-State)

Funding is provided for a facilitator to assist the Mental Health Division in conducting a review and developing recommendations on ward sizes and ward-patient case mix at Eastern and Western State Hospitals. In addition, the review and recommendations shall include discharge practices for all three state psychiatric hospitals and community placements for adults and children. Representation from regional support networks must be included in the development of recommendations for discharge practices and community placements. Recommendations must be provided to the Legislature by October 15, 2008.

Study on Residential Drift (\$75,000 General Fund-State)

Funding is provided for a review of residential drift in partnership with Washington Institute for Mental Illness Research and Training. A statewide analysis must be conducted of the county of origin for patients placed in Eastern and Western State Psychiatric Hospitals and the concentration of people with severe and persistent mental illness in communities proximate to these hospitals.

ITA Judicial Costs (\$2.0 million General Fund-State)

Funding is provided for long-term detention judicial costs in Pierce and Spokane counties.

Pierce Transition Fee for Service (\$3.2 million General Fund-State, \$1.3 million General Fund-Local)

Funding is provided to enable the Department of Social and Health Services to contract with Pierce County Human Services for the provision of community mental health services to include crisis triage, evaluation and treatment, and mobile outreach crisis services. This item is the state-only component of the transition to fee-for-service resulting from Pierce County not renewing its Regional Support Network contract.

AGING AND DISABLED

17 CARE Level Payment System (\$3.0 million General Fund-State, \$2.8 million General Fund-Federal)

Funding is provided to update the cost base for the community residential long term care payment systems. As recommended by the Joint Legislative Task Force on Long Term Care Residential Facility Payment Systems, funding is also provided for phase-one implementation of a payment system for 17 CARE levels that will more closely reflect the acuity of the client regardless of the care setting. Payment rates for boarding homes contracted as assisted living providers are held harmless at fiscal year 2008 levels. Funding is sufficient to offset liability insurance costs and provide a vendor rate increase of an average of 4.8 percent (2.8 percent above the 2007-09 funded level) in fiscal year 2009 for Adult Family Homes.

Shared Living Lawsuit (\$22.9 million General Fund-State, \$24.0 million General Fund-Federal)

Authorized service hours for in-home care providers who live with their clients are increased to comply with a Washington State Supreme Court decision that invalidated the Shared Living Rule. In-home providers who live with their clients and contract with the Department of Social and Health Services to provide direct care services to the disabled and elderly are now paid for services that were previously denied, including laundry, meal preparation, and shopping.

Nursing Home Worker Wage Increase (\$3.0 million General Fund-State, \$3.1 Million General Fund-Federal)

Funding is provided to increase low-wage worker wages or benefits or to enrich staffing levels that affect patient care. DSHS shall determine the level of payment to individual nursing homes based on the number of Medicaid patient days.

Long Term Care Task Force Initiatives (\$3.0 million General-State, \$1.0 million General Fund-Federal)

Funding is provided to implement portions of E2SHB 2668 (long-term care programs), consistent with the Governor's Long-Term Care Task Force recommendation that individuals be served in the least restrictive environment whenever possible. Funding includes: (1) \$1.5 Million to increase respite care and to provide support and training to an additional 585 unpaid caregivers; (2) \$881,000 GF-S and matching federal funds for technical assistance and training for caregivers of COPES clients with intense behaviors in Adult Family Homes and Boarding Homes, to prevent discharge or nursing home placement; and (3) \$82,000 GF-S for Adult Protective Services fatality review teams. (Total funding for all Long-Term Care Task Force Initiatives is approximately \$3 million General-Fund State and \$1 million General Fund-Federal, including \$400,000 in the Department of Health for a falls prevention program and \$50,000 in DSHS Medical Assistance for start-up costs for a project to improve senior dental access during the 2009-11 biennium).

Intensive Behavior Support Services Program (\$921,000 General Fund-State, \$963,000 General Fund-Federal)

The Division of Developmental Disabilities' new comprehensive assessment tool will identify families who are eligible for Home and Community Based Services and who are most likely to request an out-of-home placement for their children. Those families will receive coordinated in-home support services, such as minor home or vehicle adaptations, respite, therapies, and intensive behavior management training for the family, other caregivers, or school staff.

Long Term Care Worker Training (\$839,000 General Fund-State, \$838,000 General Fund-Federal)

Engrossed Substitute House Bill 2693 (long-term care workers) as amended by the Senate, establishes required basic training and registration with the Department of Health for certain long term care workers beginning January 1, 2010. After that date, long-term care workers who are not registered within 120 days of employment may not receive payment for Medicaid services from the Department of Social and Health Services (DSHS). The legislation also provides for a voluntary certification program. Funding is provided to DSHS for rules development and information technology costs for restricting payment to registered providers. If the bill is not enacted by June 30, 2008, this funding shall lapse.

Education for Children in Residential Habilitation Centers (\$1.4 million General Fund-State)

Funding is provided to the Department of Social and Health Services for its contracts with the school districts to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in Residential Habilitation Centers.

Kinship Navigators (\$132,000 General Fund-State)

Funding is provided for Area Agencies on Aging (AAA), or entities with which AAAs contract, for 1.5 additional Kinship Navigators. Services are provided to grandparents and other kinship caregivers and include connecting families with community resources and assisting them in navigating the system of services for children in out-of-home care, thus diverting children from entering foster care.

Traumatic Brain Injury Strategic Partnership Advisory Council (\$772,000 Traumatic Brain Injury Account-State)

Funding is provided to implement Chapter 356, Laws of 2007 (2SHB 2055), which created the Washington Traumatic Brain Injury Strategic Partnership Advisory Council (Council). The DSHS is required to provide staff support to the Council and, in collaboration with the Council, a public awareness campaign to promote awareness of traumatic brain injuries (TBIs) through all forms of media, including television, radio, and print. Additionally, the Department is required to provide funding to programs that facilitate support groups to individuals with TBIs and their families. Activities are funded by a dedicated account established under the legislation, which is supported by an additional \$2 fee on traffic infractions. (Traumatic Brain Injury Account-State)

OTHER

Family Leave Insurance Implementation (\$6.2 million Family Leave Insurance Account-State)

Chapter 357, Laws of 2007 (E2SSB 5659), established a family leave insurance program providing temporary income for up to five weeks for parents with newborns or newly adopted children. Benefit payments will begin October 1, 2009. Funding is provided for program administration and to develop and implement a computer system to accept and process claims.

Extending Crisis Response Pilot Programs (\$4.3 million General Fund-State, \$1 million Criminal Justice Treatment Account-State)

Funding is provided to the Division of Alcohol and Substance Abuse to extend two integrated crisis response/secure detoxification (ICR) pilot programs and two intensive case management pilot programs authorized by the Legislature in 2005 until June 30, 2009. The final evaluation of the pilot programs is also extended, with the final report due June 30, 2010. Funds are also provided for start up costs for a new ICR pilot to be located in Spokane.

SSI Facilitators and Other Enhancements (\$3.1 million General Fund-State, General Fund Federal)

Five additional Supplemental Security Income (SSI) facilitators are added to improve identification of SSI eligible people in the state and to reduce the time people spend on general assistance. Funding is provided to help people pass the additional requirements of the immigration and naturalization process. Additional staff are added to meet the increase level of participation in the food stamp program resulting from increasing the gross income limits for food stamp eligibility to 200% of the federal poverty level.

TANF Grant Increase (\$7.8 million, within TANF Box)

Within existing appropriations, Economic Services Administration will increase the Temporary Assistance for Needy Families grant standard by 3 percent in Fiscal Year 2009 to account for increased housing costs.

SAVINGS

Children's Administration FTE Savings (\$1.6 million General Fund-State Savings, \$690,000 General Fund-Federal Savings)

The Children's Administration has not hired staff as quickly as was budgeted for fiscal year 2008; therefore, one-time under expenditures are taken in this category.

Division of Developmental Disabilities Community Savings (\$1.0 million General Fund-State Savings, \$1.0 million General Fund-Federal Savings)

Funding is reduced for new programs authorized in the 2007-09 budget due to a slower start to new Home and Community Based Services waiver placements for individuals with aging parents or caregivers, a slower placement rate for community protection services, and a slower phase-in for family support programs.

PUBLIC SAFETY & THE JUDICIARY

SEX OFFENDERS

Sex Offender Address Verification (\$5.0 million Public Safety and Education Account-State)

Funding is provided for statewide in-person address verification of all registered sex offenders by local law enforcement. The funding will help law enforcement verify offender addresses every 12, six, or three months, depending on the risk category of the registrant.

Enhanced Supervision of Sex Offenders (\$1.4 million General Fund-State)

Funding is provided for enhanced supervision of sex offenders under community supervision by the Department of Corrections. The funds will be used to expand the use of electronic monitoring for certain offenders whose release plan indicates they may be susceptible to certain risk factors. Funding is provided for 75 offenders to participate in electronic monitoring by the end of fiscal year 2008, and 200 offenders by the end of fiscal year 2009. The funding will also provide for a pilot to add additional community correction officers specializing in intake and risk assessment to units dedicated to supervision of sex offenders, allowing existing officers to focus more on field visits.

CRIMINAL STREET GANGS

Criminal Street Gangs (\$430,000 General Fund-State, \$750,000 Public Safety and Education Account-State)

Funding is provided to implement Engrossed Second Substitute House Bill 2712 (criminal street gangs). The Criminal Justice Training Commission will contract with the Washington Association of Sheriffs and Police Chiefs to administer local law enforcement grant programs that target gang violence and graffiti abatement efforts. Funding is also provided to the Department of Corrections to study and establish best practices to reduce gang involvement among incarcerated populations; to the Department of Community, Trade and Economic Development to establish a victim witness relocation grant program; and to the Office of the Superintendent of Public Instruction to develop and publish a brochure to help teachers and parents learn about criminal street gangs and their activities.

JUDICIAL PROGRAMS

Family and Juvenile Court Improvement Program (\$800,000 General Fund--State)

Funding is provided for a court access and accommodation coordinator position at the Administrative Office of the Courts to review the needs of courts statewide, provide guidance and assistance to local courts on training and court services for persons with disabilities, and provide other assistance related to access to courts.

Access Coordinator (\$90,000 General Fund--State)

Funding is provided for a court access and accommodation coordinator position at the Administrative Office of the Courts to review the needs of courts statewide related to access to the courts for persons with disabilities. The position will offer guidance and assistance to local courts on training and other assistance related to providing accommodation for persons with disabilities.

OTHER

Court Crime Victims Advocates (\$750,000 Public Safety and Education Account-State)

Crime victim advocates work to assist people who have been victimized and to connect them with available services. Ongoing funding is provided through the Department of Community, Trade and Economic Development for more victim advocates in county superior courts. These funds are distributed through contracts with the 39 county prosecuting attorneys' offices to support victim-witness services. The funds must be prioritized to ensure a full-time victim-witness coordinator in each county.

Federal Grants for Law Enforcement (\$1.2 million General Fund-Federal)

The Department of Information Services (DIS) has received two one-time federal grants for activities related to law enforcement. The U.S. Department of Justice's National Criminal History Improvement Program provided funding to develop and improve criminal history records throughout the state. The DIS also received a grant from the National Governors Association for activities initiated and supported by the U.S. Department of Justice. The grant will fund a pilot project to deliver technical specifications for developing future applications that use the existing Justice Information Network Data Exchange (JINDEX) platform to give law enforcement officers in the field electronic access to driver photographs, enabling them to more accurately identify individuals.

Treatment Beds for Violators (\$9.8 million General Fund-State)

Funding is provided for 130 residential chemical dependency treatment beds for offenders who have violated certain conditions while under community supervision. These treatment beds provide an alternative to incarceration by providing intensive inpatient chemical dependency treatment to violators who are addicted.

Additional Funds for the Basic Law Enforcement Academy (\$853,000 Public Safety and Education Account-State)

Funds are provided for additional Basic Law Enforcement Academy classes at the Criminal Justice Training Commission facility in Burien.

Crisis Intervention Training (\$306,000 General Fund-State)

Funding is provided for a grant program to pay for the costs of local law enforcement agencies participating in specialized crisis intervention training. The goal of the training is to develop a community partnership between law enforcement and mental health organizations in order to increase the ability of first responders to provide safe and effective resolution of incidents involving persons with mental illnesses.

NATURAL RESOURCES

DEPARTMENT OF ECOLOGY

Lake Roosevelt Water Availability (\$8.2 million Columbia Water Resource Development Account-State)

Funding is provided for an agreement with the Confederated Tribes of the Colville Reservation and the Spokane Tribe that will provide an additional 132,000 acre-feet of water through Lake Roosevelt water releases. Resources are also provided to nearby local governments to help mitigate possible adverse impacts from the loss of water.

Greenhouse Gas Emissions (\$1.3 million General Fund-State)

A total of \$1.9 million is provided in various agencies to enact Second Substitute House Bill 2815 (greenhouse gas emissions and jobs). The Department of Ecology (DOE) will develop a plan to limit statewide greenhouse gas emissions and to adopt rules requiring a reporting system to monitor greenhouse gas emissions. The DOE is authorized to develop a design for a regional multisector market-based system to limit and reduce greenhouse gas emissions. In addition, the bill creates a green collar job training account to train and transition workers to clean energy jobs.

Standby Rescue Tug Stationed at Neah Bay (\$1.6 million Local Toxics Control Account-State, \$0.8 million State Toxics Control Account-State, \$0.6 million Coastal Protection Account-State, \$0.4 million Aquatic Lands Enhancement Account-State, \$0.2 million Vessel Response Account-State)

Funding is provided for the standby rescue tug to be stationed at Neah Bay for 365 days per year to reduce the risk of a catastrophic oil spill. Since 1999, the tug has responded 34 times to ships losing power or steering, or experiencing other problems. Chapter 346, Laws of 2007 (2SHB 1488) provided funding for a standby rescue tug for fiscal year 2008, in anticipation of federal legislation establishing a permanent, industry-funded tug at the entrance of the Strait of Juan de Fuca, but no state funding was appropriated for fiscal year 2009. Federal funding has not been provided. One-time funding of dedicated accounts is provided for the remainder of the biennium.

DEPARTMENT OF FISH AND WILDLIFE

Conduct Joint Enforcement with the Confederated Tribes of the Colville Reservation (\$0.6 million General Fund-State)

Funding is provided to implement a pilot project with the Confederated Tribes of the Colville Reservation to develop expanded recreational fishing opportunities on Lake Rufus Woods and its northern shoreline. The Department of Fish & Wildlife will also conduct joint enforcement of lake fisheries on Lake Rufus Woods and adjoining waters.

Selective Fisheries in Puget Sound (\$0.6 million General Fund-State)

Funding is provided for selective recreational salmon fisheries in the Puget Sound to help protect naturally spawning wild-listed fish, while providing harvest opportunity for hatchery stocks.

DEPARTMENT OF NATURAL RESOURCES

Model Urban Forest Management Plans and Evergreen Communities Recognition Program (\$0.3 million General Fund-State)

Persuant to the enactment of Engrossed Second Substitute House Bill 2844 (urban forestry), funding is provided for technical expertise to support the creation of an Evergreen Communities recognition program and model urban forest management plans and ordinances. In addition, the Department of Natural Resources will develop and conduct inventories and assessments of community and urban forests, including an initial inventory of one county east of the Cascades and one county west of the Cascades.

Funding Supplemental Fire Suppression Costs (\$2.7 Million General Fund-State, \$2.6 million General Fund-Federal)

One-time funding is provided for incurred fire suppression activity costs during fiscal year 2008, in excess of the Department of Natural Resources' existing fire suppression appropriation of approximately \$18.0 million per year.

PUGET SOUND PARTNERSHIP

Puget Sound Partnership's Action Agenda Development (\$1.1 million Water Quality Account-State, \$0.9 million State Toxics Control Account-State)

Chapter 341, Laws of 2007 (Puget Sound Partnership) established the Puget Sound Partnership (Partnership) to lead efforts to protect and restore the Puget Sound. The Partnership is directed to create a long-term action agenda by September 1, 2008, that identifies and prioritizes actions for restoring Puget Sound by 2020. Funding is also provided for the Partnership to engage in consultation with government, public and stakeholder involvement, and scientific review of proposed actions. To the extent funding allows, the Partnership shall also pursue increased levels of stakeholder and public engagement.

GENERAL GOVERNMENT AND OTHER

FLOOD & DISASTER RESPONSE/PREPAREDNESS

Woody Debris Removal (\$1.3 million Disaster Response Account-State)

Funding is provided to the Military Department to work with the Department of Natural Resources and the Department of Ecology to remove accumulated woody debris, in and around waterways, caused by the December 2007 severe storms and flooding.

Flood Response Funding (\$31.2 million General Fund-Federal, \$10.3 Disaster Response-State)

In response to the December 2007 storms and floods, a total of \$41.5 million federal and state funds is provided to the Military Department for recovery and rebuilding in the affected areas of Chehalis and Centralia.

Small Business Assistance (\$2.0 million Economic Development and Strategic Reserve Account)

Funding is provided to the Office of the Governor to assist small businesses in the Chehalis/Centralia area that were affected by the December 2007 storms and flooding.

Federal Funding Grants for Emergency Management Planning, Interoperable Communications and Pre-Disaster Mitigation (\$21.5 million General Fund-Federal)

The Military Department receives funding from the federal government to distribute grants for emergency management planning, interoperable communications and pre-disaster mitigation planning. Projects include public education planning, critical infrastructure planning, supporting statewide communications infrastructure, and mitigation planning for areas throughout the state.

DEPARTMENT OF REVENUE

Working Families Tax Exemption (\$1.25 million General Fund-State)

Funding is provided to the Department of Revenue for the implementation of Engrossed Substitute Senate Bill 6809 (working families' tax exemption), which provides a state sales tax exemption, in the form of remittance, equal to five percent of the federal Earned Income Tax Credit (EITC) for families that qualify.

Property Tax Deferral (\$5.8 million General Fund-State)

Substitute Senate Bill 6178 (property tax deferral) provides a 50 percent property tax deferral for households with incomes of \$57,000 or less. Funds are provided to offset shortages experienced by counties as a result of this legislation.

DEPARTMENT OF VETERANS AFFAIRS

Veterans Conservation Corps (\$250,000 General Fund-State)

Funding is provided to the Veterans Conservation Corps for a 25-slot expansion. The Veterans Conservation Corps provides veterans with volunteer opportunities on projects that help protect and restore Washington's wildlife habitat and foster opportunities for specialized education and employment.

Services for Returning Veterans (\$674,000 General Fund-Private/Local, General Fund-State, General Fund-Federal)

A growing number of soldiers are returning from conflicts in Afghanistan and Iraq. Funding is provided for the Department of Veterans Affairs to work on-site at Fort Lewis and Madigan Hospital to link an estimated 3,360 soldiers with benefits. In addition, a county-funded Incarcerated Veterans Program will work with approximately 1,500 more veterans in King County and Pierce County jails to decrease recidivism for non-violent offenders. Funding from increased federal grants is included to expand programs helping homeless veterans return to employment and stable residences. Additional counselors will be recruited to provide therapy for veterans dealing with post-traumatic stress as they return to civilian life.

OTHER

Transitional Housing Assistance (\$2.5 million General Fund-State)

Funding is provided to the Department of Community, Trade and Economic Development for the Transitional Housing, Operating and Rent (THOR) program. This program assists homeless families with case management services to help them successfully transition to permanent housing. Within the amount provided, grants must be used for: rental assistance and eligible moving expenses, case management, operating expenses of housing facilities, and administrative costs of organizations. Thirty non-profit agencies, local governments, and housing authorities provide THOR assistance to homeless families with children in 34 counties.

Expanding Financial Literacy through Education and Counseling (\$1.5 million General Fund-State)

Senate Bill 6272 (financial literacy) provides funding for education and outreach to Washington citizens in order to increase the public's knowledge and understanding of saving, investing, budgeting, and other skills necessary to obtain individual financial independence, fiscal responsibility, and financial management skills. In addition, counseling, marketing, and outreach programs regarding residential mortgage transactions, nontraditional or subprime mortgages, predatory lending practices, or other financial products or practices in the marketplace relating to homeownership are also included in the bill.

Human Remains (\$1.0 million General Fund-State, Skeletal Human Remains Assistance Account)

Funding is provided to implement the provisions of Engrossed Second Substitute House Bill 2624 (hman remains). The bill establishes statutory guidelines and procedures for the inadvertent discovery of skeletal human remains, and requires the Department of Archaeology and Historic Preservation (DAHP) to develop and maintain a centralized database of all known cemeteries and known sites of burials of human remains in Washington. Additionally, the position of the State Physical Anthropologist is created in the DAHP to assist local governments in making determinations on the status of skeletal human remains; and to provide excavation services to private landowners, as well as removal and reinterment when necessary.

Washington Talking Book and Braille Library (\$341,000 General Fund-State)

The Washington Talking Book and Braille Library (WTBBL) serves 13,000 patrons annually, offering library services to Washington residents with vision limitations and reading disabilities. The Seattle Public Library has been operating the WTBBL since 1931. The Washington State Library will assume responsibility for its operation on July 1, 2008. The Seattle Public Library employees who staff the WTBBL will become state employees. This ongoing funding will allow the WTBBL to continue all current services.

Port District Contracting (\$110,000 Legal Services Revolving Fund-State, \$25,000 General Fund-State)

Second Substitute House Bill 3274 (port district contracting), clarifies the applicability of public works competitive contracting provisions to public port districts. The bill requires that a port district commission establish conditions under which competitive bid requirements may be waived. In addition, the bill creates a personal services competitive solicitation chapter for public port districts to cover consultant services and other personal services that must be procured by port districts. The bill also provides accountability requirements for public port district contracting.

Underground Construction Industry (\$1.7 million Accident Account-State, Medical Aid Account-State, General Fund-State)

Second Substitute Senate Bill 6732 (construction industry) provides a civil penalty for persons who falsify information on a contractor registration application. For certain contractor registration and industrial insurance violations, it provides for a one-year bar from bidding on public works contracts for repeat violations. The Department of Labor and Industries is provided funding for additional contractor compliance staff and auditors, and for a social marketing campaign aimed at consumers regarding the hiring of unregistered contractors.

SAVINGS

PEBB State Funding Rate Reduction (\$114.0 million General Fund-State Savings, \$97.7 million Other Funds Savings)

The state employer contribution rate to the Public Employees Benefits Board (PEBB) is reduced from \$732 per month to \$561 per month while PEBB will maintain the state-paid 88 percent share of the total weighted average of the employee health care premium and also pay for the cost of dental, life and long-term disability insurance. The PEBB expenditures for the 2007-09 fiscal biennium are anticipated to be lower than budgeted because (1) health plan costs for calendar year 2008 are lower than expected, which will benefit both the state and its employees; and (2) funding was removed from the PEBB administrative cost allocation for an information technology system replacement due to the restrictive nature of federal funding. Funds will be expended from the PEBB reserves, including those reserves accumulated due to lower than budgeted expenditures during the 2005-07 and 2007-09 fiscal biennia, to account for the cost of benefits that are in excess of budgeted revenues.

2007

2009



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