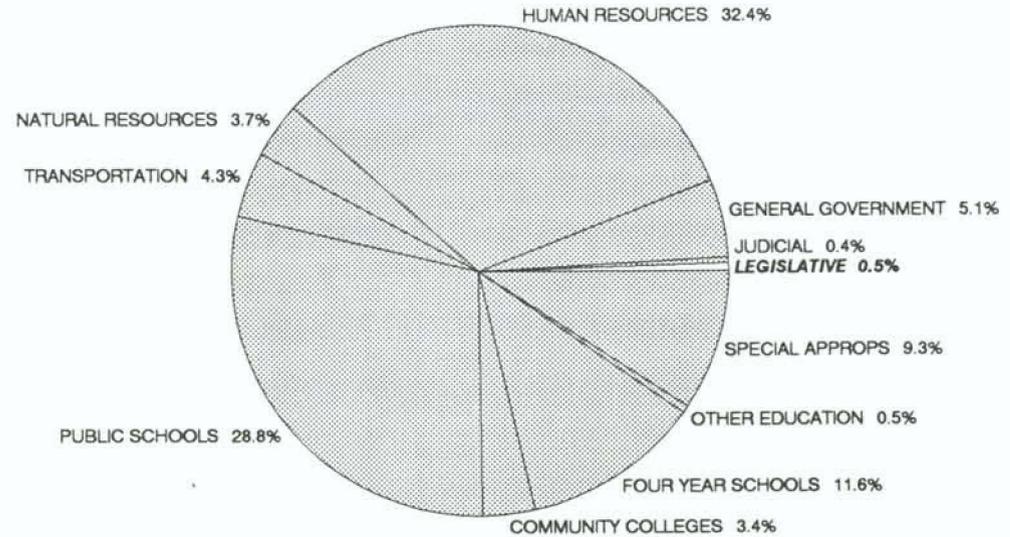


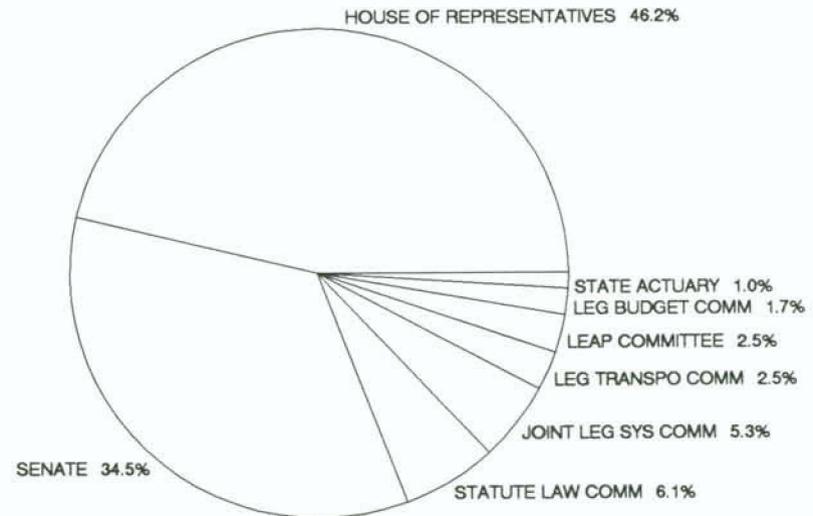
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
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FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
1989-91 APPROP	21,351,258



Washington State

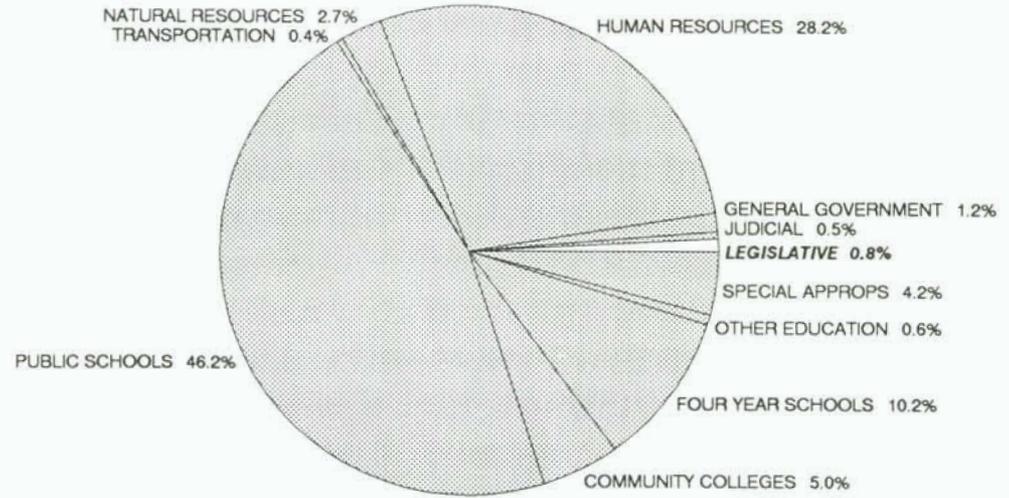
HOUSE OF REPRESENTATIVES	49,425
SENATE	36,876
STATUTE LAW COMM	6,551
JOINT LEG SYS COMM	5,628
LEG TRANSP COMM	2,725
LEAP COMMITTEE	2,712
LEG BUDGET COMM	1,864
STATE ACTUARY	1,098
LEGISLATIVE	106,879



Legislative

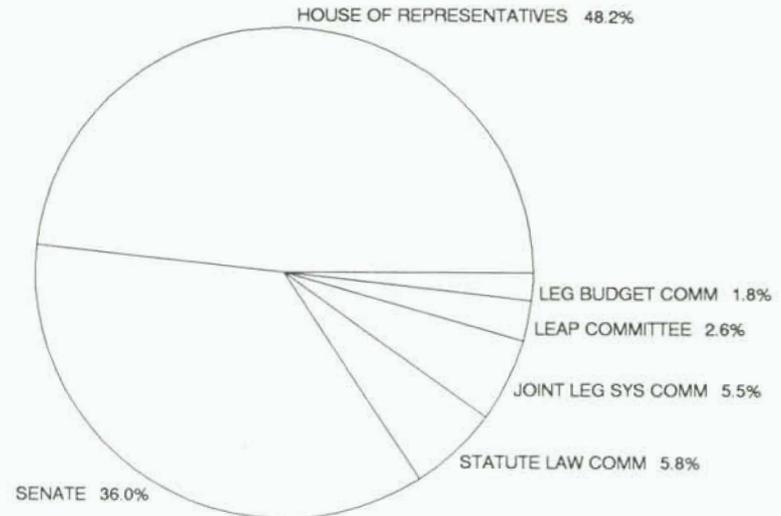
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
<hr/> 1989-91 APPROP	<hr/> 12,515,705



Washington State

HOUSE OF REPRESENTATIVES	49,425
SENATE	36,876
STATUTE LAW COMM	5,983
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LEAP COMMITTEE	2,712
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Legislative

HOUSE OF REPRESENTATIVES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	44,406	0	44,406
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	48,900	0	48,900
POLICY ITEMS			
1. SEATTLE SCHOOL DISTRICT STUDY	150	0	150
2. REDISTRICTING DATA PROCESSING	250	0	250
TOTAL 1989-91 BIENNIUM	49,300	0	49,300

Comments:

1. SEATTLE SCHOOL DISTRICT STUDY -
Provides funds to contract for an evaluation of Seattle Public Schools.
2. REDISTRICTING DATA PROCESSING -
Provides funds for analysis of census statistics to facilitate eventual redistricting requirements.

NOTE: Both the Senate and the House will provide \$163,000 from their respective budgets to support the fellows program of the Washington State Institute for Public Policy.

The House of Representatives also received appropriations in the following legislation: Chapter 427, Laws of 1989 (ESHB 1968) and Chapter 2, Laws of 1989, 1st Ex. Sess. (HB 2242). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

SENATE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	29,851	10	29,861
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	36,401	0	36,401
POLICY ITEMS			
1. REDISTRICTING DATA PROCESSING	250	0	250
2. LEVY STUDY	100	0	100
TOTAL 1989-91 BIENNIUM	36,751	0	36,751

Comments:

1. REDISTRICTING DATA PROCESSING - Provides funds for analysis of census statistics to facilitate eventual redistricting requirements.
2. LEVY STUDY - Provides for a study on the effects of levy lids on the quality of education offered by public schools.

NOTE: Both the Senate and the House will provide \$163,000 from their respective budgets to support the fellows program of the Washington State Institute for Public Policy.

The Senate also received appropriations in the following legislation: Chapter 427, Laws of 1989 (ESHB 1968) and Chapter 2, Laws of 1989, 1st Ex. Sess. (HB 2242). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

LEGISLATIVE BUDGET COMMITTEE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,674	0	1,674
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,864	0	1,864
TOTAL 1989-91 BIENNIUM	1,864	0	1,864

Comments:

None.

LEGISLATIVE EVALUATION & ACCOUNTABILITY PROGRAM
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	2,391	0	2,391
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,471	0	2,471
POLICY ITEMS			
1. ANALYST WORK GROUP	241	0	241
TOTAL 1989-91 BIENNIUM	2,712	0	2,712

Comments:

1. ANALYST WORK GROUP - Continue Analyst Work Group involvement with representation from House Appropriations, Senate Ways and Means, and LTC staffs. Upgrade and enhance the Legislative Analyst Work Station with interaction from the Analyst Work Group.

OFFICE OF STATE ACTUARY
(\$ 000)

	GF-S	OTHER	TOTAL
<u>1989-91</u>			
ESSENTIAL REQUIREMENTS LEVEL	0	855	855
POLICY ITEMS			
1. STAFF INCREASE	0	124	124
2. EMPLOYEE COMMUNICATIONS	0	100	100
3. SALARY INCREASES	0	19	19
TOTAL 1989-91 BIENNIUM	0	1,098	1,098

Comments:

1. STAFF INCREASE - Provides funds for additional staff and increased workload connected with the Joint Committee on Pension Policy.
2. EMPLOYEE COMMUNICATIONS - Provides funds to coordinate with the Department of Retirement Systems in improving employee communications regarding the respective retirement systems.
3. SALARY INCREASES - Provides funds for salary increases not covered under the salary allocation to non-legislative agencies.

JOINT LEGISLATIVE SYSTEMS COMMITTEE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,653	0	5,653
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	5,628	0	5,628
TOTAL 1989-91 BIENNIUM	5,628	0	5,628

Comments:

None.

STATUTE LAW COMMITTEE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,499	528	6,027
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	5,983	568	6,551
TOTAL 1989-91 BIENNIUM	5,983	568	6,551

Comments:

None.

MAJOR BUDGET ENHANCEMENTS

Court of Appeals Judge

One new judgeship is provided for Division I of the Court of Appeals, beginning in January 1990. A portion of the \$354,000 additional cost, which includes support staff and costs, will be offset by savings in pro tem costs.

Foster Care Review Board

The Administrator for the Courts is appropriated \$500,000 to design a foster care review board project. This project is to document the impacts of a review board on court costs and foster care length of stay, compared to a control group without a review board. Foster care review boards will involve local citizens in determining foster care placements, with the objective of keeping families together.

Judicial Information System

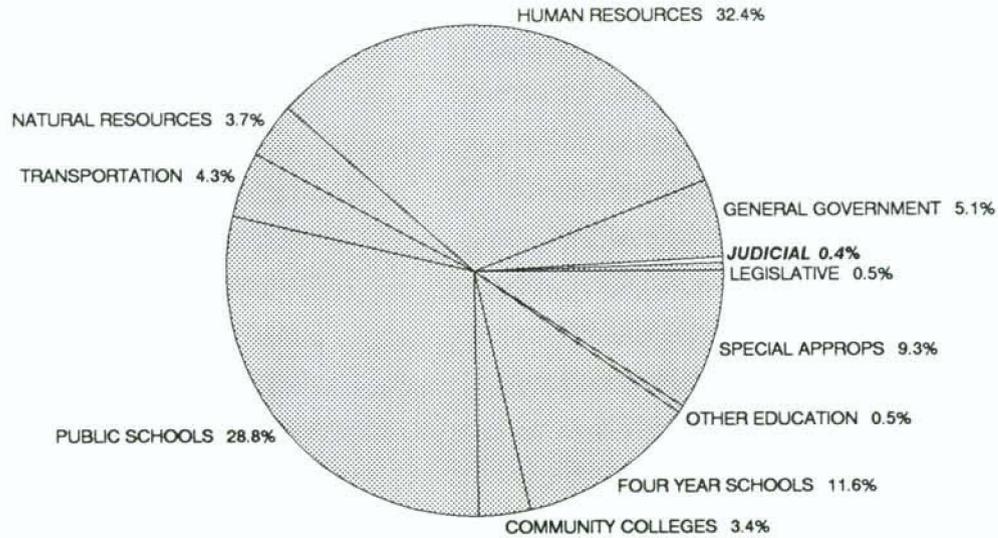
As part of the ongoing development of the Judicial Information System (JIS), \$5.8 million is appropriated from the Public Safety and Education Account to convert the district court information system to a subsystem compatible with other JIS subsystems. When providing equipment upgrades to an existing JIS site, an equal local match is required.

TASC Expansion

The Treatment Alternatives for Street Crime Program (TASC) is expanded by providing \$112,000 to fund a new case manager in Yakima.

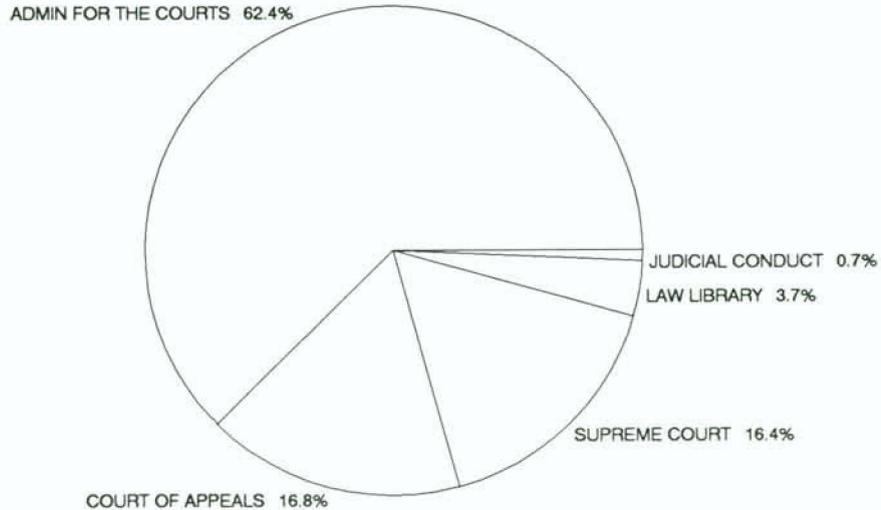
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
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NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
<hr/>	
1989-91 APPROP	21,351,258



Washington State

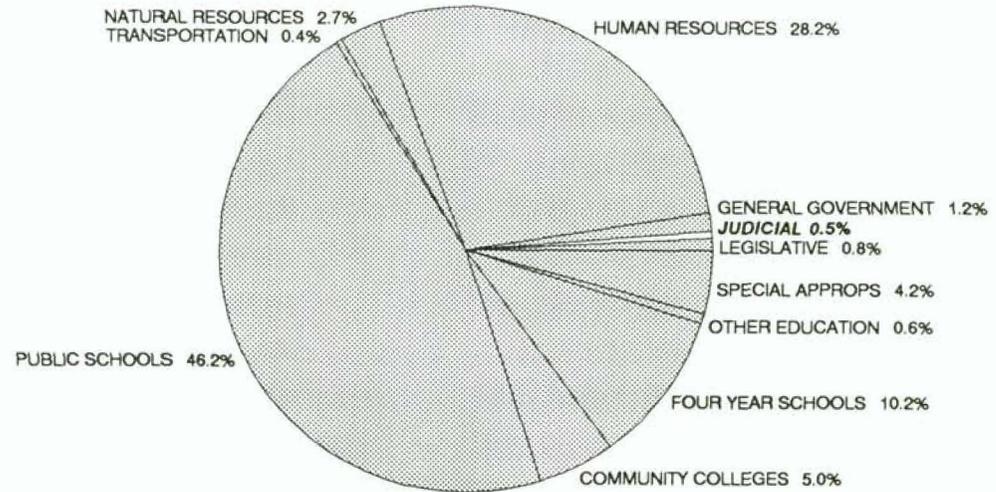
ADMIN FOR THE COURTS	51,131
COURT OF APPEALS	13,765
SUPREME COURT	13,404
LAW LIBRARY	2,989
JUDICIAL CONDUCT	594
<hr/>	
JUDICIAL	81,883



Judicial

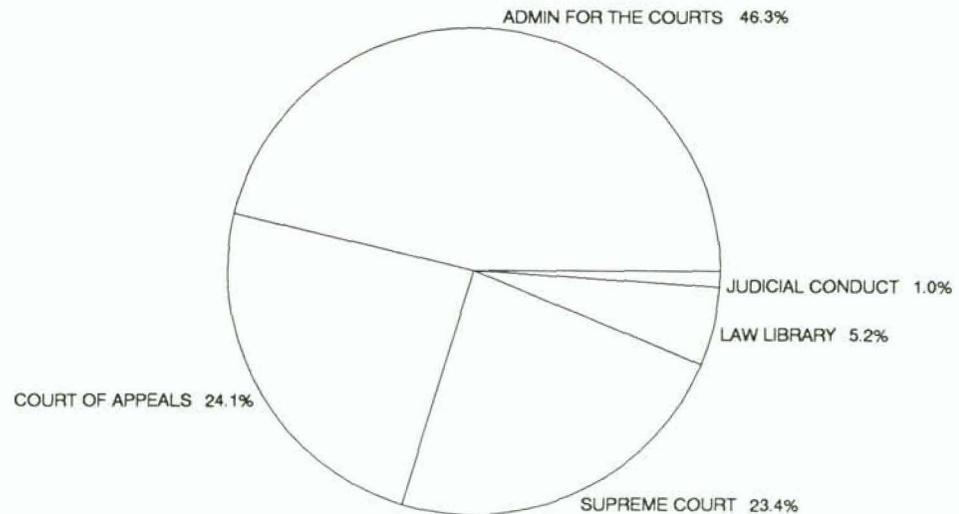
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

ADMIN FOR THE COURTS	26,481
COURT OF APPEALS	13,765
SUPREME COURT	13,404
LAW LIBRARY	2,989
JUDICIAL CONDUCT	594
JUDICIAL	57,233



Judicial

SUPREME COURT
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	11,088	0	11,088
1989 SUPPLEMENTAL BUDGET			
1. INDIGENT APPEALS	600	0	600
TOTAL 1987-89 BIENNIUM	11,688	0	11,688
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	13,265	0	13,265
POLICY ITEMS			
1. REPLACEMENT EQUIPMENT	139	0	139
TOTAL 1989-91 BIENNIUM	13,404	0	13,404

Comments:

1. REPLACEMENT EQUIPMENT - Furniture and equipment to replace items in the Temple of Justice after completion of renovation in September, 1989.

LAW LIBRARY
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	2,608	0	2,608
1989 SUPPLEMENTAL BUDGET			
1. INCREASED BOOK BUDGET	43	0	43
TOTAL 1987-89 BIENNIUM	2,651	0	2,651
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,989	0	2,989
TOTAL 1989-91 BIENNIUM	2,989	0	2,989

Comments:

None.

COURT OF APPEALS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	12,722	0	12,722
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	13,134	0	13,134
POLICY ITEMS			
1. NEW JUDGE	354	0	354
2. OFFICE AUTOMATION	202	0	202
3. DIVISION I REMODEL	75	0	75
	<hr/>	<hr/>	<hr/>
TOTAL 1989-91 BIENNIUM	13,765	0	13,765

Comments:

1. NEW JUDGE - Funds one new judgeship in Division I starting 1/1/90, including one secretary and two law clerk support staff, as authorized in Chapter 328, Laws of 1989.
2. OFFICE AUTOMATION - Funding is provided to begin automating all divisions within the Court of Appeals.
3. DIVISION I REMODEL - Funding is provided to complete remodeling activities that began during the 87-89 biennium and to provide space for the new judgeship and support staff requested in the 89-91 biennial budget.

COMMISSION ON JUDICIAL CONDUCT
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	484	0	484
1989 SUPPLEMENTAL BUDGET			
1. JUDGE LITTLE IMPACT	95	0	95
TOTAL 1987-89 BIENNIUM	579	0	579
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	471	0	471
POLICY ITEMS			
1. INCREASED STAFF	123	0	123
TOTAL 1989-91 BIENNIUM	594	0	594

Comments:

1. INCREASED STAFF - Additional staff support is provided to help manage an increased caseload and number of commission meetings.

ADMINISTRATOR FOR THE COURTS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	24,069	21,148	45,217
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	25,426	16,730	42,156
POLICY ITEMS			
1. NEW COURT STAFF	143	97	240
2. OFFICE AUTOMATION	150	15	165
3. DEMONSTRATION PROJECT	25	0	25
4. JUDICIAL INFORMATION SYSTEM	0	5,758	5,758
5. TASC EXPANSION - YAKIMA	112	0	112
6. INDIGENT DEFENSE TASK FORCE	0	50	50
7. URINALYSIS IMPROVEMENTS	125	0	125
8. FOSTER CARE PILOT PROJECT	500	0	500
9. COURT REPORTERS CERTIFICATION	0	200	200
TOTAL 1989-91 BIENNIUM	26,481	22,850	49,331

Comments:

1. NEW COURT STAFF - Provides funding for two financial services staff to handle an increased volume of fiscal data, billings and contract documents, much of which stems from the Temple renovation, JIS implementation, retirement benefit changes and other court improvement projects.
2. OFFICE AUTOMATION - Provides funding for new telecommunications and other office automation equipment.
3. DEMONSTRATION PROJECT - Provides funding for local courts to implement a fast track case management system.
4. JUDICIAL INFORMATION SYSTEM - Provides for continuation of the District Court Information System (DISCIS) conversion project which will convert the District Court Information System to a sub-system compatible

- with the Judicial Information System. A 50% local match is required for equipment upgrades at existing DISCIS sites.
5. TASC EXPANSION-YAKIMA - Funds for a new case manager in Yakima.
 6. INDIGENT DEFENSE TASK FORCE - Funds the Indigent Defense Task Force to evaluate the methods of funding and delivering appellate and trial indigent defense services pursuant to Chapter 409, Laws of 1989.
 7. URINALYSIS IMPROVEMENTS - Provides funding to perform enhanced urinalysis for Treatment Alternatives to Street Crime clients.
 8. FOSTER CARE PILOT PROJECT - Provides funds to reduce out-of-home placements through establishment of Foster Care Citizen

- Review Boards pursuant to Chapter 17, Laws of 1989.
9. COURT REPORTERS CERTIFICATION - Provides funding pursuant to Chapter 382, Laws of 1989, which requires certification of court reporters.

NOTE: The Administrator for the Courts also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1968). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

MAJOR BUDGET ENHANCEMENTS

African-American Affairs Commission

The Governor has created a nine member Commission on African-American Affairs to coordinate the development of public policy and the delivery of governmental services to meet the special needs of African-Americans. The amount of \$225,000 is provided for the administration and activities of the new commission.

Legal Services

Several major enhancements are included in the budget that will strengthen legal services and law enforcement support in the Office of the Attorney General. The amount of \$181,000 is provided to expand the computerized Homicide Information and Tracking System. The budget also

requires a report on the inclusion of rape, robbery, and arson crimes in the system. A \$761,000 Motor Vehicle Fund appropriation is provided to pursue highway bid-rigging anti-trust litigation. Increased Legal Services Revolving Fund appropriations are provided in the amounts of \$3.0 million to transfer legal services support staff from the Department of Transportation and \$550,000 for computer augmentation throughout the office.

Revenue Enhancement

The Department of Revenue is provided an increase of \$4.8 million to hire additional auditors, compliance tax discovery officers, and support staff as part of a revenue enhancement package for the 1989-91 biennium. This increase in operating costs is projected to result in a revenue increase of \$35.3 million over the same period. The revenue enhancement package consists primarily

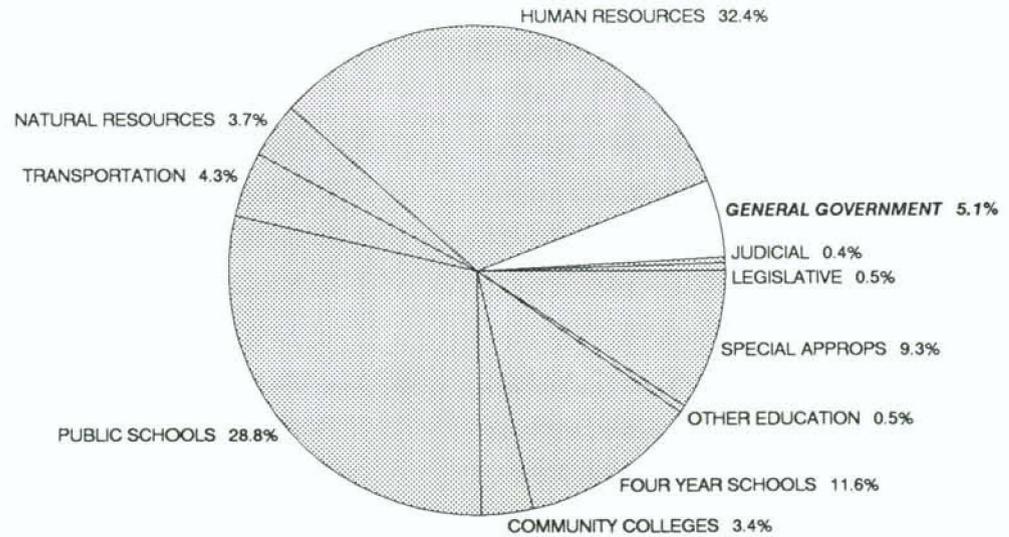
of increased revenues due to better enforcement practices, more frequent auditing, and improved administrative procedures.

Liquor Store Improvements

The amount of \$1.2 million is provided to expand the point-of-sale merchandising and inventory system to 30 additional liquor stores in 1990 and 30 more in 1991. Expansion of the system will improve service and reduce operating and inventory costs, thereby further increasing profits.

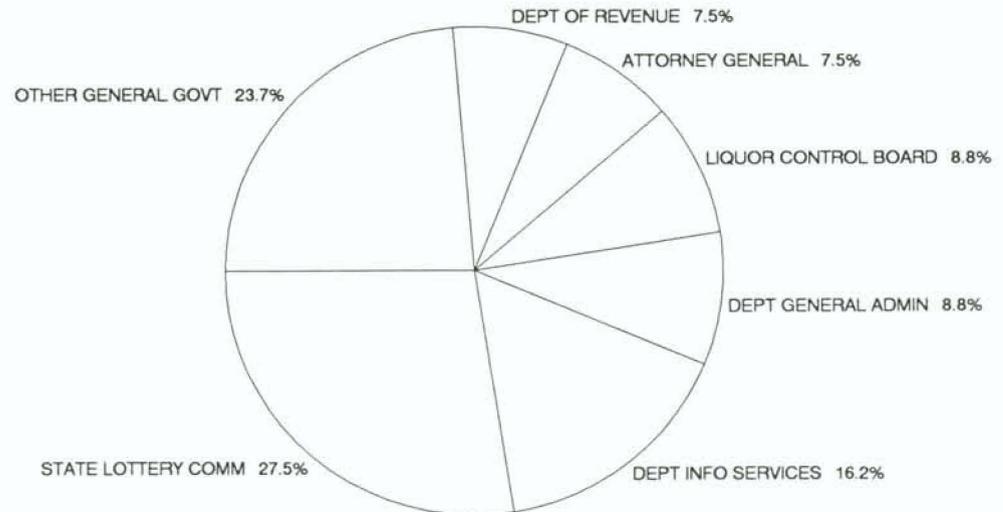
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Washington State

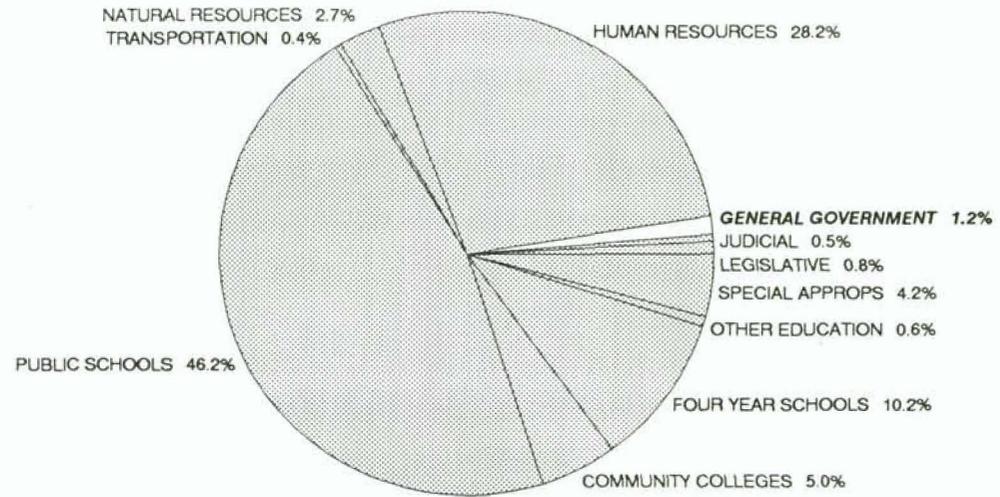
STATE LOTTERY COMM	298,177
DEPT INFO SERVICES	175,430
DEPT GENERAL ADMIN	95,654
LIQUOR CONTROL BOARD	95,098
ATTORNEY GENERAL	81,599
DEPT OF REVENUE	80,906
OTHER GENERAL GOVT	256,936
<hr/>	
GENERAL GOVERNMENT	1,083,800



General Government

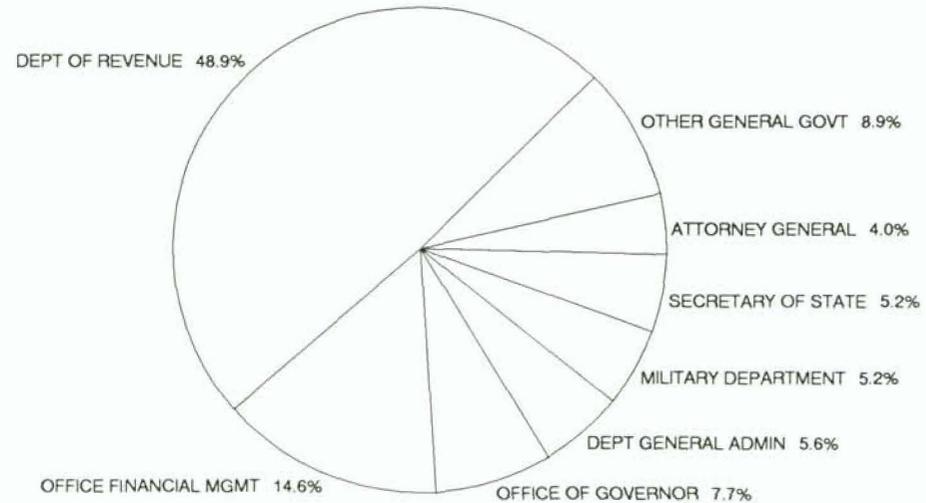
**WASHINGTON STATE 1989-91 OPERATING BUDGET
GENERAL FUND - STATE (\$ 000)**

LEGISLATIVE	102,488
JUDICIAL	57,233
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OTHER EDUCATION	79,626
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Washington State

DEPT OF REVENUE	75,729
OFFICE FINANCIAL MGMT	22,569
OFFICE OF GOVERNOR	11,894
DEPT GENERAL ADMIN	8,601
MILITARY DEPARTMENT	8,087
SECRETARY OF STATE	8,042
ATTORNEY GENERAL	6,188
OTHER GENERAL GOVT	13,711
GENERAL GOVERNMENT	154,821



General Government

OFFICE OF THE GOVERNOR
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	9,055	26,112	35,167
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	10,856	27,812	38,668
POLICY ITEMS			
1. INFORMATION SERVICES SUPPORT	107	0	107
2. EXECUTIVE FELLOWS	100	0	100
3. REORGANIZATION	606	0	606
4. AFRICAN-AMERICAN COMMISSION	225	0	225
TOTAL 1989-91 BIENNIUM	11,894	27,812	39,706

Comments:

1. INFORMATION SERVICES SUPPORT - Establishes an Information Services supervisor position.
2. EXECUTIVE FELLOWS - Expands the existing executive fellowship and intern program which places undergraduate and graduate level students with state agencies.
3. REORGANIZATION - Recent organizational changes in executive operations require the addition of 5 FTE's for the ensuing biennium.
4. AFRICAN-AMERICAN COMMISSION - Provides for the establishment of a Governor's Commission on African-American affairs.

OFFICE OF LIEUTENANT GOVERNOR
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	340	0	340
1989 SUPPLEMENTAL BUDGET			
1. NEW POSITION	28	0	28
TOTAL 1987-89 BIENNIUM	368	0	368
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	361	0	361
POLICY ITEMS			
1. INCREASE STAFF	131	0	131
TOTAL 1989-91 BIENNIUM	492	0	492

Comments:

1. INCREASE STAFF - Provides for a new administrative assistant.

PUBLIC DISCLOSURE COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,210	0	1,210
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,289	0	1,289
TOTAL 1989-91 BIENNIUM	1,289	0	1,289

Comments:

None.

SECRETARY OF STATE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	6,803	2,958	9,761
1989 SUPPLEMENTAL BUDGET			
1. PRODUCTIVITY BOARD	20	0	20
2. HANDICAPPED ACCESS NOTICES	44	0	44
3. VOTER SERVICES	888	0	888
4. REDISTRICTING-CENSUS DATA	19	0	19
TOTAL 1987-89 BIENNIUM	7,774	2,958	10,732
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	7,719	3,229	10,948
POLICY ITEMS			
1. RECORDS MANAGEMENT WORKLOAD	0	165	165
2. ESSENTIAL RECORDS MICROFILMING	0	66	66
3. ORAL HISTORY	123	0	123
4. REDISTRICTING DP SYSTEMS	200	0	200
TOTAL 1989-91 BIENNIUM	8,042	3,460	11,502

Comments:

- | | |
|--|--|
| <p>1. RECORDS MANAGEMENT WORKLOAD - Funds 1 FTE warehouseman and expansion of leased space, in the Olympia area, for storage of official records.</p> <p>2. ESSENTIAL RECORDS MICROFILMING - Expands program of special care required in the receiving, handling, storage, and maintenance of official records on microfilm or computer tape.</p> <p>3. ORAL HISTORY - Expands the oral history program recently developed by the division of archives and records management.</p> | <p>4. REDISTRICTING DP SYSTEMS - Provides for analysis of census statistics to facilitate eventual redistricting requirements.</p> |
|--|--|

GOVERNOR'S OFFICE OF INDIAN AFFAIRS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	282	0	282
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	290	0	290
TOTAL 1989-91 BIENNIUM	290	0	290

Comments:

None.

COMMISSION ON ASIAN-AMERICAN AFFAIRS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	282	0	282
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	312	0	312
TOTAL 1989-91 BIENNIUM	312	0	312

Comments:

None.

OFFICE OF STATE TREASURER
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1	9,994	9,995
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	9,606	9,606
POLICY ITEMS			
1. INVESTMENT ACCOUNTING SYSTEM IMPROVEMENT	0	350	350
2. COMPUTER UPGRADE	0	300	300
3. MISCELLANEOUS NEEDS	0	88	88
TOTAL 1989-91 BIENNIUM	0	10,344	10,344

Comments:

1. INVESTMENT ACCOUNTING SYSTEM IMPROVEMENT - Two temporary junior programmers are provided to modify the accounting system.
2. COMPUTER UPGRADE - Funds are provided to extend the useful life and enhance the capability of mainframe computers currently in use.
3. MISCELLANEOUS NEEDS - One FTE is provided for cash flow analysis, to support the bond debt function of the office, and to provide legal support.

OFFICE OF STATE AUDITOR
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	865	25,444	26,309
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	902	26,739	27,641
POLICY ITEMS			
1. COMPUTER RESOURCES STAFF	0	64	64
2. PERSONAL COMPUTERS	0	22	22
TOTAL 1989-91 BIENNIUM	902	26,825	27,727

Comments:

1. COMPUTER RESOURCES STAFF - Establishes a new FTE position to operate the office's internal management information system and conduct audits of state agencies.
2. PERSONAL COMPUTERS - Provides computers to an increased number of field audit staff.

COMMITTEE ON SALARIES FOR ELECTED OFFICIALS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	65	0	65
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	76	0	76
TOTAL 1989-91 BIENNIUM	76	0	76

Comments:

None.

OFFICE OF ATTORNEY GENERAL
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,365	48,833	54,198
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	6,257	70,723	76,980
POLICY ITEMS			
1. SHIFT SOURCE OF FUNDS	-250	250	0
2. ASBESTOS LITIGATION STAFF	0	141	141
3. HITS PROJECT GROWTH	181	30	211
4. HIGHWAY BID-RIG LITIGATION TEAM	0	761	761
5. TRANSFER OF DOT SUPPORT STAFF	0	2,956	2,956
6. COMPUTER AUGMENTATION	0	550	550
TOTAL 1989-91 BIENNIUM	6,188	75,411	81,599

Comments:

- | | |
|--|--|
| 1. SHIFT SOURCE OF FUNDS - Shifts a portion of workload related program costs from GF-State to the Legal Services Revolving Fund. | Transportation to the Attorney General's Office, continuing the consolidation of state personnel engaged in legal services. |
| 2. ASBESTOS LITIGATION STAFF - Assigns responsibility to one additional FTE attorney in the Anti-Trust division for special asbestos litigation. | 6. COMPUTER AUGMENTATION - Extends accessibility of existing legal services computer network to additional professional and support staff. |
| 3. HITS PROJECT GROWTH - Expands the Homicide Information Tracking System. A report will be submitted to the Legislature by January 14, 1991 on the feasibility of expanding the system further to include other violent crimes. | |
| 4. HIGHWAY BID-RIG LITIGATION TEAM - Provides Motor Vehicle funds to pursue possible overpayments on highway construction projects, contingent on OFM approval of the expenditure plan. | |
| 5. TRANSFER OF DOT SUPPORT STAFF - Shifts support staff from the Department of | |

OFFICE OF FINANCIAL MANAGEMENT
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	18,748	4,074	22,822
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	20,724	5,271	25,995
POLICY ITEMS			
1. K-12 HANDICAPPED STUDY	150	0	150
2. HOSPITAL DATA COLLECTION	845	844	1,689
3. EFFICIENCY COMMISSION	300	0	300
4. NEW STAFF	500	0	500
TOTAL 1989-91 BIENNIUM	22,519	6,115	28,634

Comments:

1. K-12 HANDICAPPED STUDY - Funds are provided to establish a committee of legislative and executive staff, and professionals in the field of handicapped assessment to study the K-12 Handicapped Education program and make recommendations regarding forecasting methodology, assessment and enrollment practices, and other factors affecting the program.
2. HOSPITAL DATA COLLECTION - Funds are provided for transfer to the newly created Department of Health for the purpose of conducting hospital patient discharge data collection, an activity previously performed by the Hospital Commission.
3. EFFICIENCY COMMISSION - Provides GF-State support of the work of the Efficiency Commission, which researches ways for state agencies to cut costs and generate savings.
4. NEW STAFF - Provides five additional FTEs.

Chapter 56, Laws of 1989 (EHB 1480). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

Governor's Vetoes:

Section 123 (1). The Governor vetoed subsection (1), which required OFM to report to the Legislature on savings realized from the implementation of the report of the motor pool review team of the Governor's Commission on Efficiency and Accountability in Government. The subsection also required OFM to place in reserve status, by June 30, 1991, at least \$3.2 million of General Fund-State appropriations to reflect the resulting savings.

Section 123 (3). The Governor vetoed subsection (3), which directed OFM to forecast the enrollment of the K-12 handicapped program in conjunction with the common school enrollment forecast.

Section 123 (4). The Governor vetoed subsection (4), which established a committee to conduct an examination of the state's handicapped education

program in the common schools. The committee would include representatives of OFM and the legislative fiscal committees as well as professionals in the field of handicapped assessment. \$200,000 was earmarked for this study.

Section 123 (5). The Governor vetoed subsection (5), which directed OFM to transfer funds from other agencies to the Department of Licensing if state motor vehicle funds are insufficient to fund the Master License Center operated by DOL.

Section 123 (6). The Governor vetoed subsection (6), which earmarked \$130,000 from the General Fund-State for an architectural or structural cost specialist for evaluation and technical analysis related to capital budget projects.

NOTE: The Office of Financial Management also received appropriations in the following legislation:

ECONOMIC DEVELOPMENT BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	681	47	728

Comments:

Agency terminated in the 1987-89 biennium.

OFFICE OF ADMINISTRATIVE HEARINGS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	8,990	8,990
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	10,008	10,008
POLICY ITEMS			
1. PURCHASE PERSONAL COMPUTERS	0	23	23
TOTAL 1989-91 BIENNIUM	0	10,031	10,031

Comments:

1. PURCHASE PERSONAL COMPUTERS -
Provides automation equipment necessary to administer the child support schedules under RCW 26.19 as well as an increase in child support hearings.

DEPARTMENT OF PERSONNEL
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	6	20,018	20,024
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	21,903	21,903
POLICY ITEMS			
1. CEP PROGRAM	0	670	670
TOTAL 1989-91 BIENNIUM	0	22,573	22,573
<hr/>			
LAPSED - ESSB 5352, SEC. 125(2)	0	-670	-670
REVISED 1989-91 BIENNIUM	0	21,903	21,903

Comments:

1. CEP PROGRAM - Provides funds for training necessitated by an increase in the number of Career Executive Positions. These funds are contingent on the enactment of HB 1360, HB 2236, or SB 5140. Since none of the bills were enacted, these funds lapse.

Governor's Vetoes:

Section 125 (4). The Governor vetoed subsection (4), which provided for legislative staff to consult with and make recommendations to the Department relating to the state employee salary survey.

DEFERRED COMPENSATION COMMITTEE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	305	1,179	1,484
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	529	1,223	1,752
TOTAL 1989-91 BIENNIUM	<u>529</u>	<u>1,223</u>	<u>1,752</u>

Comments:

None.

STATE LOTTERY COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	257,532	257,532
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	288,045	288,045
POLICY ITEMS			
1. REPLACEMENT OF MAINFRAME	0	372	372
2. REVISED SALES ESTIMATES	0	9,760	9,760
TOTAL 1989-91 BIENNIUM	0	298,177	298,177

Comments:

1. REPLACEMENT OF MAINFRAME - Provides funding for the replacement of an existing Honeywell DPS6 which has been upgraded to its maximum potential. Department of Information Services review and OFM approval were given in February of 1989.
2. REVISED SALES ESTIMATES - Provides for payment of prize money to game winners, and costs associated with a revision in game sales estimates.

STATE GAMBLING COMMISSION
 (\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	0	8,516	8,516
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	9,007	9,007
TOTAL 1989-91 BIENNIUM	0	9,007	9,007

Comments:

All funds are non-appropriated.

COMMISSION ON HISPANIC AFFAIRS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	288	0	288
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	343	0	343
TOTAL 1989-91 BIENNIUM	343	0	343

Comments:

None.

PERSONNEL APPEALS BOARD

(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	807	807
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	819	819
POLICY ITEMS			
1. DATA PROCESSING EQUIPMENT	0	12	12
TOTAL 1989-91 BIENNIUM	0	831	831

Comments:

1. DATA PROCESSING EQUIPMENT -
Provides funding in FY90 to purchase
additional word processing equipment.

DEPARTMENT OF RETIREMENT SYSTEMS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3	21,100	21,103
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	20,368	20,368
POLICY ITEMS			
1. ACCOUNTS RECEIVABLE WORKLOAD	0	113	113
2. PROJECT STAFF - BACKLOG	0	86	86
3. LEOFF SYSTEM - BACKLOG	0	65	65
4. TEACHERS SYSTEM - BACKLOG	0	64	64
5. PERS SYSTEM - BACKLOG	0	81	81
6. MEMBERSHIP AUDIT - BACKLOG	0	60	60
7. MEMBERSHIP SKELETAL - BACKLOG	0	51	51
8. MEMBERSHIP RESTORES - BACKLOG	0	60	60
9. PROJECT STAFF - BACKLOG	0	210	210
10. MEMBERSHIP WORKLOAD	0	81	81
11. DATA SECURITY	0	101	101
12. PROGRAM LIBRARY MANAGEMENT	0	83	83
13. SERVICE CENTER COSTS	0	908	908
14. PREP DISABILITY INFORMATION	0	50	50
	<hr/>	<hr/>	<hr/>
TOTAL 1989-91 BIENNIUM	0	22,381	22,381

Comments:

- | | | |
|--|---|--|
| <p>1. ACCOUNTS RECEIVABLE WORKLOAD - Provides funds to meet increased Accounts Receivable workloads.</p> <p>2-9 FILE MAINTENANCE BACKLOGS - Eliminates specific file maintenance backlogs within each of the state's respective retirement systems by June 30, 1991, and a general backlog by June 30, 1990.</p> <p>10. MEMBERSHIP WORKLOAD - Provides funds to meet increased workload in verification of member earned service credit based on hours worked per month.</p> | <p>11. DATA SECURITY - Addresses a specific audit exception dealing with data security.</p> <p>12. PROGRAM LIBRARY MANAGEMENT - Addresses a specific audit exception dealing with program library management.</p> <p>13. SERVICE CENTER COSTS - Provides funding for increased service center costs arising from the development/implementation of the information systems projects. These funds are subject to control (including distribution) and monitoring by the Department of Information Systems.</p> | <p>14. PREP DISABILITY INFORMATION - Funds pre-retirement counseling activity by agency staff rather than through a personal service contract.</p> |
|--|---|--|

STATE INVESTMENT BOARD
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	1,831	1,831
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	1,909	1,909
POLICY ITEMS			
1. ADD INVESTMENT OFFICER	0	106	106
TOTAL 1989-91 BIENNIUM	0	2,015	2,015

Comments:

1. ADD INVESTMENT OFFICER - One FTE is provided to increase management capability for equity investments.

DEPARTMENT OF REVENUE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	65,868	4,489	70,357
1989 SUPPLEMENTAL BUDGET			
1. REAUTHORIZE SUPERFUND APPROP	0	106	106
TOTAL 1987-89 BIENNIUM	65,868	4,595	70,463
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	70,919	4,712	75,631
POLICY ITEMS			
1. REVENUE ENHANCEMENT PACKAGE	4,810	63	4,873
2. STATE TOXICS ACCOUNT ADJUSTMENT	0	-6	-6
3. VEHICLE TIRE RECYCLING	0	122	122
4. UNDERGROUND STORAGE TANK TAX	0	286	286
TOTAL 1989-91 BIENNIUM	75,729	5,177	80,906

Comments:

1. REVENUE ENHANCEMENT PACKAGE - Provides funding for additional auditors, compliance tax discovery officers and support staff, resulting in \$35,300,000 additional revenue.
2. STATE TOXICS ACCOUNT ADJUSTMENT - Adjustment to reflect revised revenue estimate for this account.
3. VEHICLE TIRE RECYCLING - Funds are provided to offset administrative cost of implementing the vehicle tire tax established under Chapter 431, Laws of 1989.
4. UNDERGROUND STORAGE TANK TAX - Provides funds to offset administrative cost of implementing the tax on underground storage tanks established under Chapter 383, Laws of 1989.

BOARD OF TAX APPEALS
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	1,227	0	1,227
1989 SUPPLEMENTAL BUDGET			
1. FIRE DAMAGE	39	0	39
TOTAL 1987-89 BIENNIUM	1,266	0	1,266
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,329	0	1,329
TOTAL 1989-91 BIENNIUM	1,329	0	1,329

Comments:

None.

MUNICIPAL RESEARCH COUNCIL
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	2,104	0	2,104
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,212	0	2,212
TOTAL 1989-91 BIENNIUM	2,212	0	2,212

Comments:

None.

UNIFORM LEGISLATION COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	34	0	34
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	37	0	37
TOTAL 1989-91 BIENNIUM	37	0	37

Comments:

None.

OFFICE OF MINORITY & WOMEN'S BUSINESS ENTERPRISES
 (\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	1,887	0	1,887
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,076	0	2,076
TOTAL 1989-91 BIENNIUM	2,076	0	2,076

Comments:

None.

DEPARTMENT OF GENERAL ADMINISTRATION
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	8,055	77,606	85,661
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	8,576	86,411	94,987
POLICY ITEMS			
1. OFFICE OF MOTOR VEHICLE SERVICES	0	471	471
2. TRAVEL INITIATIVE	0	91	91
3. PURCHASE PICKUPS	0	6	6
4. VEHICLE TRANSFER FROM DOL	0	74	74
TOTAL 1989-91 BIENNIUM	8,576	87,053	95,629

Comments:

1. OFFICE OF MOTOR VEHICLE SERVICES - Funding is provided to establish an office of motor vehicle services to increase the efficiency of statewide motor pool expenditures, as authorized by Chapter 57, Laws of 1989. Notwithstanding the Governor's veto of Section 123(1), these funds should not be expended unless the savings identified in Section 123(1) are realized.
2. TRAVEL INITIATIVE - Establishes a travel coordinator to manage reductions in state travel costs.
3. PURCHASE PICKUPS - One-time funding is provided to convert two pickup trucks from leased to owned. The trucks are used for capitol parking control.
4. VEHICLE TRANSFER FROM DOL - Provides expenditure authority from the Motor Transport Account for 35 vehicles that were transferred to the motor pool from the Department of Licensing.

NOTE: The Department of General Administration also received appropriations in the following legislation: Chapter 212, Laws of 1989 (SHB 1858). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

DEPARTMENT OF INFORMATION SERVICES
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	161,924	161,924
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	172,012	172,012
POLICY ITEMS			
1. SYSTEM ANALYSIS/NEEDS STUDIES	0	539	539
2. WORKLOAD GROWTH	0	2,879	2,879
TOTAL 1989-91 BIENNIUM	0	175,430	175,430

Comments:

1. SYSTEM ANALYSIS/NEEDS STUDIES - Provides additional staff support to conduct critical design reviews and performance assessments, to coordinate with agencies in identifying new technology areas, and to help agencies develop plans and methods for conducting feasibility studies to acquire new service and equipment.
2. WORKLOAD GROWTH - Provides funding for growth in usage of telecommunications, computers, and staff resources by customer agencies.

UNITED STATES PRESIDENTIAL ELECTORS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1	0	1

Comments:

None.

OFFICE OF INSURANCE COMMISSIONER
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNium	2	10,506	10,508
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	10,810	10,810
POLICY ITEMS			
1. SENIOR INSURANCE PROGRAMS	0	275	275
2. INSURANCE CONSUMER ASSISTANCE	0	308	308
3. AGENT FINANCIAL EXAMINER	0	224	224
4. SALES PRACTICES INVESTIGATION	0	279	279
5. CONSUMER PROTECTION	0	116	116
6. CLERICAL SUPPORT	0	114	114
TOTAL 1989-91 BIENNium	0	12,126	12,126

Comments:

1. SENIOR INSURANCE PROGRAMS - Funds are provided to initiate a public education program to prevent improper insurance sales practices aimed at senior citizens.
2. INSURANCE CONSUMER ASSISTANCE - Additional consumer advisors are funded to handle consumer insurance inquiries and complaints.
3. AGENT FINANCIAL EXAMINER - Funds are provided to increase the examination of the financial records of insurance agents.
4. SALES PRACTICES INVESTIGATION - Increases the agency's ability to investigate improper insurance sales practices.
5. CONSUMER PROTECTION - A new position is authorized to develop new and amendatory consumer protection regulations.
6. CLERICAL SUPPORT - General clerical support is increased by 1.5 FTEs.

STATE BOARD OF ACCOUNTANCY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	426	578	1,004
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	443	655	1,098
TOTAL 1989-91 BIENNIUM	443	655	1,098

Comments:

None.

DEATH INVESTIGATION COUNCIL
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	5	5
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	6	6
POLICY ITEMS			
1. DEATH INVESTIGATION STANDARDS	0	5	5
TOTAL 1989-91 BIENNIUM	0	11	11

Comments:

- 1. DEATH INVESTIGATION STANDARDS - Provides funding to develop uniform standards for death investigation for use by county medical examiners, coroners, and prosecuting attorneys.

BOXING COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	104	0	104
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	139	0	139
TOTAL 1989-91 BIENNIUM	139	0	139

Comments:

None.

HORSE RACING COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	4,299	4,299
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	4,544	4,544
TOTAL 1989-91 BIENNIUM	0	4,544	4,544

Comments:

None.

LIQUOR CONTROL BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	15	89,057	89,072
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	93,695	93,695
POLICY ITEMS			
1. UPGRADE IN-HOUSE COMPUTER	0	157	157
2. POINT OF SALE EQUIPMENT	0	1,246	1,246
TOTAL 1989-91 BIENNIUM	0	95,098	95,098

Comments:

1. UPGRADE IN-HOUSE COMPUTER - Funds are provided to upgrade the agency's IBM System/38 computer. The improvement will enhance the processing and data storage capacity of the System/38 to accommodate the needs of increased workload.

2. POINT OF SALE EQUIPMENT - The point-of-sale merchandising and inventory system is funded for installation in 30 stores in fiscal year 1990 and 30 additional stores in fiscal year 1991.

BOARD OF PHARMACY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,382	138	1,520
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,491	0	1,491
POLICY ITEMS			
1. INCREASE INTERAGENCY REIMBURSEMENT	-68	0	-68
TOTAL 1989-91 BIENNIUM	1,423	0	1,423

Comments:

1. INCREASE INTERAGENCY REIMBURSEMENT - The increase in interagency reimbursement is for investigative services provided by the Board of Pharmacy, to various state agencies, that are related to complaints filed against medical professionals.

UTILITIES AND TRANSPORTATION COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	7	24,891	24,898
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	26,149	26,149
POLICY ITEMS			
1. STAFF INCREASE-SOLID WASTE	0	416	416
TOTAL 1989-91 BIENNIUM	0	26,565	26,565

Comments:

- 1. STAFF INCREASE-SOLID WASTE -
Funding is provided to handle an increase in the number of rate cases filed with the UTC as a result of the implementation of solid waste recovery and recycling plans required under Chapter 7, Laws of 1984, and Chapter 81, Laws of 1986.

NOTE: The Utilities and Transportation Commission also received appropriations in the following legislation: Chapter 282, Laws of 1989 (SHB 1756). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

BOARD FOR VOLUNTEER FIREFIGHTERS
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	239	239
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	258	258
POLICY ITEMS			
1. COMPLY WITH A.P.A.	0	57	57
TOTAL 1989-91 BIENNIUM	0	315	315

Comments:

1. COMPLY WITH A.P.A. - Provides funds for compliance with existing Administrative Procedure Act requirements pursuant to findings of non-conformance by the Attorney General's Office.

MILITARY DEPARTMENT
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	7,869	6,008	13,877
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	8,087	6,425	14,512
TOTAL 1989-91 BIENNIUM	8,087	6,425	14,512

Comments:

None.

PUBLIC EMPLOYMENT RELATIONS COMMITTEE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,767	0	1,767
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,819	0	1,819
TOTAL 1989-91 BIENNIUM	<u>1,819</u>	<u>0</u>	<u>1,819</u>

Comments:

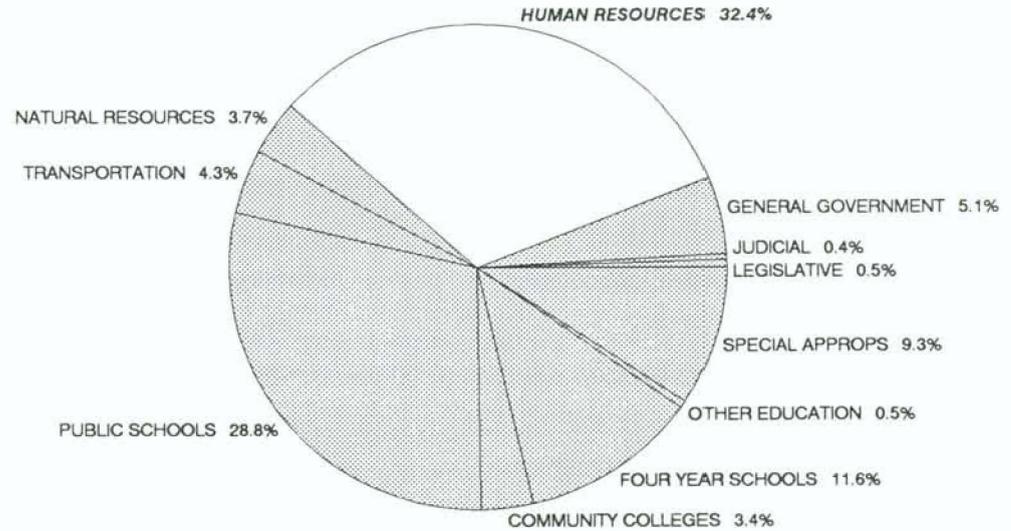
None.

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The Human Resources section of the appropriations act is separated into two sections to better explain the programs included in the budget. The two sections are the Department of Social and Health Services and Other Human Resources. The Department of Social and Health Service's budget is displayed by program in order to give better visibility to the cost of services provided by the Department. The Other Human Resources section, in contrast, displays budgets by individual agency, and includes the Department of Corrections, Department of Labor and Industries, Employment Security Department and the other human resource related agencies.

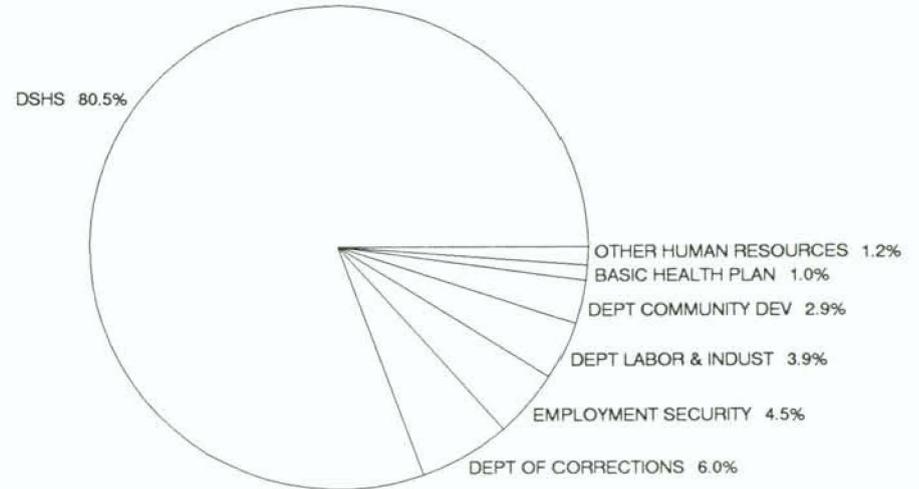
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
<hr/>	
1989-91 APPROP	21,351,258



Washington State

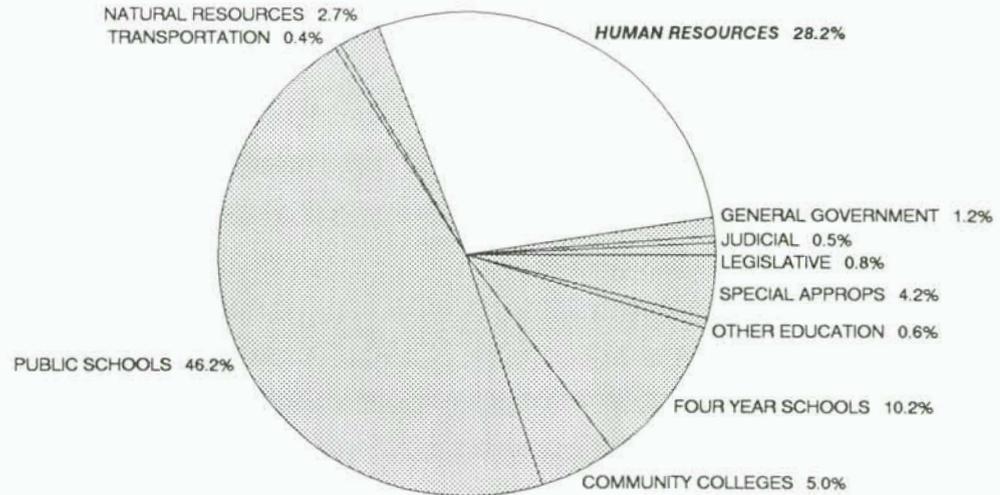
DSHS	5,564,984
DEPT OF CORRECTIONS	412,743
EMPLOYMENT SECURITY	313,236
DEPT LABOR & INDUST	268,269
DEPT COMMUNITY DEV	203,162
BASIC HEALTH PLAN	69,195
OTHER HUMAN RESOURCES	83,538
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HUMAN RESOURCES	6,915,127



Human Resources

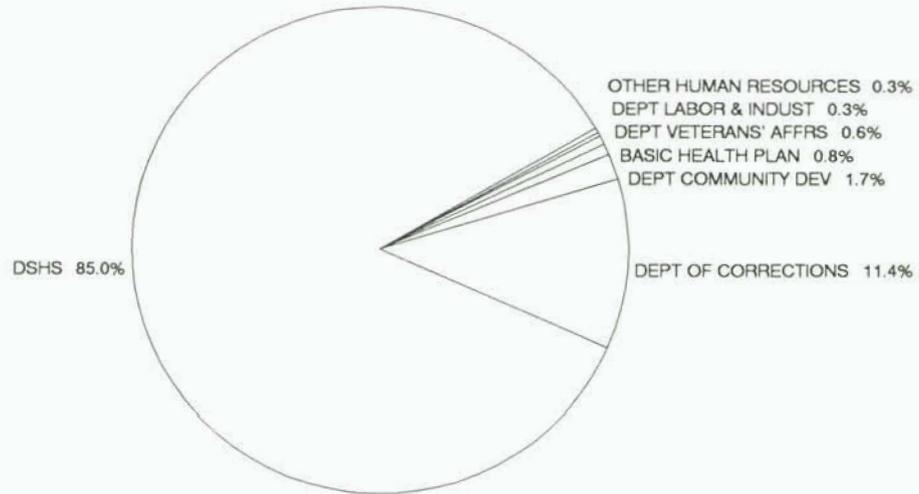
**WASHINGTON STATE 1989-91 OPERATING BUDGET
GENERAL FUND - STATE (\$ 000)**

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
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1989-91 APPROP	12,515,705



Washington State

DSHS	2,998,929
DEPT OF CORRECTIONS	400,766
DEPT COMMUNITY DEV	58,937
BASIC HEALTH PLAN	27,215
DEPT VETERANS' AFFRS	20,229
DEPT LABOR & INDUST	9,325
OTHER HUMAN RESOURCES	11,420
<hr/>	
HUMAN RESOURCES	3,526,821



Human Resources

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MAJOR BUDGET ENHANCEMENTS

Children and Family

The 1989 Legislature increases the Division of Children and Family Services' budget by \$47 million GF-State (\$77.9 million total funds) or 22.5 percent above the last biennium's level. Highlights include \$877,000 to expand the Homebuilder's program and an additional \$2.6 million directed to the Homemaker's program -- both programs that provide family counseling and other services intended to help hold families together. Child care programs are increased by \$9.1 million, providing support for low-income families and grants and technical assistance to employers who establish child care services. Foster parents receive a 10 percent payment increase for their services to the state. An additional \$4.2 million provides sufficient support to reduce the average Child Protective Service (CPS) worker's caseload from 34 to 32 allowing caseworkers to spend more time helping families. CPS

caseworkers and clients also benefit from the \$2.7 million GF-State (\$3 million total funds) provided to establish an automated system which will help track child protective and child welfare cases.

Juvenile Rehabilitation

The budget includes enhancements of \$554,000 in response to tougher disposition standards adopted for juvenile drug offenders and \$408,000 to increase security at the Naselle Youth Camp and the Green Hill School.

Mental Health

The Legislature provides an additional \$49.1 million to implement the community and institutional mental health reform as directed by Ch. 205, Laws of 1989 (2SSB 5400). The new

community-based networks permit most mentally ill citizens to be served in their own communities. An increase of \$7.8 million provides for additional residential services for persons transferred from nursing home care as mandated by the Omnibus Budget Reconciliation Act of 1987 (OBRA).

Developmental Disabilities

The Legislature provides a total of \$5.6 million to reduce or "downsize" the population of four institutions for the Mentally Retarded. Specifically, funds will be used to reduce the population of the Fircrest School by 168 residents, Rainier School by 63 residents, Lakeland Village by 42 residents, and the United Cerebral Palsy Center by 28 residents. This action is in response to recent federal audits which found deficiencies in staffing and active treatment, and is a result of an inter-agency task force policy recommendation to correct staffing-related

certification problems by reducing populations rather than by increasing staff. An additional \$5.9 million provides adequate support to comply with federal OBRA requirements related to inappropriate nursing home placements. Another \$1 million is provided to implement a new naive offender program and a \$2 million enhancement is provided to support four community-based residential programs.

Long-Term Care Services

The Legislature increases Long-Term Care Services by \$88.6 million GF-State (\$224 million total funds) above the prior biennium. Highlights include an additional \$31.5 million of federal funds from the adoption of the Title XIX Personal Care Option; \$700,000 to expand volunteer chore services; and \$3.2 million for statewide expansion of respite care. An additional \$2.2 million will provide for expansion of the COPES caseload.

Income Assistance

The Family Independence Program (FIP) receives a total of \$30.6 million GF-State (\$76.9 million total funds). Of this amount, \$12.2 million goes to Income Assistance, \$9.5 million to Medical Assistance primarily for one-year of transitional medical care, \$4.8 million to Community Services Administration, with the balance appropriated to Administration and Supporting Services and Revenue Collections. The budget permits FIP to expand from the present 11 sites to 15 sites around the state. The four additional FIP sites are Spokane Southwest, Spokane East Valley, Puyallup, and Smokey Point. The Legislature appropriates FIP funding for FY91, \$14.1 million GF-State (\$25.8 million total funds), to the 1991 Human Resources Reserve Account. If these funds are not appropriated to FIP by June 30, 1990, they may be expended to implement the federal Family Support Act of 1988 or supplement the Aid to Families with Dependent Children (AFDC) program.

The budget provides for a 2 percent welfare grant increase effective

January 1, 1990. Budget savings of \$8 million are assumed from new requirements that GA-U applicants apply for federal SSI benefits; \$7.9 million due to support enforcement efficiency commission recommendations and statewide expansion of the Fraud Early Detection (FRED) Project; and \$2 million from the elimination of the Consolidated Emergency Assistance Program (CEAP, notwithstanding the Governor's veto).

Community Social Service Payments

The ADATSA program, which provides shelter and treatment to individuals suffering from substance abuse, receives \$52.7 million for the biennium. Of this amount, \$9.9 million is federal funds and Ch. 271, Laws of 1989 (E2SHB 1793), the Omnibus Drug Bill, carries a \$15 million appropriation. Ch. 18, Laws of 1989, 1st Ex. Sess. (RSSB 5897), ADATSA reform legislation, clarifies eligibility. To help replace declining federal support, assistance for refugees receives \$700,000.

Medical Assistance

The Legislature guarantees access to prenatal and maternity care for all women with family incomes up to 185 percent of the federal poverty level and medical coverage for poor children under age eight. The \$42.8 million (appropriated in Ch. 10, Laws of 1989, 1st Ex. Sess. -- HB 2244) expands Medicaid eligibility to serve an additional 12,100 children and bring the total to 164,300 low-income children up to age eight receiving medical coverage. In addition, the number of pregnant women who live in poverty and receive medical care will increase by 6,500 to a total to 27,000 pregnant women by the end of the 1989-91 biennium. The budget includes an additional \$12.2 million GF-State (\$26.5 million total funds) for Medicaid payments to hospitals that serve a disproportionate share of low-income persons, including Harborview Medical Center which recently has experienced significant financial problems. Budget proviso language also directs the legislative fiscal committees to contract for a management and financial study of Harborview Medical Center. Budget savings of \$4.8

million result from the elimination of chiropractic benefits under the state medical assistance program (notwithstanding the Governor's veto).

Public Health

The statewide AIDS education, prevention, and treatment program receives an additional \$4 million providing a 33 percent increase above the prior biennium's level. Improvements focus on stopping the spread of the AIDS virus through stepped-up education and prevention efforts. In addition, Community Health Clinics receive \$1 million. The budget replaces Referendum 38 funds with \$1.6 million GF-State for continuation of the state drinking water program and also provides a \$225,000 enhancement for pesticide investigation activities.

Administration and Supporting Services

The Legislature provides \$1.7 million GF-State (\$3.5 million total funds) to

expand the Fraud Early Detection (FRED) Project statewide, which is expected to generate Medical and Income Assistance savings of \$4.72 million GF-State (\$10.25 million total funds). An additional \$198,000 GF-State (\$436,000 total funds) is appropriated to investigate backlogged complaints of fraud in public assistance. The budget includes \$40,000 GF-State (\$440,000 total funds) to improve the licensing and monitoring of child care facilities and \$618,000 to continue the Birth-to-Six project.

Community Services Administration

The budget includes \$3.2 million for additional community service office staff to assist GA-U clients to apply for federal SSI benefits and \$1 million to implement a GA-U quality control program and expand the Medical Assistance Utilization Review program. The amount of \$668,000 is provided to process the welfare overpayment backlog.

Revenue Collections

The Legislature provides \$1.4 million GF-State (\$2.3 million total funds) for food stamp and public assistance accounts receivable management system improvements and \$1.8 million GF-State (\$7.4 million total funds) to improve support enforcement case tracking and collection capabilities. The budget provides \$207,000 GF-State (\$610,000 total funds) to expand the Employer Reporting Project statewide in an effort to locate absent, delinquent parents, which is expected to generate Income Assistance program savings of \$759,000 GF-State (\$1.4 million total funds). An additional savings of \$3.53 million GF-State (\$6.9 million total funds) from Medical Assistance is expected with the appropriation of \$2.4 million GF-State (\$7.1 million total funds) to enforce medical insurance coverage provisions of child support orders. The amount of \$123,000 GF-State (\$262,000 total funds) is provided to investigate backlogged complaints of fraud in public assistance, and \$273,000 to recover support from responsible parents of children in foster care (notwithstanding the Governor's veto).

OTHER LEGISLATION WITH APPROPRIATIONS

Although a listing of all legislation containing appropriations appears in an earlier section of the budget notes, two pieces of legislation containing appropriations totalling approximately \$170 million warrant special mention. Following are descriptions of both the Omnibus Drug Bill and the Maternity Care Access Act, along with tables listing the appropriations contained in each bill. Since the Department of Social and Health Services (DSHS) is the largest single recipient of appropriations contained in these bills, the summaries are included in this section.

The Omnibus Drug Bill

The Legislature enacted Ch. 271, Laws of 1989 (E2SHB 1793), an omnibus measure to address the problems of drug and alcohol abuse in Washington State. The bill appropriates a total of \$80.7 million from the newly created Drug Enforcement and Education Account to various state agencies to

fund new programs and services. These appropriations are summarized in the table below. Revenue for the drug account is generated through increased taxes on wine, fortified wine, beer, distilled spirits, cigarettes, and non-alcoholic carbonated beverages.

Crimes and Penalties

New and increased penalties for various drug-related offenses are prescribed. Additional operating and capital funds are provided to the Department of Corrections (DOC) to handle the increased offender population resulting from these new penalties. In addition, DSHS is required to develop a structured residential program for juvenile offenders which emphasizes self-discipline and personal development.

Prevention, Investigation, and Procedure

The bill authorizes police recording, with the consent of one party to the conversation, of communications or conversations concerning illegal drug use

or transactions, without prior judicial authorization. The DOC is also authorized to intercept and record or divulge outgoing inmate telephone calls. The measure permits "real property," including land used in drug transactions to be forfeited, and specifies that 50 percent of the proceeds from the sale of forfeited personal and real property must go to the Drug Enforcement and Education Account. Further, the measure requires law enforcement agencies to notify the Department of Ecology of any hazardous substances discovered during the course of illegal drug manufacturing site investigations. A Special Narcotics Enforcement Unit is created within the Drug Control Assistance Unit of the Washington State Patrol and a Statewide Drug Prosecution Assistance Program is established within the Department of Community Development.

Social Programs and Education

The bill expands and modifies limited involuntary commitment and treatment pertaining to alcoholism to include persons incapacitated or disabled by drugs. The period of involuntary treatment is also extended from 30 to 60 days. Grants are provided for the implementation of local school district drug abuse intervention programs in grades K-12, and a new grant program is established in the Governor's office for the purpose of community mobilization against substance abuse.

SUMMARY OF OMNIBUS DRUG BILL APPROPRIATIONS		
(\$ 000)		
AGENCY	PURPOSE	AMOUNT
Department of Social and Health Services	Youth Assessment and Treatment	\$12,200
	ADATSA Program Funding	10,000
	Services for Alcohol/Drug Abuse Pregnant Women	5,500
	ITA for Drug Addicts and Alcohol Abusers	4,900
	Juvenile Structured Residential Program	1,835
	DJR Substance Abuse Detection and Treatment	625
	Methadone Treatment	<u>400</u>
		<u>\$35,460</u>
Department of Corrections	Prison Capital Construction Costs	\$12,505
	Institutional Operating Costs	8,800
	Intensive Drug Surveillance	1,120
	Drug Detection and Treatment	875
	Substance Abuse Treatment Program	565
	Inmate Telephone Monitoring	175
	Work Release Drug Treatment	<u>110</u>
		<u>\$24,150</u>
Office of the Superintendent for Public Instruction	Prevention and Early Intervention	\$10,000
	Security in Schools Matching Grants	<u>3,000</u>
		<u>\$13,000</u>
Department of Community Development	Community Mobilization Grant Program	\$ 3,640
	Drug Prosecution Assistance Program	<u>560</u>
		<u>\$ 4,200</u>
Administrator for the Courts	Treatment Alternatives to Street Crime	\$ 1,800
Washington State Patrol	Special Narcotics Enforcement Unit	\$ 940
	Crime Lab Enhancement	<u>800</u>
		<u>\$ 1,740</u>
Criminal Justice Training Commission	Drug Abuse Resistance Education	\$ 230
	Community Police Partnership	<u>150</u>
		<u>\$ 380</u>
Total Omnibus Drug Bill Appropriations		<u>\$80,730</u>

The program expands Medicaid eligibility for low-income pregnant women and children in poverty to the maximum extent allowable under federal law (currently, for pregnant women at 185% of the federal poverty level and for children up to age eight at 100% of the federal poverty level). A maternity care case management system will also be developed that assists "at-risk" persons to obtain medical assistance benefits and receive maternity care services.

DSHS must establish appropriate reimbursement levels for maternity care providers and develop various procedures to improve access to maternity care services and eligibility determinations. In addition, DSHS is required to implement a public education campaign, study the feasibility of implementing federal presumptive eligibility provisions, and refer persons eligible for maternity care services to agencies that primarily emphasize healthy birth outcomes.

The bill further requires DSHS to establish an alternative maternity care service delivery system for counties that are determined to be maternity care

distressed areas. To the extent federal matching funds are available, the newly created Department of Health must establish a Loan Repayment Program to encourage maternity care providers to practice in medically underserved areas.

The Maternity Care Access Act of 1989

The Legislature enacted Ch. 10, Laws of 1989, 1st Ex. Sess. (HB 2244), "The Maternity Care Access Act of 1989", which attempts to remedy the problems of access to maternity care for low-income women in Washington State. A total of \$92.2 million is appropriated to DSHS for the Maternity Care Access Program, of which \$42.8 million is from the state general fund. The table to the right summarizes the appropriations by program component and the number of women and children served.

Low birth weight deliveries are a major factor in infant death and illness. Adequate maternity care is seen as an effective tool in reducing low birth weight deliveries. Recent changes to the federal Medicaid law permit a state to expand its federally-matched program for low-income pregnant women and children.

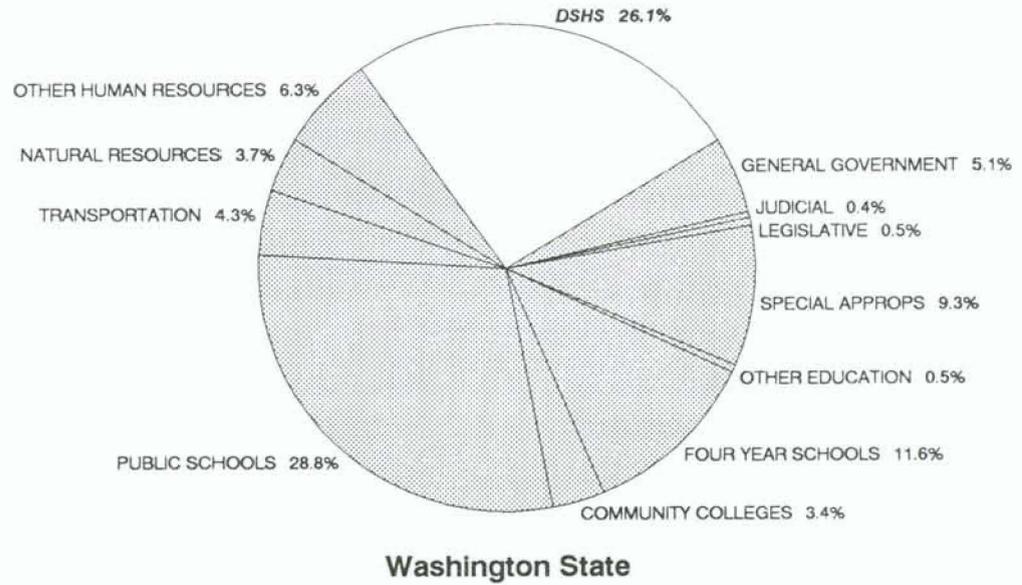
The measure requires DSHS to establish a Maternity Care Access Program to ensure healthy birth outcomes.

MATERNITY CARE ACCESS ACT		
DSHS Appropriations (\$ 000)		
<u>Program Components</u>	<u>GF-State</u>	<u>Total</u>
Expand Medicaid Eligibility for Low-Income Women and Infants to Age One	\$21,961	\$47,531
Increase Fees for Maternity Services	6,600	14,310
Case Management	4,100	8,841
Support Services	4,817	10,153
Expand Medicaid Eligibility for Children at 100% of Federal Poverty Level	4,420	9,530
Administration	<u>879</u>	<u>1,805</u>
TOTAL	<u>\$42,777</u>	<u>\$92,170</u>
 Caseload Impacts		
<u>Eligibility Expansions</u>	<u>FY90</u>	<u>FY91</u>
Expand Eligibility for Low-Income Pregnant Women to 185% of Federal Poverty Level	2,320	6,500
Expand Medicaid Eligibility for Children up to Age Eight at 100% of the Federal Poverty Level	4,200	12,100

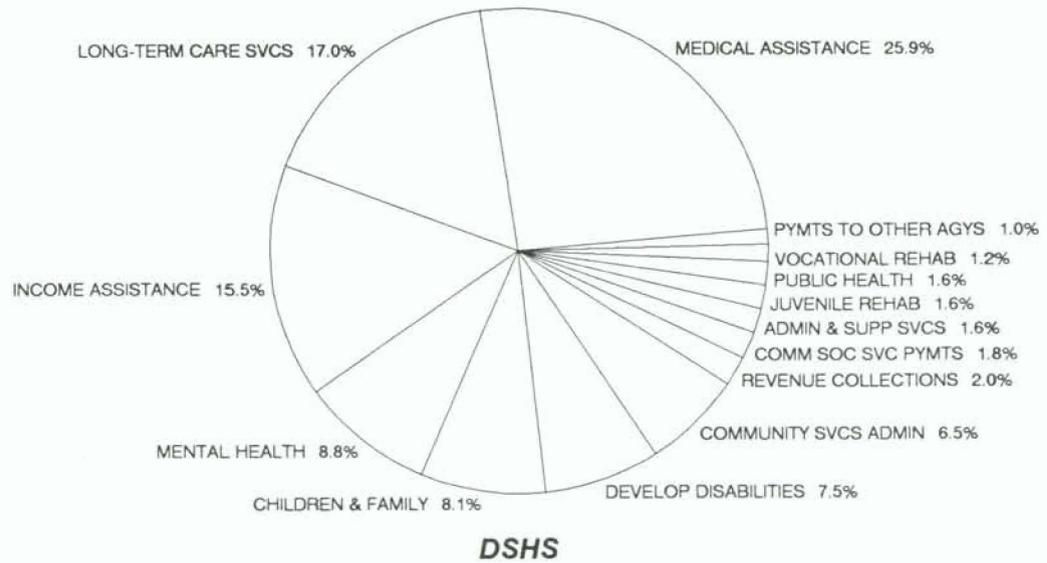
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WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
DSHS	5,564,984
OTHER HUMAN RESOURCES	1,350,143
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
1989-91 APPROP	21,351,258

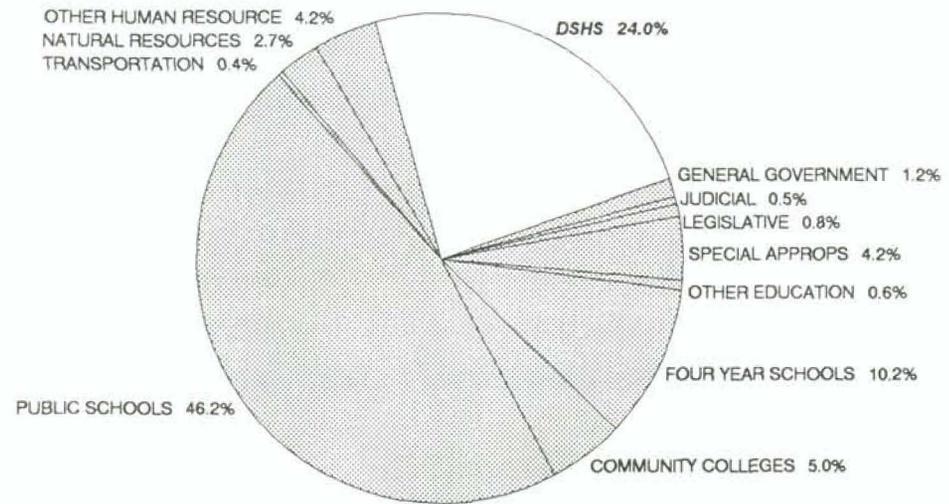


MEDICAL ASSISTANCE	1,442,062
LONG-TERM CARE SVCS	945,234
INCOME ASSISTANCE	863,878
MENTAL HEALTH	488,580
CHILDREN & FAMILY	451,913
DEVELOP DISABILITIES	416,336
COMMUNITY SVCS ADMIN	361,158
REVENUE COLLECTIONS	111,277
COMM SOC SVC PYMTS	99,526
ADMIN & SUPP SVCS	91,639
JUVENILE REHAB	87,252
PUBLIC HEALTH	86,755
VOCATIONAL REHAB	64,146
PYMTS TO OTHER AGYS	55,228
DSHS	5,564,984



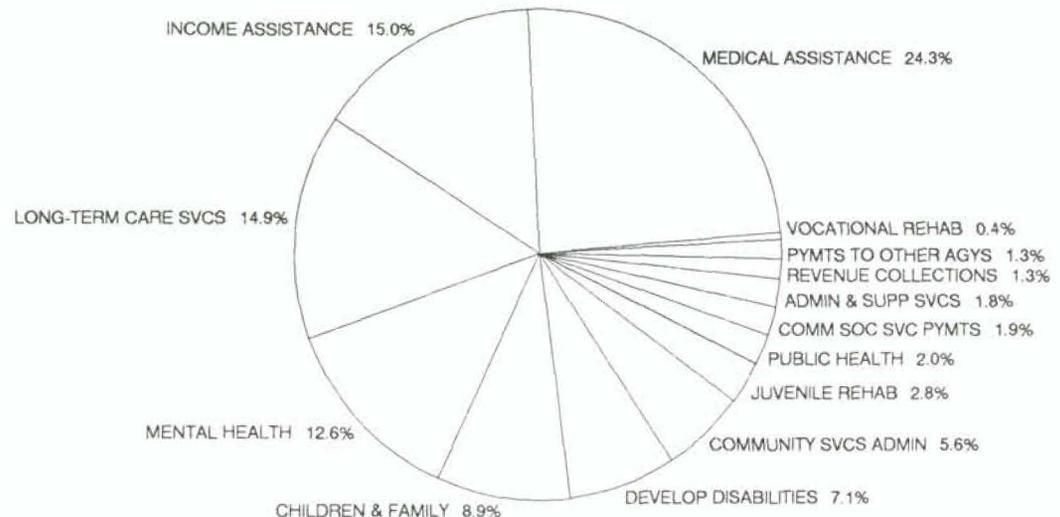
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
DSHS	2,998,929
OTHER HUMAN RESOURCES	527,892
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

MEDICAL ASSISTANCE	728,681
INCOME ASSISTANCE	450,045
LONG-TERM CARE SVCS	445,753
MENTAL HEALTH	378,514
CHILDREN & FAMILY	267,305
DEVELOP DISABILITIES	212,897
COMMUNITY SVCS ADMIN	168,816
JUVENILE REHAB	83,787
PUBLIC HEALTH	60,308
COMM SOC SVC PYMTS	56,627
ADMIN & SUPP SVCS	55,295
REVENUE COLLECTIONS	39,600
PYMTS TO OTHER AGYS	38,187
VOCATIONAL REHAB	13,114
DSHS	2,998,929



DSHS

1989-91 WASHINGTON STATE OPERATING BUDGET
WORKLOAD INDICATORS

Unit Type	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	EST.	BUDGETED	FY 1990	FY 1991
						FY 1989	FY 1990		
Department of Social & Health Services									
Children & Family Services									
Foster Care	# Children Servd	5,076	5,194	5,072	5,323	5,780	5,825	6,400	6,887
Daycare	# Children Servd	4,928	5,768	6,256	7,342	8,789	9,079	10,990	11,861
Child Protective Services	# Case Openings	2,332	2,490	2,461	2,350	1,779	3,253	3,154	3,489
Juvenile Rehabilitation									
Group Homes Services	Avg Daily Pop	209	210	234	235	203	192	240	246
Institutions	# Staffed Beds	577	602	596	560	540	543	539	539
Mental Health									
Institutions	Avg Daily Pop	1,510	1,631	1,664	1,645	1,634	1,664	1,702	1,718
Involuntary Treatment	# Detentions	6,760	7,474	7,679	7,768	7,929	7,458	8,836	9,006
Developmental Disabilities									
Institutions	Avg Daily Pop	1,857	1,848	1,846	1,829	1,798	1,795	1,761	1,628
Long Term Care Services									
Adult Residential	# Clients	1,998	2,097	2,228	2,387	2,519	2,575	1,204	1,252
Nursing Home	# Clients	15,468	15,633	15,850	16,272	16,654	16,900	16,394	16,231
CHORE/COPES	# Clients	10,334	12,211	13,386	14,479	15,233	15,594	12,612	12,972
Personal Care	# Clients	-----	-----	-----	-----	-----	-----	5,732	5,996

1989-91 WASHINGTON STATE OPERATING BUDGET
WORKLOAD INDICATORS

Unit Type		FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	EST.	BUDGETED	
							FY 1989	FY 1990	FY 1991
Department of Social & Health Services (continued)									
Income Assistance									
SSI State Supplement	Avg # Cases	39,106	41,211	43,012	45,411	47,748	49,712	51,553	53,288
Continued General Assistance	Avg # Cases	11,709	13,277	15,299	18,242	15,861	14,819	14,825	15,476 (1)
AFDC - Employables	Avg # Cases	3,114	5,285	6,723	7,737	7,031	7,611	7,895	8,538
AFDC - Regular	Avg # Cases	55,227	57,518	62,384	67,197	68,298	69,780	69,805	72,217
Community Social Services									
ADATSA - Inpatient/Outpatient	# Clients	-----	-----	-----	-----	-----	-----	1,500	1,500 (2)
ADATSA - Shelter Services	# Clients	-----	-----	-----	-----	-----	-----	1,137	1,137 (2)
Medical Assistance									
State General Assistance	# Persons/Month	12,347	12,740	14,265	16,934	14,858	16,628	16,511	17,141
Categorically Needy	# Persons/Month	246,204	270,202	294,639	318,821	326,946	343,755	360,607	394,152
Medically Needy	# Persons/Month	7,438	8,586	9,903	12,532	14,922	16,287	16,118	19,708
State Medically Indigent	# Persons/Month	2,062	1,911	1,730	2,021	2,034	2,199	2,186	2,221

(1) Does not include "CEAP" in the 1989-91 biennium.

(2) Although ADATSA was initiated in Fiscal Year 1988, on-going program redesign resulting from legal challenge has prevented compilation of comparable data. As a result, the total impact of ADATSA caseloads on other Income Assistance caseloads is not known.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
CHILDREN AND FAMILY SERVICES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	202,472	128,588	331,060
1989 SUPPLEMENTAL BUDGET			
1. FOSTER CARE/RECEIVING HOMES	9,890	561	10,451
2. DAY CARE	1,300	0	1,300
3. SEASONAL DAY CARE	-300	0	-300
4. INTERIM ADOPTION	300	0	300
5. CHILD WELFARE STAFF	500	1,500	2,000
6. ACCOUNTING ADJUSTMENT	1,311	-806	505
7. ADDITIONAL FEDERAL REVENUE	0	421	421
8. IMMIGRATION REFORM & CONTROL ACT	0	366	366
9. FAMILY FOSTER CARE RATE	30	0	30
TOTAL 1987-89 BIENNIUM	215,503	130,630	346,133
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	245,616	141,304	386,920
POLICY ITEMS			
1. OFR ACCOUNTS RECEIVABLE	-6	-6	-12
2. WIC ENHANCEMENT	678	13,090	13,768
3. CPS/CWS DAY CARE CASELOADS	3,729	0	3,729
4. INCREASE TITLE XIX EARNINGS	-3,700	3,700	0
5. FOSTER CARE RATE/TREATMENT	3,210	591	3,801
6. REPLACE PRENATAL CARE PROGRAM	-4,100	0	-4,100
7. PREVENTIVE SERVICES/SPECIAL PROJECTS	-2,760	0	-2,760
8. TRAVEL REDUCTION	-50	0	-50
9. OFM ADJUSTMENT/PSEA	0	43	43
10. PROJECT ADJUSTMENT	-500	0	-500
11. CPS/CWS RATIO 32:1	4,152	291	4,443
12. FINANCIAL PARTICIPATION	-1,189	0	-1,189
13. HOMEBUILDERS	877	0	877
14. CONTINUUM OF CARE PROJECTS	500	0	500
15. THERAPEUTIC CHILD CARE	1,180	0	1,180
16. DOMESTIC VIOLENCE SHELTERS	500	0	500

(Continued)

Section 203

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
CHILDREN AND FAMILY SERVICES
(\$ 000)

17. HOMEMAKERS EXPANSION	2,560	0	2,560
18. FAMILY RECONCILIATION SERVICES	982	0	982
19. CPS CASEWORK/TREATMENT	1,000	0	1,000
20. EMPLOYMENT CHILD CARE GROWTH	3,926	0	3,926
21. FAMILY SUPPORT CENTERS	300	0	300
22. VICTIMS OF SEXUAL ASSAULT	200	0	200
23. CHILD CARE ASSISTANCE	250	0	250
24. VENDOR RATE INCREASE	5,133	2,559	7,692
TOTAL 1989-91 BIENNIUM	262,488	161,572	424,060

Comments:

1. OFR ACCOUNTS RECEIVABLE - This savings represents the estimated increase in revenue to be collected through the Accounts Receivable Management System (ARMS). The costs for the system are shown in the Revenue Collections budget.
2. WIC ENHANCEMENT - Provides funding to implement an infant formula rebate program and expand services to 13,100 additional participants per month by FY 1991.
3. CPS/CWS DAY CARE CASELOADS - This enhancement would allow child protective and child welfare day care to grow to meet estimated increased demand of approximately 300 additional children per month and avoid establishing waiting lists. The February 1989 forecast revision reduced the current level estimate for this program by \$2,500,000, leaving a net increase of \$1,400,000.
4. INCREASE TITLE XIX EARNINGS - Title XIX earnings adjustment made to reflect revised estimate of federal medicaid title XIX earnings.
5. FOSTER CARE RATE/TREATMENT - This enhancement will raise the current family foster care basic rates by 10%, and increase private agency foster care by 10%, effective July 1, 1989. An increase in funding for psychological, psychiatric and other treatment services is provided for children in foster care.
6. REPLACE PRENATAL CARE PROGRAM - A limited, state funded, prenatal care program is provided for persons ineligible for services under Chapter 10, Laws of 1989, which covers pregnant women to 185% of the federal poverty level.
7. PREVENTIVE SERVICES/SPECIAL PROJECTS - The Governor's Budget contained a \$2,100,000 request for additional family reconciliation intake and assessment services and proposed to discontinue funding most special projects designed to prevent or reduce the use of foster care. The Legislature includes \$800,000 to replicate or expand successful projects. Prevention program expansions are specifically identified in other areas.
8. TRAVEL REDUCTION - Across the board travel reduction originally proposed in the Governor's Request budget.
9. OFM ADJUSTMENT/PSEA - Adjustment in funding for the Child Sex Abuse Training Project through the Public Safety and Education Account.
10. PROJECT ADJUSTMENT - Reduction of state funding level for one-time expenditures for training aids, etc. for the Child Sex Abuse Training Project.
11. CPS/CWS RATIO 32:1 - Funds are provided to reduce the staff to client ratio from the 1987-89 average of 1:34 to a 1989-91 ratio of 1:32. Support services and equipment are included in the funding.
12. FINANCIAL PARTICIPATION - Staff resources are provided in the Revenue Collections budget to increase the recovery of court-ordered child support from responsible parents of children in foster care. Savings to the foster care program are estimated to be \$1,189,000, and expenditures are estimated to be \$273,000, for a minimum net agency savings of \$916,000.
13. HOMEBUILDERS - Funds expansion of the Homebuilders program to Jefferson, Skagit, and King counties and maintains current level funding for Thurston county.
14. CONTINUUM OF CARE PROJECTS - Funds are provided to continue three projects dealing with ways to reduce out-of-home placements of children. These funds will allow the Kent, Chehalis and Spokane projects to continue through June 30, 1990.
15. THERAPEUTIC CHILD CARE - Provides funds to increase rates (beginning July 1, 1989) for Level 2 therapeutic child care, from an average \$22.21/day to \$27.00/day, and for Level 1 from \$11.25/day to \$13.73/day.
16. DOMESTIC VIOLENCE SHELTERS - Provides funds to increase grants to domestic violence shelter programs by approximately 17%.
17. HOMEMAKERS EXPANSION - Funds an additional 52 annual FTE's for the Homemaker program which provides in-home assistance to families receiving child protective and child welfare services.
18. FAMILY RECONCILIATION SERVICES - Provides funds for family reconciliation crisis counseling services for up to an additional 2,000 families per year.
19. CPS CASEWORK/TREATMENT - Additional CPS casework treatment services are provided to families receiving child protective services.
20. EMPLOYMENT CHILD CARE GROWTH - Provides approximately 800 additional child care slots for children of low income employed parents.
21. FAMILY SUPPORT CENTERS - Funds up to 6 family support centers and 0.5 annual FTE's for the Council for the Prevention of Child Abuse and Neglect.
22. VICTIMS OF SEXUAL ASSAULT - Provides funds to increase grants to Victims of Sexual Assault programs from \$2,000/year to \$4,500/year.
23. CHILD CARE ASSISTANCE - Provides funding to encourage and assist employer involvement in child care under Chapters 381 and 430, Laws of 1989, including 1.0 annual FTE to be co-located at DSHS with the Department of Trade and Economic Development. Also funds the development and dissemination of materials; and grants to local child care resource and referral agencies.
24. VENDOR RATE INCREASE - Average vendor rate increases of 3%, effective 1/1/90, and 2%, effective 1/1/91, are provided.

NOTE: Children and Family Services also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793) and Chapter 10, Laws of 1989, 1st Ex. Sess. (HB 2244). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

JUVENILE REHABILITATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	75,008	960	75,968
1989 SUPPLEMENTAL BUDGET			
1. RN AND PSYCHIATRIST PAY INCREASE	107	0	107
2. ACCOUNTING ADJUSTMENT	143	-22	121
TOTAL 1987-89 BIENNIUM	75,258	938	76,196
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	82,189	1,005	83,194
POLICY ITEMS			
1. RN RECLASSIFICATION COSTS	218	0	218
2. INCREASED SECURITY	408	0	408
3. JUVENILE DISPOSITION STANDARDS	554	0	554
4. VENDOR RATE INCREASE	418	0	418
TOTAL 1989-91 BIENNIUM	83,787	1,005	84,792

Comments:

1. RN RECLASSIFICATION COSTS - Additional funds are provided to pay for the Personnel Board granted statewide salary increase for registered nurses, psychiatrists and clinical directors.
2. INCREASED SECURITY - Provides additional officers to secure the grounds at the Naselle Youth Camp, and funds the conversion of Green Hill School cottages to maximum security detention units. Staff changes were initiated by DSHS in the current biennium. The amount shown here represents the balance of funds needed to support this effort for a full biennium.
3. JUVENILE DISPOSITION STANDARDS - At the recommendation of the Juvenile

Disposition Standards Board, the Legislature has adopted tougher sentencing standards for youth drug offenders. The Department plans to accommodate longer commitment periods by moving less serious juvenile offenders from Maple Lane to state operated group homes. The appropriation supports eight additional group home beds and a drug rehabilitation project at Maple Lane, pursuant to Chapter 407, Laws of 1989.

4. VENDOR RATE INCREASE - Effective January 1, 1990, consolidated juvenile service providers' contract rates will be inflated 3%, followed by a 2% rate increase on January 1, 1991.

NOTE: Juvenile Rehabilitation also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MENTAL HEALTH
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	273,944	68,621	342,565
1989 SUPPLEMENTAL BUDGET			
1. WESTERN STATE STAFFING	3,100	100	3,200
2. EASTERN ST HOSP CERTIF/JCAH ACCREDITATION	1,167	64	1,231
3. RN AND PSYCHIATRIST PAY INCREASE	2,090	122	2,212
4. LOWER ITA CASELOADS	-2,500	0	-2,500
5. INSTITUTIONAL HEADQUARTERS REVISION	2,400	0	2,400
6. INCREASE FEDERAL/LOCAL FUNDS	0	14,600	14,600
7. OBRA ADJUSTMENT	141	452	593
8. INCREASE COMMUNITY ALTERNATIVE	697	303	1,000
9. IMMIGRATION REFORM & CONTROL ACT (IRCA)	0	682	682
10. COMMUNITY MENTAL HEALTH OVERMATCH	-2,400	-2,400	-4,800
11. UNEMPLOYMENT COMPENSATION	-300	0	-300
12. LOCAL COSTS - HARPER	300	0	300
13. ACCOUNTING ADJUSTMENT	-815	1,105	290
TOTAL 1987-89 BIENNIUM	277,824	83,649	361,473

1989-91

ESSENTIAL REQUIREMENTS LEVEL	317,764	92,095	409,859
POLICY ITEMS			
1. OFR ACCOUNTS RECEIVABLE	-6	-6	-12
2. VENDOR RATE INCREASE	3,509	1,322	4,831
3. NETWORK POOL	26,312	13,938	40,250
4. ITA ADMIN & HARPER DECISION COSTS	5,500	0	5,500
5. CLIENT TRACKING SYSTEM	2,200	0	2,200
6. CHILDREN'S MENTAL HEALTH	1,400	500	1,900
7. HOSPITAL OUTLIER PAYMENTS	600	400	1,000
8. RESIDENTIAL RESERVE	2,000	0	2,000
9. EXPAND PRIMARY INTERVENTION	600	0	600
10. HOSPITAL STAFFING	2,750	957	3,707
11. INSTITUTE & OTHER EDUCATION	2,550	120	2,670

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MENTAL HEALTH
(\$ 000)

12. HOSPITAL ENVIRONMENT	2,920	449	3,369
13. STAFF DEVELOPMENT	500	0	500
14. NURSES CONDITIONAL SCHOLARSHIPS	100	0	100
15. START-UP STAFF CHILD CARE	56	0	56
16. MIN CERTIFICATION/POPULATION FORECAST	9,759	291	10,050
TOTAL 1989-91 BIENNIUM	378,514	110,066	488,580

Comments:

- | | | |
|--|--|---|
| <p>1. OFR ACCOUNTS RECEIVABLE - An earlier enhancement of the Office of Financial Recovery Accounts Receivable Management System (ARMS) is assumed to increase revenue collections.</p> <p>2. VENDOR RATE INCREASE - Average vendor rate increases of 3%, effective 1/1/90, and 2%, effective 1/1/91, are provided.</p> <p>3. NETWORK POOL - This enhancement will fund additional community based residential programs for persons with mental illness. This item includes funds originally proposed for services for individuals diverted from nursing homes under federal law.</p> <p>4. ITA ADMINISTRATION AND HARPER DECISION COSTS - Additional funds are provided to address the increased costs associated with the administration of the involuntary commitment process and the incremental increase resulting from the Supreme Court decision on involuntary medication.</p> <p>5. CLIENT TRACKING SYSTEM - Provides for implementation of Chapter 205, Laws of 1989, which requires tracking of mental health clients by service providers and the Department.</p> <p>6. CHILDREN'S MENTAL HEALTH - Funds are provided for children's mental health</p> | <p>services. First priority for funding is given to providers at risk of losing federal participation due to inadequate state matching funds.</p> <p>7. HOSPITAL OUTLIER PAYMENTS - Funds are provided to recognize a portion of the additional costs for longer patient stays beyond the Diagnostically Related Group reimbursable time limits.</p> <p>8. RESIDENTIAL RESERVE - Funds held in reserve for use by the state hospitals based on the hospitals' average census over the first seven quarters of the biennium. If state hospital census is within the projected range, funds will be distributed for one-time grants for projects for the mentally ill.</p> <p>9. EXPAND THE PRIMARY INTERVENTION PROGRAM - Provides funds for expansion of PIP, early identification and treatment referral for school children at risk of serious emotional development/mental health problems.</p> <p>10. HOSPITAL STAFFING - Funds legislative policy of staffing beyond minimum standards.</p> <p>11. INSTITUTE AND OTHER EDUCATION - Funds are provided for education and research programs to improve the quality of patient care and to improve recruitment and retention of key staff.</p> | <p>12. HOSPITAL ENVIRONMENT - Funds are provided for improved housekeeping and maintenance of the state psychiatric hospitals.</p> <p>13. STAFF DEVELOPMENT - Provides funds for staff recruitment, retention, and development activities which may include continuing education, in-service training, and scholarships for staff training to become registered nurses.</p> <p>14. NURSES CONDITIONAL SCHOLARSHIPS \$100,000 is provided for scholarships for nurses who agree to serve at the state hospitals or with community mental health providers. These funds are to be transferred to, and administered by, the Higher Education Coordinating Board.</p> <p>15. START-UP STAFF CHILD CARE - Funds are provided for start-up costs for a day care facility at Western State Hospital for use by the children of staff.</p> <p>16. MINIMUM CERTIFICATION AND POPULATION FORECAST - Additional staff, salary enhancements, etc. included to maintain federal certification and fully fund the impact of the population forecast for the biennium (adjusted to eliminate the bed contract savings assumption).</p> |
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DEPARTMENT OF SOCIAL AND HEALTH SERVICES
DEVELOPMENTAL DISABILITIES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	187,207	168,597	355,804
1989 SUPPLEMENTAL BUDGET			
1. OBRA REQUIREMENTS	205	330	535
2. INCREASE COMMUNITY ALTERNATIVES	420	475	895
3. INCREASED FEDERAL EARNINGS	-10,900	10,900	0
4. FIRCREST REVENUE LOSS	2,600	-2,600	0
5. RN AND PSYCHIATRIST PAY INCREASE	399	433	832
6. ACCOUNTING ADJUSTMENT	-572	-189	-761
7. FIRCREST CERTIFICATION COSTS	1,700	0	1,700
8. DD COMMUNITY BED SAVINGS	-1,900	0	-1,900
9. MEDICALLY INTENSIVE SAVINGS	-1,500	0	-1,500
TOTAL 1987-89 BIENNIUM	177,659	177,946	355,605
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	198,451	183,150	381,601
POLICY ITEMS			
1. OFR ACCOUNTS RECEIVABLE	-30	-34	-64
2. OBRA DIVERSION PLACEMENTS	5,873	6,639	12,512
3. RN AND PSYCHIATRIST PAY INCREASE	814	880	1,694
4. ADJUST AUTISM FUNDING	974	0	974
5. INCREASED FEDERAL EARNINGS	-3,600	3,600	0
6. FIRCREST DECERTIFICATION RESPONSE	2,535	2,896	5,431
7. LAKELAND VILLAGE DECERTIFICATION RESPONSE	1,344	1,538	2,882
8. SPECIAL RESIDENTIAL PROGRAMS	992	669	1,661
9. UNITED CEREBRAL PALSY DOWNSIZE	417	477	894
10. RAINIER SCHOOL DOWNSIZE	1,342	1,536	2,878
11. NAIVE OFFENDER PROGRAM	1,000	675	1,675
12. VENDOR RATE INCREASE	2,785	1,413	4,198
TOTAL 1989-91 BIENNIUM	212,897	203,439	416,336

Comments:

1. OFR ACCOUNTS RECEIVABLE - Projected savings from increased expenditure recoveries from the Accounts Receivable Management System (ARMS) project which is funded in the Revenue Collections program.
2. OBRA DIVERSION PLACEMENTS - The Omnibus Budget and Reconciliation Act of 1987 (OBRA) prohibits the inappropriate placement of a developmentally disabled person in a nursing facility. This item includes funding and staff to provide alternative residential placements for "diverted" clients; that is, clients who may be deemed inappropriate for nursing home placement due to the OBRA provisions.
3. RN AND PSYCHIATRIST PAY INCREASE - Salary and benefit costs resulting from the Personnel Board mandated salary increase for registered nurses, physicians, psychiatrists, and clinical directors.
4. ADJUST AUTISM FUNDING - Provides funding for an 8-bed group home program in Pierce County for autistic clients.
5. INCREASED FEDERAL EARNINGS - Additional federal matching funds for residential habilitation centers reduces the General Fund-State cost to operate these facilities.
6. FIRCREST DECERTIFICATION RESPONSE - Provides funding and staff necessary to regain Title XIX certification which was withdrawn during a state and federal certification audit of the Fircrest School in February 1989. This plan assumes a reduction of 168 residents in the school's population during the next three years, and relocation of these residents to community-based placements.
7. LAKELAND VILLAGE DECERTIFICATION RESPONSE - Provides funding and staff necessary to maintain Title XIX certification at the Lakeland Village School. A recent certification audit by state and federal auditors found several deficiencies related to inadequate staffing patterns. This plan assumes a reduction of 42 residents in the school's population during the first 12 months of the biennium, and relocation of these residents to community-based placements.
8. SPECIAL RESIDENTIAL PROGRAMS - Provides funding for three community-based residential programs for the developmentally disabled: Sunrise Group Homes (\$411,000); St. Margaret's Hall (\$321,000); and Special Homes/MORE (\$260,000).
9. UNITED CEREBRAL PALSY DOWNSIZE - Provides funding to downsize the United Cerebral Palsy center by 28 residents. These residents would be moved to other community-based placements.
10. RAINIER SCHOOL DOWNSIZE - Provides funding and staff necessary to reduce the population at the Rainier School by 63 residents. Residents would be moved to other community-based placements.
11. NAIVE OFFENDER PROGRAM - Provides funds to implement the provisions of Chapter 420, Laws of 1989, which establishes a separate program for developmentally disabled offenders who are determined to be incompetent to stand trial or not guilty by reason of insanity.
12. VENDOR RATE INCREASE - Provides funding for vendor rate increases of 3% on 1/1/90 and 2% on 1/1/91.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
LONG TERM CARE SERVICES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	347,997	350,586	698,583
1989 SUPPLEMENTAL BUDGET			
1. NURSING HOMES/CHORE/COPEs/RESIDENTIAL	8,100	13,300	21,400
2. OBRA ADJUSTMENT	-367	-397	-764
3. SURVEY WORKLOAD	100	300	400
4. ACCOUNTING ADJUSTMENT	1,286	304	1,590
TOTAL 1987-89 BIENNIUM	357,116	364,093	721,209
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	448,087	471,383	919,470
POLICY ITEMS			
1. OFR ACCOUNTS RECEIVABLE	-178	-180	-358
2. NURSING HOME PRESCREENING	-500	-1,330	-1,830
3. LTC REFORM: LIMIT BEDS	-610	-690	-1,300
4. LTC REFORM: REIMBURSEMENT	-610	-690	-1,300
5. MEDICARE MAXIMIZATION	-12,000	-13,821	-25,821
6. TITLE XIX PERSONAL CARE SERVICES	-5,515	37,059	31,544
7. ENHANCE ADULT FAMILY HOMES	500	0	500
8. LTC REFORM: COPEs CASES	2,179	2,464	4,643
9. EXPAND RESPITE CARE	3,200	0	3,200
10. INCREASE NON-MANDATORY CASELOAD	522	0	522
11. PERSONNEL RECLASS	390	114	504
12. NEW & EXPANDED VOLUNTEER CHORE SERVICES	700	0	700
13. MAXIMUM NEEDS ALLOWANCE	1,596	2,090	3,686
14. MEDICARE MAXIMIZATION COSTS	212	0	212
15. CHORE/COPEs MEDICAL BENEFITS	2,100	700	2,800
16. NURSES' SALARIES	1,410	1,569	2,979
17. VENDOR RATE INCREASE	4,270	813	5,083
TOTAL 1989-91 BIENNIUM	445,753	499,481	945,234

Comments:

1. OFR ACCOUNTS RECEIVABLE - This represents the cost savings of the Accounts Receivable Management System (ARMS) due to increased expenditure recoveries. The cost of ARMS is shown in the Revenue Collections budget.
2. NURSING HOME PRESCREENING - Assumed state funds savings as a result of pre-screening of private pay clients before placement into nursing home beds.
3. LTC REFORM: LIMIT BEDS - Assumed savings of state funds result from a statutory requirement that the current minimum average occupancy be increased from an average 85% to 92% for cost reimbursement.
4. LTC REFORM: REIMBURSEMENT - Assumed savings result from a statutory requirement that reimbursement for legal and accounting costs be made on the basis of a statewide average of 85% of the total applicable costs over the prior three years.
5. MEDICARE MAXIMIZATION - The definition of "medical care" was changed in April 1988, increasing the number of Medicaid clients eligible for Medicare benefits. It is estimated that the higher Medicare earnings (versus Medicaid) will generate at least an \$11,800,000 savings in state funds over the biennium, using existing pre-screening and monitoring activities. Eligibility will be determined and verified on an on-going basis.
6. TITLE XIX PERSONAL CARE SERVICES - The Legislature adopted the Personal Care Services program as an optional Medicaid service to provide long-term maintenance or supportive care of Medicaid recipients in their own homes and community residential facilities. This program will expand the availability of home and community-based services to many people eligible for state only funded CHORE services and residential services.
7. ENHANCE ADULT FAMILY HOMES - \$500,000 is provided, in addition to revenue from fees paid by providers, to implement Chapter 427, Laws of 1989 (HB 1968). This legislation requires that family homes be licensed more frequently--once every two years rather than the current requirement of once every three years. The appropriation also assumes continuation of investigations of complaints as received.
8. LTC REFORM: COPEs CASES - COPEs personal care and case management services are provided to clients who are Medicaid eligible for nursing home placement but who choose to stay in their own homes, adult family homes, or community congregate care facilities. This proposal would fund an estimated growth of 30 additional clients per month over the ensuing biennium.
9. EXPAND RESPITE CARE - Funding is provided to expand respite care services. The original three projects were coordinated by the Eastern Washington Area Agency on Aging (AAA), the Southwest Washington AAA, and the Northwest Washington AAA.
10. INCREASE NON-MANDATORY CASELOAD - Expands adult family home and congregate care services caseload costs.
11. PERSONNEL RECLASS - Funds the costs for reclassification of social workers and case-workers as granted in the 1987-89 biennium, based upon an estimate using the actual salaries granted.
12. NEW AND EXPANDED VOLUNTEER CHORE SERVICES - New services will be provided in Central Washington, Southeast Washington, and Western Washington; existing services in Central and Western Washington will be expanded.
13. MAXIMUM NEEDS ALLOWANCE - Additional funds are added to allow at-home spouses of nursing home residents a maximum of \$1,000 per month in income and the institutional spouse a maximum income of \$786 per month. This change results from the Catastrophic Health Act of 1988, which mandated the states to allow a minimum needs allowance for the at-home spouse of \$786 per month, and Chapter 87, Laws of 1989. The maximum allowable asset limit of \$60,000 is also assumed.
14. MEDICARE MAXIMIZATION COSTS - State fund savings are assumed as a result of conversion of state licensed nursing home beds from Medicaid reimbursement to Medicare reimbursement, under the conditions of the Medicare Catastrophic Coverage Act of 1988.
15. CHORE/COPEs MEDICAL BENEFITS - Provides contracted chore, COPEs, and personal care workers with increased medical benefits from an average of \$.30/hour to \$.65/hour. Contractor agencies may provide increased medical benefit packages and/or increased paid sick leave to workers.
16. NURSES SALARIES - Provides for reimbursements to nursing homes to compensate for an increase in licensed nurses' salaries.
17. VENDOR RATE INCREASE - Average vendor rate increases of 3%, effective 1/1/90, and 2%, effective 1/1/91, are provided.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
INCOME ASSISTANCE GRANTS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	454,342	403,218	857,560
1989 SUPPLEMENTAL BUDGET			
1. REVISED FORECASTS	12,200	-403	11,797
2. FIP EMPLOYMENT AND DAYCARE EXPENSES	1,200	3,200	4,400
TOTAL 1987-89 BIENNIUM	467,742	406,015	873,757
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	470,561	423,482	894,043
POLICY ITEMS			
1. FRAUD DETECTION	-3,256	-3,804	-7,060
2. OFR ACCOUNTS RECEIVABLE	-390	-442	-832
3. WELFARE REFORM	-6,934	-6,574	-13,508
4. OSE RECOMMENDATIONS	-4,676	-4,019	-8,695
5. OSE EMPLOYER REPORTING	-759	-650	-1,409
6. GA-U ELIGIBILITY MODIFICATIONS	-8,048	0	-8,048
7. ELIMINATE CEAP	-2,006	-2,142	-4,148
8. COSMOS EFFICIENCY SAVINGS	-1,974	-2,323	-4,297
9. VOCS BACKLOG	-869	-1,138	-2,007
10. WELFARE GRANT INCREASE	10,040	10,026	20,066
11. VENDOR RATE INCREASE	250	117	367
12. ADATSA REFORM	-594	0	-594
13. REVISED FEDERAL MATCHING RATE	-1,300	1,300	0
TOTAL 1989-91 BIENNIUM	450,045	413,833	863,878

Comments:

1. FRAUD DETECTION - Projected savings from the statewide expansion of the Fraud Early Detection (FRED) program. The FRED program is a welfare fraud detection program designed to detect and prevent fraud at the time an individual applies for AFDC and/or food stamp benefits.
 2. OFR ACCOUNTS RECEIVABLE - Projected savings due to increased expenditure recoveries from the Accounts Receivable Management System (ARMS) project which is funded in the Revenue Collections program.
 3. WELFARE REFORM - Reduces the income assistance budget to provide for expansion of the Family Independence Program (FIP) to 15 sites (original budget included funding to expand FIP to 34 sites). Also includes funding to comply with the mandatory requirements of the federal Family Support Act.
 4. OSE RECOMMENDATIONS - Projected savings from various child support tracking and collection automation improvements recommended by the Governor's Efficiency Commission. Funding for these improvements is included in the Revenue Collections program.
 5. OSE EMPLOYER REPORTING - Projected savings from expansion of a project to require employers to report new hires to the Washington State Support Registry to enhance child support collection efforts. Funding for the project is included in the Revenue Collections program.
 6. GA-U ELIGIBILITY MODIFICATIONS - Projected savings from statewide expansion of the SSI Referral Project which provides assistance to GA-U recipients applying for federal SSI benefits. Funding for this project expansion is included in the Community Services Administration program.
 7. ELIMINATE CEAP - Savings from elimination of funding for the Consolidated Emergency Assistance Program (CEAP).
- provided in the budget specifically for the program. The Legislature intends that no funds are expended for CEAP unless funds are specifically appropriated for this purpose.
8. COSMOS EFFICIENCY SAVINGS - Projected FY 1991 savings from implementation of the Community Services Management and Operations System (COSMOS). A total of \$11,200,000 GF-State is included in the Community Services Administration program to implement COSMOS. Subsequent to the passage of the 1989-91 budget, the Department decided to terminate the COSMOS project.
 9. VOCS BACKLOG - Projected savings from a proposal to eliminate the existing backlog in the Verification Overpayment and Control System (VOCS). Funding for the additional VOCS staff necessary to eliminate this backlog is included in the Community Services Administration program.
 10. WELFARE GRANT INCREASE - Costs of providing a two percent welfare grant increase for various Income Assistance programs. The increase will be effective January 1, 1990.
 11. VENDOR RATE INCREASE - Provides funding for vendor rate increases of 3% on 1/1/90 and 2% on 1/1/91.
 12. ADATSA REFORM - Projected savings in the General Assistance-Unemployable (GA-U) income assistance program as a result of Chapter 3, Laws of 1989, which modifies the Alcohol and Drug Abuse Treatment and Shelter Act (ADATSA) program.
 13. REVISED FEDERAL MATCHING RATE - Projected FY 1991 General Fund-State savings which result from a recalculation of the Federal Medical Assistance Percentage (FMAP) matching rate for applicable income assistance programs.

Governor's Vetoes:

Section 208 (3). The Governor vetoed subsection (3), which directed the Department to eliminate the Consolidated Emergency Assistance Program (CEAP). See item 7.

Section 209 (1). The Governor vetoed subsection (1), which directed the Department to conserve the GA-U appropriation so that assistance is available throughout the 1989-91 biennium.

Notwithstanding the Governor's veto of the budget proviso which instructs the Department to eliminate CEAP, no funding has been

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
COMMUNITY SOCIAL SERVICES PAYMENTS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	63,302	22,472	85,774
1989 SUPPLEMENTAL BUDGET			
1. ACCOUNTING ADJUSTMENT	-857	319	-538
2. DETOXIFICATION WORKLOAD	600	0	600
3. IMMIGRATION REFORM & CONTROL ACT (IRCA)	0	453	453
4. INCREASED FEDERAL REVENUE	0	3,200	3,200
TOTAL 1987-89 BIENNIUM	63,045	26,444	89,489
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	67,588	27,540	95,128
POLICY ITEMS			
1. ADATSA	-3,894	0	-3,894
2. DRUG BILL TRANSFER	-10,000	0	-10,000
3. REFUGEE SERVICES	700	0	700
4. VENDOR RATE INCREASE	2,233	59	2,292
TOTAL 1989-91 BIENNIUM	56,627	27,599	84,226

Comments:

1,2 ADATSA/DRUG BILL TRANSFER - The legislature provides \$52,700,000 for the Alcohol and Drug Addiction Treatment and Support Act (ADATSA), an increase of \$11,500,000 over the "essential requirements level". \$15,000,000 of this amount (including a transfer of \$10,000,000 from the Community Social Services appropriation) is included in Chapter 271, Laws of 1989, Omnibus Drug Act, and \$9,900,000 is from federal funds. Funds are provided for a minimum of 1,600 inpatient and outpatient treatment slots. In addition, a projected average of 1,137

incapacitated persons will receive either room and board or grants for housing and food.

3. REFUGEE SERVICES - State funds are provided to partially offset reduced federal support for English language training and other services to assist refugees in obtaining employment.

4. VENDOR RATE INCREASE - Average vendor rate increases of 3%, effective 1/1/90, and 2%, effective 1/1/91, are provided.

NOTE: Community Social Service Payments also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793) and Chapter 10, Laws of 1989, 1st Ex. Sess. (HB 2244). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE PAYMENTS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	540,104	473,502	1,013,606
1989 SUPPLEMENTAL BUDGET			
1. REVISED FORECAST	17,219	36,591	53,810
2. ACCOUNTING ADJUSTMENT	-1,621	3,589	1,968
TOTAL 1987-89 BIENNIUM	555,702	513,682	1,069,384
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	665,415	641,892	1,307,307
POLICY ITEMS			
1. FRAUD DETECTION	-1,472	-1,718	-3,190
2. OFR ACCOUNTS RECEIVABLE	-130	-146	-276
3. WELFARE REFORM	-1,568	-1,872	-3,440
4. REVISE OUTPATIENT REIMBURSEMENT	-2,338	-1,997	-4,335
5. MEDICAL INSURANCE FOR AIDS	-1,693	-2,838	-4,531
6. MEDICAL SUPPORT ENFORCEMENT	-3,532	-3,428	-6,960
7. HOME HEALTH/HMO FEE INCREASE	1,003	1,076	2,079
8. DRG CONTRACT RATE ADJUSTMENT	9,807	8,270	18,077
9. NON DRG INPATIENT INFLATION	9,356	8,490	17,846
10. OUTPATIENT INFLATION	6,842	5,734	12,576
11. EXPAND UTILIZATION REVIEW PROGRAM	-2,813	-2,120	-4,933
12. ELIMINATE CHIROPRACTIC REIMBURSEMENT	-4,796	-4,522	-9,318
13. COSMOS EFFICIENCY SAVINGS	-1,002	-1,179	-2,181
14. HARBORVIEW DISPROPORTIONATE SHARE	12,200	14,254	26,454
15. WELFARE GRANT INCREASE	1,879	2,127	4,006
16. VENDOR RATE INCREASE	7,014	6,927	13,941
17. ADATSA REFORM	-1,272	0	-1,272
18. REVISED FEDERAL MATCHING RATE	-1,300	1,300	0
TOTAL 1989-91 BIENNIUM	691,600	670,250	1,361,850

Comments:

1. FRAUD DETECTION - Projected savings from the statewide expansion of the Fraud Early Detection (FRED) program. The FRED program is a welfare fraud detection program designed to detect and prevent fraud at the time an individual applies for AFDC and/or food stamp benefits.
2. OFR ACCOUNTS RECEIVABLE - Projected savings from increased expenditure recoveries from the Accounts Receivable Management System (ARMS) project which is funded in the Revenue Collections program.
3. WELFARE REFORM - Reduces the medical assistance budget to provide for expansion of the Family Independence Program (FIP) to 15 sites (original budget included funding to expand FIP to 34 sites). Also includes funding to comply with the mandatory requirements of the federal Family Support Act.
4. REVISE OUTPATIENT REIMBURSEMENT - Projected savings from the development and implementation of a new reimbursement methodology for outpatient hospital services.
5. MEDICAL INSURANCE FOR AIDS - Projected savings from a proposed program to pay medical insurance premiums for AIDS patients who are eligible for private insurance but cannot afford to pay the premiums.
6. MEDICAL SUPPORT ENFORCEMENT - Projected savings from a program to pursue recovery of non-custodial parents insurance coverage in order to ensure health benefit coverage for the dependent children without the need for Medicaid.
7. HOME HEALTH/HMO FEE INCREASE - Provides funding for fee increases for home health agencies and managed health care contractors. Home health agency fee increases of 6.1% in FY 90 and 6.3% in FY 91 are based on Health Care Financing Administration Market Basket inflation estimates and are proposed to be granted on July 1 of each fiscal year. Managed health care contract fee increases vary by contract but will range from 1.5% to 4.4% and will be granted at various times during the biennium.
8. DRG CONTRACT RATE ADJUSTMENT - Provides funding for rate adjustments for inpatient hospital services that are covered under Diagnostic Related Groups (DRG's). The rate adjustment for hospitals not participating in the Medicaid Selective Contracting program are based on the Medicare Prospective Payment Update Factor of 5.8% in FY 1990 and 5.7% in FY 1991, and assumes the rates will be granted October 1 each year. Hospitals which do participate in the Medicaid Selective Contracting program will receive rate adjustments that are negotiated individually with the Department.
9. NON-DRG INPATIENT INFLATION - Provides funding for an inflation allowance for non-DRG inpatient hospital expenditures which are covered under OE/TRSR payment rates. The projected inflation adjustment is 8.4% in FY 1990 and FY 1991, and assumes the rates would be granted on July 1 of each year.
10. OUTPATIENT INFLATION - Provides funding for inflation increases for outpatient hospital expenditures, 80% of which are covered under OE/TRSR payment rates which are estimated to be 8.4% in FY 1990 and FY 1991. These increases would be granted on July 1 of each fiscal year.
11. EXPAND UTILIZATION REVIEW PROGRAM - Projected savings from expansion of the Department's Patient Requiring Regulation Program and the Provider Review Program. Funds for increased program staff are included in the Community Services Administration program.
12. ELIMINATE CHIROPRACTIC REIMBURSEMENT - Savings from elimination of chiropractic benefits under the state's medical assistance program.

Notwithstanding the Governor's veto of the budget proviso which instructed the Department not to provide payment for chiropractic services, no funds are specifically provided in the budget for chiropractic care medical assistance benefits. The Legislature intends that no funds be expended for chiropractic benefits unless funds are specifically appropriated for this purpose.
13. COSMOS EFFICIENCY SAVINGS - Projected FY 1991 savings from implementation of the Community Services Management and Operations System (COSMOS). A total of \$11,200,000 GF-State is included in the Community Services Administration Program to implement COSMOS. Subsequent to the passage of the 1989-91 budget, the Department decided to terminate the COSMOS project.
14. HARBORVIEW DISPROPORTIONATE SHARE - Provides increased funding for Harborview Medical Center and other hospitals that serve a disproportionate share of low-income patients.
15. WELFARE GRANT INCREASE - Costs of the increased medical assistance caseload which will result from the 2% welfare grant increase provided in the Income Assistance Program.
16. VENDOR RATE INCREASE - Provides funding for vendor rate increases of 3% on 1/1/90 and 2% on 1/1/91.
17. ADATSA REFORM - Projected savings in the General Assistance-Unemployable (GA-U) Medical Assistance Program as a result of Chapter 3, Laws of 1989, which modifies the Alcohol and Drug Abuse Treatment and Shelter Act (ADATSA) program.
18. REVISED FEDERAL MATCHING RATE - Projected FY 1991 General Fund-State savings which resulted from a recalculation of the Federal Medical Assistance Percentage (FMAP) matching rate for applicable medical assistance programs.

NOTE: Medical Assistance Payments also received appropriations in the following legislation: Chapter 10, Laws of 1989, 1st Ex. Sess. (HB 2244). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

Governor's Vetoes:

Section 213 (7). The Governor vetoed subsection (7), which prohibited the Department from providing payment for chiropractic services. See item 12.

Section 213 (8). The Governor vetoed subsection (8), which established conditions for payments to Harborview Medical Center and other hospitals that serve a disproportionate share of low-income patients. See item 14.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
PUBLIC HEALTH
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	41,851	22,889	64,740
1989 SUPPLEMENTAL BUDGET			
1. IMMIGRATION REFORM & CONTROL ACT (IRCA)	0	740	740
2. ACCOUNTING ADJUSTMENT	159	-45	114
3. INITIATIVE 97 FUNDING	-710	710	0
4. INCREASED FEDERAL REVENUE	0	1,536	1,536
TOTAL 1987-89 BIENNIUM	41,300	25,830	67,130
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	53,083	25,903	78,986
POLICY ITEMS			
1. RESTORE AIDS BASE	400	0	400
2. REFERENDUM 38 REPLACEMENT	1,600	0	1,600
3. MEDICAL LAB LICENSURE	0	244	244
4. HIV ANTIVIRALS-AZT DRUGS	0	100	100
5. PESTICIDE INVESTIGATION	225	0	225
6. ENHANCE AIDS PROGRAM	4,000	0	4,000
7. ENHANCE COMMUNITY CLINICS	1,000	0	1,000
8. TRAUMA CARE STUDY	0	200	200
TOTAL 1989-91 BIENNIUM	60,308	26,447	86,755

Comments:

1. RESTORE AIDS BASE - Replaces Public Safety and Education Account funding provided to the local AIDS networks in the 1987-89 biennium with GF-State funding.
2. REFERENDUM 38 REPLACEMENT - Provides funding for 16 FTE's in the drinking water program which are currently supported by Referendum 38 money. The Referendum 38 funds will be exhausted by the end of the 1987-89 biennium.
3. MEDICAL LAB LICENSURE - Provides funding for certification and licensure of medical laboratories for quality assurance. The program will be supported by fees.
4. HIV ANTIVIRALS - AZT DRUGS - Continues provision of the human immunodeficiency virus (HIV) antiviral AZT to persons currently being provided with federally funded AZT.
5. PESTICIDE INVESTIGATION - Additional funds are provided to increase pesticide poisoning investigations primarily related to the use of the insecticide paraquat.
6. ENHANCE AIDS PROGRAM - The existing AIDSNET program is enhanced. The State Office on HIV/AIDS shall require lead counties to develop service plans which meet standards for uniformity and consistency.
7. ENHANCE COMMUNITY CLINICS - The Department of Social and Health Services is required to develop an allocation formula for distributing money to community health clinics and establish eligibility criteria for receiving program money.
8. TRAUMA CARE STUDY - Funding from the Public Safety and Education Account is provided to complete a study of Washington's trauma care system.

Governor's Vetoes:

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Section 214 (4). The Governor vetoed subsection (4), which required the Department to establish an allocation formula and eligibility criteria for distribution of funds to community health clinics. This subsection guaranteed that each clinic would receive at least 95 percent of the amount received by the clinic in the prior fiscal year.

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
VOCATIONAL REHABILITATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	11,708	45,954	57,662
1989 SUPPLEMENTAL BUDGET			
1. ACCOUNTING ADJUSTMENT	-254	-320	-574
TOTAL 1987-89 BIENNIUM	11,454	45,634	57,088
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	13,039	51,032	64,071
POLICY ITEMS			
1. VENDOR RATE INCREASE	75	0	75
TOTAL 1989-91 BIENNIUM	13,114	51,032	64,146

Comments:

1. VENDOR RATE INCREASE - Effective January 1, 1990, vendors' contract rates will be inflated 3%, followed by a 2% rate increase on January 1, 1991.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
ADMINISTRATION AND SUPPORTING SERVICES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	47,296	33,466	80,762
1989 SUPPLEMENTAL BUDGET			
1. ACCOUNTING ADJUSTMENT	-803	-535	-1,338
TOTAL 1987-89 BIENNIUM	46,493	32,931	79,424
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	50,599	33,075	83,674
POLICY ITEMS			
1. JOBS CHILD CARE MONITORING	40	400	440
2. FRAUD DETECTION	1,739	1,711	3,450
3. BIRTH TO SIX	0	618	618
4. CHILDREN'S INFORMATION SYSTEM	2,719	302	3,021
5. VOCS BACKLOG	198	238	436
TOTAL 1989-91 BIENNIUM	55,295	36,344	91,639

Comments:

1. JOBS CHILD CARE MONITORING - This federal welfare reform initiative sets a goal of improved child care licensing, registration and procedures nationwide. States may apply for grant funds to support the monitoring of child care services provided to recipients of income assistance.

is also expected to yield \$3,256,000 state general funds for a total savings in income assistance program costs of \$7,060,000. Federal welfare reform mandates that states establish measures to detect fraudulent AFDC applications by October 1, 1989.
2. FRAUD DETECTION - Provides funding for a statewide expansion of the Fraud Early Detection Project (FRED). The Department proposes to hire 22.5 investigators in FY90, followed by an additional 31.0 in FY91. The goal is to prevent public assistance from being awarded to ineligible persons by confirming application statements. Statewide expansion of FRED is projected to yield \$1,472,000 state general funds for a total savings in medical assistance program costs of \$3,190,000. FRED

commitment to invest such state funds as would be necessary to sustain this project, as currently administered, in future biennia.
3. BIRTH TO SIX - Federal dollars are made available for coordination, planning and development of early intervention services for young children who are at risk of experiencing disabilities or developmental delays. Continued allocations are contingent upon state investment in assessment and referral services, the creation of a central directory, and systematic data collection about this population of children. The legislative appropriation of federal funds made available to DSHS in the 1989-91 biennium does not at this time represent a

4. CHILDREN'S INFORMATION SYSTEM - Provides for an integrated, statewide management information system to track child protective and child welfare service clients.
5. VOCS BACKLOG - Accelerates efforts to investigate backlogged complaints of fraud in public assistance as recommended by the Legislative Budget Committee. The net savings of state general funds are projected to be \$869,000 over the ensuing biennium. Program cost savings are reflected in the income assistance budget.

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
COMMUNITY SERVICES ADMINISTRATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	142,404	161,292	303,696
1989 SUPPLEMENTAL BUDGET			
1. IMMIGRATION REFORM & CONTROL ACT (IRCA)	0	9,895	9,895
2. AGING AND ADULT SERVICES STAFF	1,000	0	1,000
3. FIP EMPLOYMENT AND TRAINING EXPENSES	2,300	0	2,300
4. COSMOS DELAY	-3,100	0	-3,100
5. COST POOL SAVINGS	-2,000	0	-2,000
6. MEDICAL ASSISTANCE WORKLOAD	1,500	1,500	3,000
7. ACCOUNTING ADJUSTMENT	3,261	-3,179	82
8. INCREASED REVENUE	0	215	215
9. INCOME & ELIGIBILITY VERIFICATION SYSTEM	800	0	800
10. EXPAND SSI REFERRAL PROJECT	172	0	172
11. WELFARE FRAUD COMPLAINT BACKLOG	55	45	100
TOTAL 1987-89 BIENNIUM	146,392	169,768	316,160
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	157,977	171,859	329,836
POLICY ITEMS			
1. WELFARE REFORM	4,706	17,368	22,074
2. MEDICAL INSURANCE FOR AIDS	28	0	28
3. MEDICAL SUPPORT ENFORCEMENT	173	337	510
4. GA-U QUALITY CONTROL	496	0	496
5. TRANSPORT MANAGER	54	42	96
6. PPS PROCUREMENT	706	706	1,412
7. ELECTRONIC BENEFIT TRANSFER	0	385	385
8. EXPAND UTILIZATION REVIEW PROGRAM	454	840	1,294
9. EXPAND SSI REFERRAL PROJECT	3,178	0	3,178
10. COSMOS EFFICIENCY SAVINGS	-640	-639	-1,279
11. VOCS BACKLOG	668	518	1,186
12. VENDOR RATE INCREASE	137	0	137
TOTAL 1989-91 BIENNIUM	167,937	191,416	359,353

Comments:

1. WELFARE REFORM - Provides funds necessary for expansion of the Family Independence Program (FIP) to 15 sites (FIP is currently at 11 sites). Also includes funding to comply with the mandatory requirements of the federal Family Support Act.
2. MEDICAL INSURANCE FOR AIDS - Provides funding for 0.5 annual FTE's to administer payment of medical insurance premiums for AIDS patients who are eligible for insurance but cannot afford to pay the premiums. Savings from this proposal are reflected in the Medical Assistance program.
3. MEDICAL SUPPORT ENFORCEMENT - Provides 8.0 annual FTE's to pursue recovery of non-custodial parent's insurance coverage in order to ensure health benefit coverage for the dependent children without the need for Medicaid.
4. GA-U QUALITY CONTROL - Provides 5.5 annual FTE's to develop a quality control (QC) program for the state's General Assistance-Unemployable (GA-U) program. The QC program will be modeled after the existing QC programs for AFDC and Food Stamps, and will produce offsetting savings by 1991-93.
5. TRANSPORT MANAGER - Provides 1.0 annual FTE to coordinate a new non-emergent transportation contracting system for the Division of Medical Assistance. Savings from the system are included in the Medical Assistance program.
6. PPS PROCUREMENT - Provides contract funds for administration of the new hospital reimbursement and selective contracting systems.
7. ELECTRONIC BENEFIT TRANSFER - Provides 3.75 annual FTE's from federal funds only for a pilot electronic welfare benefit transfer program.
8. EXPAND UTILIZATION REVIEW PROGRAM - Provides 16.0 annual FTE's to expand the Department's Patient Requiring Regulation program and the Provider Review program. Savings from this program expansion are reflected in the Medical Assistance program.
9. EXPAND SSI REFERRAL PROJECT - Provides 28.4 annual FTE's to expand the SSI Referral project statewide which provides assistance to GA-U recipients in applying for federal SSI benefits. Savings from this project expansion are reflected in the Income Assistance program.
10. COSMOS EFFICIENCY SAVINGS - Projected FY 1991 savings from implementation of the Community Services Management and Operations System (COSMOS). A total of \$11,200,000 GF-State is included in the Community Services Administration program to implement COSMOS. Subsequent to the passage of the 1989-91 budget, the Department decided to terminate the COSMOS project.
11. VOCS BACKLOG - Provides 35.0 annual FTE's, in FY 1990 only, to process the backlog in the Verification Overpayment Control System (VOCS). Savings from this initiative are reflected in the Income Assistance program.
12. VENDOR RATE INCREASE - Provides funding for vendor rate increases of 3% on 1/1/90 and 2% on 1/1/91.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
REVENUE COLLECTIONS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	26,335	51,707	78,042
1989 SUPPLEMENTAL BUDGET			
1. LOWER RECOVERIES	-600	-1,200	-1,800
2. ACCOUNTING ADJUSTMENT	-169	-426	-595
TOTAL 1987-89 BIENNIUM	25,566	50,081	75,647
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	30,558	53,136	83,694
POLICY ITEMS			
1. OFR ACCOUNTS RECEIVABLE	1,429	871	2,300
2. WELFARE REFORM	3,419	6,786	10,205
3. MEDICAL SUPPORT ENFORCEMENT	2,391	4,696	7,087
4. OSE RECOMMENDATIONS	1,800	5,646	7,446
5. OSE EMPLOYER REPORTING	207	403	610
6. FEDERAL MATCH/PATERNITY DETERMINATION	-600	0	-600
7. FINANCIAL PARTNER FOSTER CARE	273	0	273
8. VOCS BACKLOG	123	139	262
TOTAL 1989-91 BIENNIUM	39,600	71,677	111,277

Comments:

1. OFR ACCOUNTS RECEIVABLE - Provides funding for enhancements to the Office of Financial Recovery's (OFR) Accounts Receivable Management System. Savings across affected DSHS programs are projected to be \$1,554,000 (\$740,000 GF-State).
2. WELFARE REFORM - Provides for periodic review of child support orders and mandatory wage withholding as required by the federal government.
3. MEDICAL SUPPORT ENFORCEMENT - Provides staff resources to enforce the medical provisions of child support orders. Current law requires parents to maintain health insurance coverage for their dependent children if available through their place of employment and if the cost to responsible parents does not exceed 25% of their basic child support obligation. Savings in Medical Assistance program costs are projected to be \$6,960,000 (\$3,532,000 GF-State).
4. OSE EFFICIENCY COMMISSION RECOMMENDATIONS - Provides for select computer system enhancements and dedicates resources to projects designed to improve the Office of Support Enforcement's case tracking and collections capability. Savings in Income Assistance program costs are projected to be \$8,695,000 (\$4,676,000 GF-State).
5. OSE EMPLOYER REPORTING - Provides for the expansion of the Employer Reporting Demonstration Project. Select industries would be required to report new hires to the Washington State Support Registry within 35 working days thereby assisting the location of parents delinquent in child support payments. Savings in Income Assistance program costs are projected to be \$1,409,000 (\$759,000 GF-State).
6. FEDERAL MATCH FOR PATERNITY DETERMINATION - An increase in the federal match rate for lab fees in state initiated paternity determinations will save an estimated \$600,000 in state funds over the ensuing biennium.
7. FINANCIAL PARTNERSHIP FOSTER CARE - This item provides dedicated staff resources to intensify the recovery of court-ordered child support from responsible parents of children placed in foster care. Notwithstanding the Governor's veto, the funds are provided for enforcement efforts which are expected to yield a minimum of \$1,189,000 to offset state funds spent on foster care as reflected in the Children and Family Services budget. These funds should be spent only for the purpose identified and only if the identified cost recovery is realized. The funds should not be expended for any other purpose.
8. VOCS BACKLOG - Accelerates efforts to investigate backlogged complaints of fraud in public assistance as recommended by the Legislative Budget Committee. The net savings to the State General Fund are projected to be \$869,000 over the ensuing biennium. Program cost savings are reflected in the Income Assistance budget.

Governor's Vetoes:

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Section 218 (6). The Governor vetoed subsection (6), which earmarked \$273,000 GF-S for increased foster care support collections. The subsection also directed the Department to establish a financial participation plan for use in assessing parents of children receiving out-of-home residential care funded by the Department.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
PAYMENTS TO OTHER AGENCIES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	27,927	15,077	43,004
1989 SUPPLEMENTAL BUDGET			
1. ACCOUNTING ADJUSTMENT	-1,069	205	-864
2. ATTORNEY GENERAL TORT ADMINISTRATION	600	0	600
3. SERVICE CENTER RATES	-200	0	-200
TOTAL 1987-89 BIENNIUM	27,258	15,282	42,540
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	38,187	17,041	55,228
TOTAL 1989-91 BIENNIUM	38,187	17,041	55,228

Comments:

None.

DEPARTMENT OF SOCIAL AND HEALTH SERVICES
BELATED/SUNDRY CLAIMS
 (\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	10,971	0	10,971
1989 SUPPLEMENTAL BUDGET			
1. BELATED CLAIMS	133	0	133
TOTAL 1987-89 BIENNIUM	11,104	0	11,104

Comments:

None.

MAJOR BUDGET ENHANCEMENTS

Timber Assistance

As referenced in the Natural Resources highlights, the Department of Community Development is appropriated \$120,000 for grants to non-profit organizations to establish reemployment centers in areas of the state adversely impacted by reductions in timber harvested from federal lands.

Goodwill Games

The Department of Community Development is appropriated \$3.5 million to respond to the increased demand for public services resulting from the Goodwill Games. Of this amount, \$1.5 million is provided to develop a coordinated security plan and \$2 million will be allocated to local governments.

Early Childhood Education

The Early Childhood Education and Assistance Program, which helps prepare low-income children for school, is doubled with an additional appropriation of \$13.9 million. The enhancement will serve an additional 2,200 participants.

Housing

An additional \$4 million is provided for the biennium to address the critical need for housing among low-income people. Of this total, \$3 million GF-State is provided to fund non-profit emergency shelters, and \$1 million from the Housing Trust Fund will enable the Department of Community Development to provide grants and technical assistance necessary to create and preserve low-income housing.

Emergency Food Assistance

Increased funding of \$526,000 is provided to increase the Department of Community Development's emergency food assistance program, enabling assistance to approximately 70,000 households.

Crime Victims

An increase of \$8 million is provided to the Department of Labor and Industries from the Public Safety and Education Account to fund an increase in the limit on the size of claims, an increase in the number of claims, and an increase in claims staff within the Crime Victims Program.

Residential Burglary

Additional funds are provided for the impact of Ch. 1, Laws of 1989, 2nd Ex. Sess. (ESB 5233), the Residential Burglary Bill. The Department of Corrections is appropriated an additional \$556,000 to address the increased offender population resulting from the stronger sentences imposed in the new legislation.

Development to promote employer involvement in the development of child care services and facilities pursuant to Ch. 430, Laws of 1989 (2SSB 6051).

Basic Health Plan

The \$27.2 million GF-State appropriation for the Basic Health Plan will expand to 25,000 the number of low-income working people able to obtain health insurance benefits under the state's innovative plan.

Employer Daycare

The Department of Employment Security is appropriated \$1.2 million from the Administrative Contingency Fund for an interagency agreement with the Department of Trade and Economic

1989-91 WASHINGTON STATE OPERATING BUDGET
WORKLOAD INDICATORS

Unit Type	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	EST.	BUDGETED		
						FY 1989	FY 1990	FY 1991	
Department of Corrections									
Work Release	Total Beds	832	812	800	782	813	793	1,033	1,141
Community Supervision	Active Offenders	-----	24,868	26,600	24,629	26,200	29,480	33,300	37,500
Institutions	Avg Daily Pop	6,107	6,308	6,438	6,295	6,484	6,735	6,081	6,859

HEALTH CARE AUTHORITY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	3,544	3,544
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	5,203	5,203
POLICY ITEMS			
1. INCREASED WORKLOAD	0	500	500
2. REQUIRED STUDIES	0	500	500
TOTAL 1989-91 BIENNIUM	0	6,203	6,203

Comments:

1. INCREASED WORKLOAD - Provides staff and funding to deal with the increased workload in administering the self-insurance health and dental care programs for state employees.
2. REQUIRED STUDIES - Provides funding to conduct the studies required by the agency's enabling act: (1) a report on health care and other insurance offerings of school districts due December 31, 1989; and (2) a survey of the various medical and health care services of the state due December 30, 1990.

DEPARTMENT OF COMMUNITY DEVELOPMENT
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	35,164	143,355	178,519
1989 SUPPLEMENTAL BUDGET			
1. FEDERAL EMERGENCY MNGT ACT	512	-1,077	-565
2. REAUTHORIZE SUPERFUND APPROP	0	384	384
TOTAL 1987-89 BIENNIUM	35,676	142,662	178,338
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	34,541	138,710	173,251
POLICY ITEMS			
1. EARLY CHILDHOOD EDUCATION	13,900	0	13,900
2. HOUSING PACKAGE	3,000	1,000	4,000
3. EMERGENCY FOOD ASSISTANCE	526	0	526
4. BUILDING CODE COUNCIL	0	315	315
5. LEWIS COUNTY DEMONSTRATION PROJECT	475	0	475
6. OKANOGAN WINTER SPORTS FACILITY	200	0	200
7. HIGH RISK YOUTH PILOT PROJECT	400	0	400
8. RURAL REVITALIZATION	200	0	200
9. ARTS STABILIZATION	400	0	400
10. GOODWILL GAMES	3,500	0	3,500
11. TIMBER RE-EMPLOYMENT CENTERS	120	0	120
12. INDIGENT REPRESENTATION	250	0	250
13. GROWTH STRATEGIES COMMISSION	350	0	350
14. LONG TERM CARE OMBUDSMAN	200	0	200
15. CHILDREN'S TELECOMMUNICATIONS	150	0	150
16. FOOD STAMP OUTREACH	200	0	200
17. PUBLIC BROADCASTING	75	0	75
TOTAL 1989-91 BIENNIUM	58,487	140,025	198,512

Comments:

1. EARLY CHILDHOOD EDUCATION - Increases the Early Childhood Education and Assistance Program to serve an additional 2,200 children.
2. HOUSING PACKAGE - \$3,000,000 in General Fund State is provided to fund non-profit emergency shelters statewide in order to reduce the number of persons turned away from emergency shelters. An additional \$1,000,000 is provided from the Housing Trust Fund to create and preserve low-income housing through technical assistance and grants. However, funds are appropriated in the capital budget for the same purpose. In order to correct the error, \$1,000,000 from the Housing Trust Fund should be placed in reserve or unallotted status.
3. EMERGENCY FOOD ASSISTANCE - Funding is provided to supply food to approximately 70,000 additional households. The increase will raise the 1989-91 funding level to \$1,856,000.
4. BUILDING CODE COUNCIL - Funding is provided for additional staff.
5. LEWIS COUNTY DEMONSTRATION PROJECT - Funds a technology demonstration project. This amount constitutes the final state contribution to the project. Notwithstanding the Governor's veto, no funds provided for this project should be expended for any other purpose.
6. OKANOGAN WINTER SPORTS FACILITY- Funds provided solely to assist Okanogan County with planning activities to address impacts associated with major tourism developments.
7. HIGH RISK YOUTH PILOT PROJECT - Establishes pilot project in Pierce County allowing intervention by police officers to return runaway youth to their homes or temporary shelter. These funds were contingent on the enactment of SB 5624. Notwithstanding the Governor's veto, since SB 5624 did not pass, these funds should remain unexpended.
8. RURAL REVITALIZATION - Establishes a program that would develop model rural economic development strategies.
9. ARTS STABILIZATION - Provides funding for a state-wide grant program to help stabilize arts organizations by providing financial assistance.
10. GOODWILL GAMES - Provides funding for security costs associated with the Goodwill Games.
11. TIMBER RE-EMPLOYMENT CENTERS - Provides grants to non-profit organizations for additional re-employment centers in areas distressed by reductions in federal timber harvests.
12. INDIGENT REPRESENTATION - Provides representation for indigent persons in dependency proceedings.
13. GROWTH STRATEGIES COMMISSION - Provides funding for the establishment of a Washington State Growth Strategies Commission which will recommend to the legislature ways to enhance regional planning and to coordinate state and local decision-making processes.
14. LONG TERM CARE OMBUDSMAN - Funding is provided to enhance the long-term care ombudsman program, transferred in the 1988 session to this agency from DSHS.
15. CHILDREN'S TELECOMMUNICATIONS - Funds continuation of the children's telecommunications projects at the University of Washington.
16. FOOD STAMP OUTREACH - Funds a state-wide program to provide information to persons eligible for, and in need of, food stamps but unaware of their eligibility.
17. PUBLIC BROADCASTING - Provides funding for increased grants to public radio and television stations.

Governor's Vetoes:

140

Section 221 (9). The Governor vetoed subsection (9), which required the Department to report to the Legislature on the distribution and amount of grants to border towns. The subsection also expressed legislative intent that the level of funding from the liquor revolving fund remain substantially equal to current expenditures.

Section 221 (12). The Governor vetoed subsection (12), which earmarked \$475,000 General Fund-State as the state's final contribution to the Lewis County Technology Demonstration project. See item 5.

Section 221 (17). The Governor vetoed subsection (17), which earmarked \$400,000 General Fund-State for a pilot demonstration project for high risk-youth. See item 7.

Section 221 (18). The Governor vetoed subsection (18), which earmarked \$350,000 General Fund-State to establish the Washington State Growth Strategies Commission. See item 13.

HUMAN RIGHTS COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,352	965	4,317
1989 SUPPLEMENTAL BUDGET			
1. REPLACE FEDERAL FUNDS	140	0	140
TOTAL 1987-89 BIENNIUM	3,492	965	4,457
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	3,760	864	4,624
POLICY ITEMS			
1. EXPAND STAFF	70	0	70
TOTAL 1989-91 BIENNIUM	3,830	864	4,694

Comments:

1. EXPAND STAFF - Funds additional staff positions in order to help reduce the agency's case backlog.

Governor's Vetoes:

Section 222 (1). The Governor vetoed subsection (1), which earmarked \$227,414 General Fund-State for combined federal and state jurisdiction case management.

Section 222 (2). The Governor vetoed subsection (2), which earmarked \$550,000 General Fund-State for legal services provided by the Attorney General.

BOARD OF INDUSTRIAL INSURANCE APPEALS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3	12,473	12,476
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	13,274	13,274
TOTAL 1989-91 BIENNIUM	0	13,274	13,274

Comments:

None.

CRIMINAL JUSTICE TRAINING COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	8,214	8,214
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	8,423	8,423
POLICY ITEMS			
1. CONTINUATION OF UCR/IBR	0	57	57
2. BASIC LAW ENFORCEMENT ACADEMIES	0	198	198
TOTAL 1989-91 BIENNIUM	0	8,678	8,678

Comments:

1. CONTINUATION OF UCR/IBR: Provides FY 1991 funding to continue full support for the Washington State Association of Sheriffs and Police Chief's project to convert the Washington Uniform Crime Reporting system to an incident-based reporting system. The project is currently supported, in part, by a federal grant which will terminate after FY 1990.
2. BASIC LAW ENFORCEMENT ACADEMIES: Funding to establish two additional basic law enforcement academies.

NOTE: The Criminal Justice Training Commission also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

DEPARTMENT OF LABOR AND INDUSTRIES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	8,705	198,430	207,135
1989 SUPPLEMENTAL BUDGET			
1. ELECTRICAL INSPECTIONS	0	87	87
TOTAL 1987-89 BIENNIUM	8,705	198,517	207,222
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	9,277	231,075	240,352
POLICY ITEMS			
1. CRIME VICTIMS	0	7,999	7,999
2. INFORMATION/ASSISTANCE	0	472	472
3. QUALITY ASSURANCE	0	1,485	1,485
4. CHIRO/ORTHO REVIEW	0	1,677	1,677
5. OFFICE SERVICES STAFF	0	7,100	7,100
6. REGIONAL SUPPORT	0	160	160
7. CASE RESERVE EXPANSION	0	422	422
8. DOCUMENT/IMAGE PROCESSOR	0	1,876	1,876
9. IMPROVED SERVICE LEVEL	0	354	354
10. ELECTRONIC DATA EXCHANGE	0	126	126
11. UPGRADE TELECOMMUNICATIONS	0	2,206	2,206
12. RETROSPECTIVE RATING	0	140	140
13. COLLECTIONS	0	192	192
14. CONTRACT MANAGER	0	500	500
15. MEDICAL EXAMS SCHEDULING	0	160	160
16. VOLUNTARY SERVICES	0	130	130
17. INTEGRATED SYSTEM	0	431	431
18. PESTICIDE CONTROL	0	1,067	1,067
TOTAL 1989-91 BIENNIUM	9,277	257,572	266,849

Comments:

1. CRIME VICTIMS - Funds a 5.6% increase in claims costs, a 39% increase in the number of claims, and an increase in the claims staff of the Crime Victims program.
2. INFORMATION/ASSISTANCE - Funds added staff for customer information assistance.
3. QUALITY ASSURANCE - Funds nursing, chiropractic and orthopedic consultants.
4. CHIRO/ORTHO REVIEW - Funds cost containment and quality assurance review for chiropractors and orthopedic consultants.
5. OFFICE SERVICES STAFF - Funds the State Fund Information System which will enhance and upgrade the computer systems used for financial accounting and workers compensation claims administration.
6. REGIONAL SUPPORT - Funds summer interns in budget and accounting.
7. CASE RESERVE EXPANSION - Funds actuarial experience rating of the Industrial Insurance State Fund which is necessary to determine the future financial cash reserves required for the payment of long-term workers compensation time-loss and medical claims.
8. DOCUMENT/IMAGE PROCESSOR - Funds consultant services and acquisition of laser optical image processing equipment.
9. IMPROVED SERVICE LEVEL - Funds data entry for Information Services Division.
10. ELECTRONIC DATA EXCHANGE - Funds field offices electronic data transfer.
11. UPGRADE TELECOMMUNICATIONS - Funds Medical Information Payment System with enhanced telecommunications equipment to improve payment of injured workers' medical claims.
12. RETROSPECTIVE RATING - Expands the Industrial Insurance Refund Program, which allows both public and private sector employers with good claims histories to receive refunds on their industrial insurance premiums, or pay additional assessments for bad claims histories.

13. COLLECTIONS - Funds additional revenue officers in the field.
14. CONTRACT MANAGER - Funds support for health services contract management.
15. MEDICAL EXAMS SCHEDULING - Funds additional staff support for scheduling.
16. VOLUNTARY SERVICES - Funds a hygiene consultant for safety inspections.
17. INTEGRATED SYSTEM - Funds an upgrade of the agency's computer information system, used to comply with with OSHA federal grant reporting requirements.
18. PESTICIDE CONTROL - Funds the pesticide control program provided in Chapter 380, Laws of 1989.

NOTE: The Department of Labor and Industries also received appropriations in the following legislation: Chapter 295, Laws of 1989 (SSB 5265) and Chapter 154, Laws of 1989 (SSB 5681). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

Governor's Vetoes:

Section 225 (2). The Governor vetoed subsection (2), which earmarked \$300,000 General Fund-State to fund the Family and Medical Leave Act (Chapter 11, Laws of 1989, 1st Ex. Sess.).

INDETERMINATE SENTENCE REVIEW BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,703	0	3,703
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,920	0	2,920
POLICY ITEMS			
1. INDETERMINATE OFFENDER REVIEWS	316	0	316
TOTAL 1989-91 BIENNIUM	3,236	0	3,236

Comments:

1. INDETERMINATE OFFENDER REVIEWS - This item provides funding for 3.5 annual FTE's to comply with the provisions of Chapter 259, Laws of 1989 (HB 1457), which requires the Board to set minimum terms for first degree murder offenders who were sentenced before implementation of the Sentencing Reform Act.

NOTE: The Indeterminate Sentence Review Board also received appropriations in the following legislation: Chapter 259, Laws of 1989 (SHB 1457). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

DEPARTMENT OF VETERANS' AFFAIRS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	18,395	11,891	30,286
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	19,531	12,761	32,292
POLICY ITEMS			
1. DELAYED STRESS COUNSELING	172	0	172
2. UNIT CONVERSION TO FULL SKILL	0	767	767
3. NURSING SALARY INCREASE	458	0	458
4. AGENT ORANGE POSITION	68	0	68
TOTAL 1989-91 BIENNIUM	20,229	13,528	33,757

Comments:

1. DELAYED STRESS COUNSELING - Provides professional counseling services to an additional 614 individual family members of veterans suffering from post traumatic stress disorder.
2. UNIT CONVERSION TO FULL SKILL - Appropriates private, local funds to support the conversion of 90 intermediate care beds into a full-skill nursing care unit at Retsil.
3. NURSING SALARY INCREASE - Additional funding to pay for the Personnel Board granted statewide salary increase for registered nurses, psychiatrists and clinical directors.
4. AGENT ORANGE POSITION - State funds support one dedicated staff person to respond to inquiries about benefit claims, help determine a veteran's level of exposure during their service, and refer clients to available treatment resources.

DEPARTMENT OF CORRECTIONS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	365,600	651	366,251
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	398,658	332	398,990
POLICY ITEMS			
1. COMPUTER SUPPORT PROJECTS	540	0	540
2. INTELLIGENCE NETWORK	400	0	400
3. ELIMINATE HQ MOTOR POOL CARS	-12	0	-12
4. ELIMINATE TOLL-FREE TELEPHONE	-2	0	-2
5. DEFER NEW WORK RELEASE BEDS	-584	0	-584
6. PARTNERSHIP PROGRAM	200	0	200
7. TRANSFER POSITIONS TO GF-S	380	0	380
8. DELAY AUDITORS FOR 9 MONTHS	-50	0	-50
9. CHARGE ISRB FOR PROGRAMMING	-16	0	-16
10. REPLACE ALARM SYSTEM	-2	0	-2
11. RN SALARY INCREASE	890	0	890
12. TRCC CUSTODY POSTS	-394	0	-394
13. DCC SALARY INCREASE	1,292	0	1,292
14. WTR OVERBUDGETING	-1,090	0	-1,090
15. RESIDENTIAL BURGLARY	556	0	556
TOTAL 1989-91 BIENNIUM	400,766	332	401,098

Comments:

1. COMPUTER SUPPORT PROJECTS - Provides funding to enhance computer support systems throughout the Department.
2. INTELLIGENCE NETWORK - Funds a pilot computerized intelligence network to enhance the Department's ability to track intelligence data for prisons and work release facilities.
3. ELIMINATE HQ MOTOR POOL CARS - Savings from a proposal to eliminate two vehicles from the Department's headquarters motor pool.
4. ELIMINATE TOLL-FREE TELEPHONE - Savings from elimination of the victim/witness national toll-free telephone number.
5. DEFER NEW WORK RELEASE BEDS - Savings from the deferral of 28 work training release beds in FY 1990 and 14 beds in FY 1991.
6. PARTNERSHIP PROGRAM - Provides funds to counties for matching grants up to \$30,000 for projects to relieve jail overcrowding. County programs funded through this program will be expected to reduce or maintain jail overcrowding to a rate lower than rated capacity.
7. TRANSFER POSITIONS TO GFS - This item transfers the salaries and benefits of six positions in the Department's accounting section staff from the Institutional Industries Revolving Fund to the General Fund-State.
8. DELAY AUDITORS FOR 9 MONTHS - Savings from a proposal to delay the hiring of two auditor positions in the Internal Audit Organization for the first nine months of the biennium.
9. CHARGE ISRB FOR PROGRAMMING - Savings from a proposal to charge the Indeterminate Sentence Review Board for computer services provided by the Department.
10. REPLACE ALARM SYSTEM - Savings from a proposal to install a new card access security system in the Department's Olympia headquarters building.
11. RN SALARY INCREASE - Salary and benefit costs resulting from the Personnel Board mandated salary increase for registered nurses, physicians, psychiatrists, and clinical directors.
12. TRCC CUSTODY POSTS - Savings from the elimination of two perimeter custody posts (7.0 annual FTE's) at the Twin Rivers Corrections Center, due to the installation of an electronic security fence.
13. DCC SALARY INCREASE - Salary and benefit costs resulting from the Personnel Board mandated salary increase for community corrections officers.
14. WTR OVERBUDGETING - Corrects technical overbudgeting of work training release beds.
15. RESIDENTIAL BURGLARY - Provides additional funds to accommodate the increased offender population resulting from Chapter 1, Laws of 1989, 2nd Ex. Sess. (the Residential Burglary Bill -- SB 5233).

NOTE: The Department of Corrections received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

SERVICES FOR THE BLIND
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	2,400	7,043	9,443
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,472	7,964	10,436
POLICY ITEMS			
1. OFFICE AUTOMATION PHASE II	0	306	306
TOTAL 1989-91 BIENNIUM	2,472	8,270	10,742

Comments:

- 1. OFFICE AUTOMATION PHASE II - Federal funds are appropriated to provide personal computers for vocational rehabilitation counselors and to develop and implement secondary case management applications.

The Governor did not recommend any state general funds be appropriated for Phase II in the 1989-91 biennium. In concurring, the legislature also assumes that state match requirements will be met with existing resources.

CORRECTIONS STANDARDS BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	185	19	204

Comments:

Agency terminated in the 1987-89 biennium.

HOSPITAL COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,943	1,457	3,400
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,893	1,597	3,490
POLICY ITEMS			
1. SUNSET ADJUSTMENTS	-1,029	-776	-1,805
TOTAL 1989-91 BIENNIUM	864	821	1,685

Comments:

1. SUNSET ADJUSTMENT - Transfers funds to the newly created Department of Health to continue collection of hospital patient discharge data. This agency will terminate as of June 30, 1990.

Governor's Vetoes:

Section 230 (2). The Governor vetoed subsection (2), which earmarked \$432,000 General Fund-State and \$411,000 from the Hospital Commission Account for the purposes of hospital patient discharge data collection.

WASHINGTON BASIC HEALTH PLAN
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	14,610	13,149	27,759
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	39,211	54,682	93,893
POLICY ITEMS			
1. SHIFT PRENATAL/MATERNITY TO 185%	0	-12,702	-12,702
2. GENERAL FUND-STATE TRANSFER	-11,996	0	-11,996
TOTAL 1989-91 BIENNIUM	27,215	41,980	69,195

Comments:

1. SHIFT PRENATAL/MATERNITY TO 185% - A decrease in premium revenues to the Basic Health Plan Trust Account is anticipated as a result of expanding DSHS prenatal care coverage to individuals with incomes below 185% of the federal poverty level.
2. GENERAL FUND STATE TRANSFER - A decrease in GF-State support required for the Basic Health Plan resulting from implementation of the prenatal program in DSHS.

SENTENCING GUIDELINES COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	528	0	528
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	573	0	573
TOTAL 1989-91 BIENNIUM	<u>573</u>	<u>0</u>	<u>573</u>

Comments:

None.

DEPARTMENT OF EMPLOYMENT SECURITY

(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,998	286,845	292,843
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	5,499	304,989	310,488
POLICY ITEMS			
1. EXPAND CLAIMANT PLACEMENT	0	790	790
2. EMPLOYER DAYCARE	0	1,175	1,175
3. REPLACE STATE FUNDS	-5,370	5,370	0
4. ADMINISTRATIVE CONTINGENCY PROG	0	-1,719	-1,719
5. REDUCED NEWSPAPER ADVERTISING	0	-50	-50
6. FAMILY INDEP PROGRAM STAFF	0	2,252	2,252
7. MINIMUM WAGE STUDY	0	300	300
TOTAL 1989-91 BIENNIUM	129	313,107	313,236

Comments:

- | | | |
|---|---|---|
| <p>1. EXPAND CLAIMANT PLACEMENT - Dedicated payroll tax resources will be sufficient to allow rapid reemployment services to be extended to unemployment insurance claimants at nine additional job service centers.</p> | <p>3. REPLACE STATE FUNDS - Employment Security is directed to utilize available federal Administrative Contingency funds to support discretionary programs before requesting state general funds.</p> | <p>spending on newspaper and other media advertising by \$50,000 below 1987-89 expenditure levels.</p> |
| <p>2. EMPLOYER DAYCARE - A total of \$175,000 in Administrative Contingency funds are appropriated for transfer to the Department of Trade and Economic Development, whose Business Assistance Center shall prepare and disseminate information on options for providing child care to working parents in accordance with Chapter 430, Laws of 1989. A total of \$1,000,000 in Administrative Contingency funds are appropriated for transfer to the Child Care Facility Fund created in the same chapter. Out of this account, one-time grants, loans or loan guarantees of up to \$25,000 may be awarded to individuals, businesses and other organizations to start or improve a licensed child care facility.</p> | <p>4. ADMIN CONTINGENCY PROGRAM EXPANSION - In response to identified programming for Administrative Contingency funds by the Employment Security Department, the Legislature adjusts the appropriation to hold expenditure growth to inflation, disallows sums designated for the creation of new programs, and disallows sums which would replace lost federal funds. As a result, \$3,400,000 in Administrative Contingency funds remains unprogrammed and is thereby available to support executive determined priorities for the ensuing biennium.</p> | <p>6. FAMILY INDEPENDENCE PROGRAM STAFF - Directs the transfer of \$2,100,000 from the Federal Interest Payment Account and \$152,000 from the Administrative Contingency Fund to the Department of Social and Health Services for FIP employment services.</p> |
| | <p>5. REDUCED NEWSPAPER ADVERTISING - Employment Security is directed to reduce</p> | <p>7. MINIMUM WAGE STUDY - Provides funds for the Northwest Policy Center of the University of Washington's Institute for Public Policy and Management to study the economic impact to business and labor of having raised the state minimum wage.</p> |

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MAJOR BUDGET ENHANCEMENTS

Solid Waste

The amount of \$5.6 million is appropriated from a dedicated fund source to implement the provisions of Ch. 431, Laws of 1989 (ESHB 1671), Solid Waste Reform. The funds will support the Department of Ecology's management of solid wastes within the state, as well as studies dealing with enforcement, waste reduction, recycling, product packaging, and other related issues.

Underground Storage Tanks

The budget provides \$3.7 million in dedicated operating funds to the Department of Ecology for the underground storage tank insurance program under Ch. 346, Laws of 1989 (ESHB 1086).

Auto Emissions

The amount of \$2.2 million is provided to the Department of Ecology for vehicle emissions testing programs in King and Spokane counties reauthorized in Ch. 240, Laws of 1989 (ESHB 1104).

Tire Recycling

As a result of increasing activity and dedicated revenue, the Department of Ecology's Vehicle Tire Recycling Program is increased by \$6 million.

Water Resources

Increasing workload in the Department of Ecology's Water Resources and Groundwater Management programs will be addressed with a budget increase of \$1 million.

State Parks

Additional funding of \$321,000 is provided to increase planned maintenance and repair activities throughout the state park system.

Timber Assistance

The Natural Resources section of the budget contains several initiatives intended to respond to reductions in the state's timber harvest and its impact on workers. The Department of Trade and Economic Development is appropriated \$367,000 to implement a timber industrial extension service to provide technical assistance necessary to develop new technologies, products, and markets, as well as assist production and marketing efforts. The Department of Natural Resources is provided \$2.8 million from trust land funds for intensive land management activities

intended to provide employment opportunities in areas where the federal government has reduced or eliminated timber harvesting. Not included in these amounts is another \$800,000 included in the timber assistance package established in Ch. 424, Laws of 1989 (ESSB 5911). (See also Human Resources for timber assistance.)

Business and Job Retention

The Department of Trade and Economic Development is provided \$550,000 to develop a program to assist firms and workforces in which there is a risk of plant closure, failure, or mass layoff. The purpose of the program will be to explore alternatives that would permit continued operation.

Small Business Development

The Department of Trade and Economic Development is provided \$450,000 to implement the Economic Development Finance Authority created under Ch. 279, Laws of 1989 (ESHB

1553). The finance authority will make funds available for small business development, export transactions, and agricultural investments.

Tourism

The tourism program operated by the Department of Trade and Economic Development is increased by \$700,000 over its existing operating level.

Washington Village

An additional \$200,000 is provided to the Department of Trade and Economic Development for development of a housing project in Japan designed to demonstrate Washington wood products, building materials, and construction technology.

Washington Marketplace

The amount of \$350,000 is appropriated to the Department of Trade and Economic Development to implement a new Washington Marketplace program created in Ch. 417, Laws of 1989 (2SHB 1476). The program is designed to promote Washington products to meet new manufacturing requirements or to replace products that are currently imported.

Tri-Cities Diversification

A number of agencies will receive funds from the \$1.6 million appropriation to the Department of Trade and Economic Development that is intended as the state's final contribution toward the economic diversification activities initiated last biennium.

Washington Technology Center

A \$1 million enhancement is provided for new program initiatives and research at the Washington Technology Center.

Conservation Districts

An increase of \$731,000 is provided to the Conservation Commission with over \$600,000 intended solely to provide operational funds to conservation districts.

Salmon Enhancement

The budget contains an increase of \$1.8 million to expand programs for recreational salmon enhancement.

Timber, Fish, and Wildlife

The Department of Natural Resources will award grants totalling \$1.5 million for studies approved through the

Cooperative Monitoring, Evaluation, and Research Committee to expand the cooperative timber, fish, and wildlife management process.

Land Management

In addition to the \$2.8 million mentioned under timber assistance, the Department of Natural Resources also receives \$728,000 for increased land management activities associated with increased sales and \$1 million for increased management activity on aquatic lands.

Accounting System

The amount of \$2.3 million total funds (\$372,000 GF-State) is provided to develop a revenue, accounting, and payroll system for more accurate cost allocation within the Department of Natural Resources.

AIM

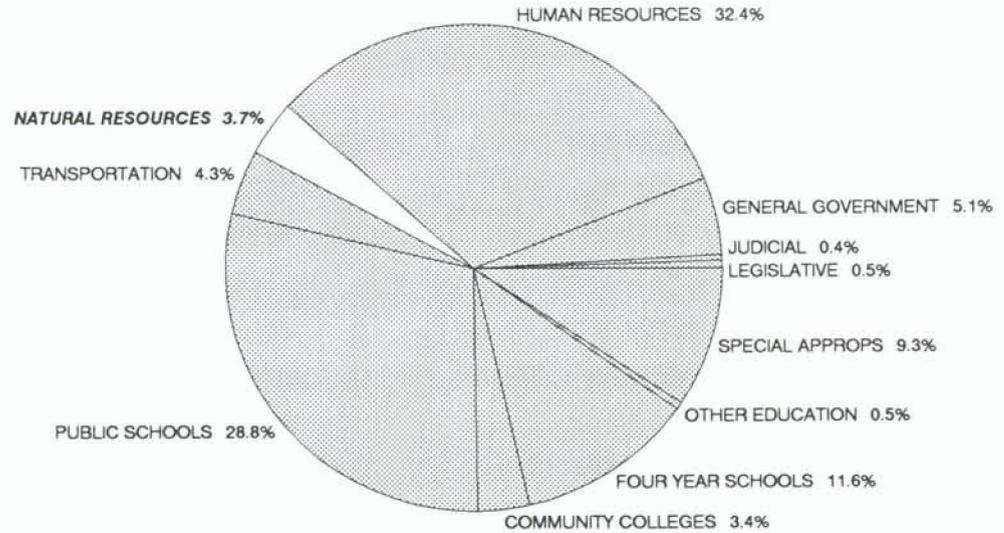
The Department of Agriculture is appropriated \$1.5 million for the development of the Agricultural Information and Management System 2000 (AIM) to improve cost allocation and management activity within the agency.

Pesticide Control

Pesticide control, monitoring, and public education activity will increase as a result of a \$2.3 million total funds (\$1.6 million GF-State) enhancement to the Department of Agriculture.

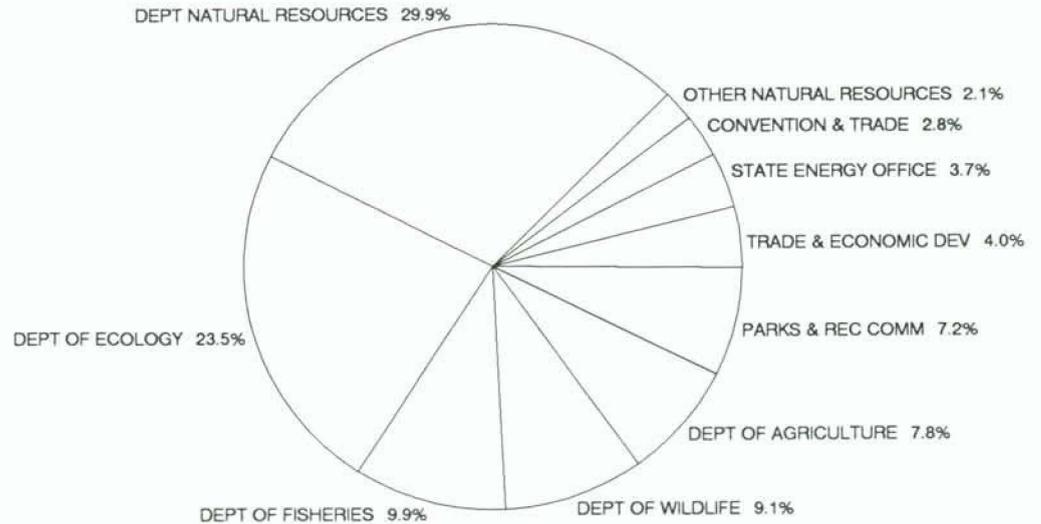
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
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1989-91 APPROP	21,351,258



Washington State

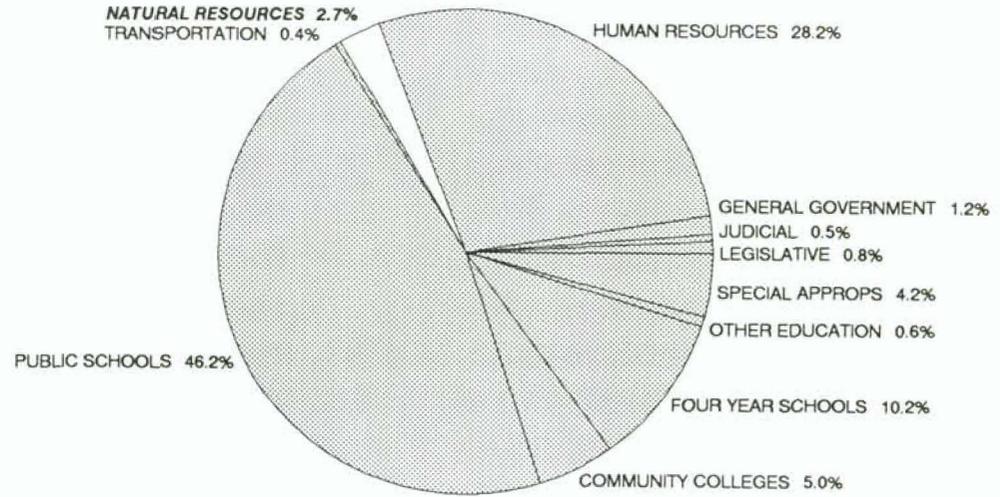
DEPT NATURAL RESOURCES	233,618
DEPT OF ECOLOGY	183,239
DEPT OF FISHERIES	76,942
DEPT OF WILDLIFE	71,056
DEPT OF AGRICULTURE	60,674
PARKS & REC COMM	56,298
TRADE & ECONOMIC DEV	31,528
STATE ENERGY OFFICE	28,721
CONVENTION & TRADE	22,119
OTHER NATURAL RESOURCES	16,193
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NATURAL RESOURCES	780,388



Natural Resources

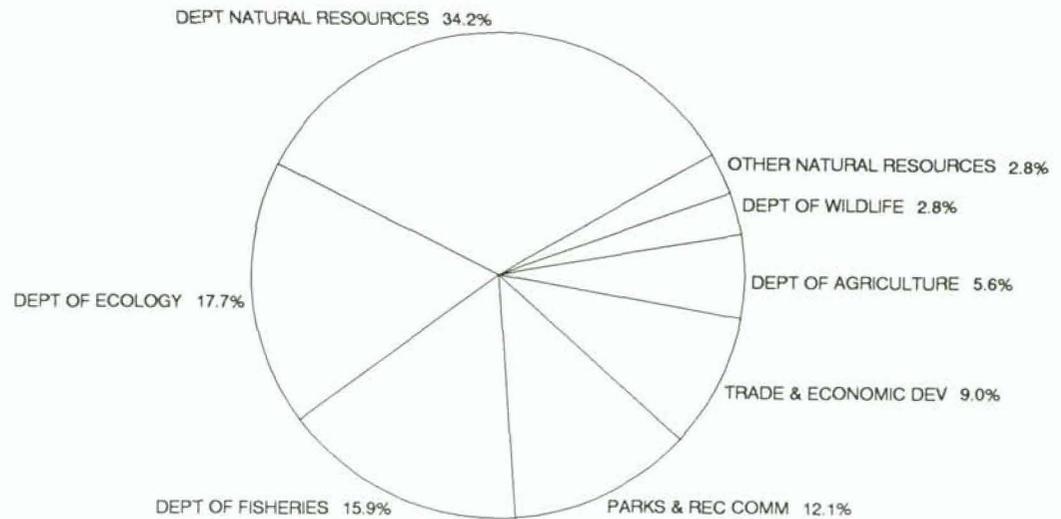
**WASHINGTON STATE 1989-91 OPERATING BUDGET
GENERAL FUND - STATE (\$ 000)**

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

DEPT NATURAL RESOURCES	116,040
DEPT OF ECOLOGY	59,947
DEPT OF FISHERIES	54,086
PARKS & REC COMM	41,132
TRADE & ECONOMIC DEV	30,383
DEPT OF AGRICULTURE	18,845
DEPT OF WILDLIFE	9,385
OTHER NATURAL RESOURCES	9,457
NATURAL RESOURCES	339,275



Natural Resources

STATE ENERGY OFFICE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	1,916	27,742	29,658
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,933	26,485	28,418
POLICY ITEMS			
1. HYDROPOWER PLAN	153	0	153
2. SOLID WASTE	0	150	150
TOTAL 1989-91 BIENNIUM	2,086	26,635	28,721

Comments:

1. HYDROPOWER PLAN - Provides for the agency's portion of the development of the state's hydropower plan, in compliance with Chapter 159, Laws of 1989.
2. SOLID WASTE - Provides funds to determine the feasibility of burning mixed paper and plastics for energy recovery in existing disposal facilities funds. Implements the provisions of Chapter 431, Laws of 1989.

WASHINGTON CENTENNIAL COMMISSION
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	7,052	2,040	9,092
1989 SUPPLEMENTAL BUDGET			
1. REVENUE BELOW PROJECTIONS	0	-120	-120
TOTAL 1987-89 BIENNIUM	7,052	1,920	8,972
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,419	302	1,721
POLICY ITEMS			
1. CELEBRATION & WIND DOWN	-375	0	-375
TOTAL 1989-91 BIENNIUM	1,044	302	1,346

Comments:

1. CELEBRATION & WIND DOWN - Reflects a technical adjustment necessary to show a reduction in expenditures due to the sunset of the Centennial Commission in FY90.

Funding for the Maritime Voyages Exhibition was transferred to the Washington State Historical Society.

COLUMBIA RIVER GORGE COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	411	386	797
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	540	550	1,090
POLICY ITEMS			
1. LEGAL COSTS	30	30	60
TOTAL 1989-91 BIENNIUM	570	580	1,150

Comments:

1. LEGAL COSTS - Provides additional funding required to meet increased legal costs involved with the Columbia River compact.

DEPARTMENT OF ECOLOGY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	53,444	89,709	143,153
1989 SUPPLEMENTAL BUDGET			
1. ADJUST TO AVAILABLE WOODSTOVE REVENUE	0	-90	-90
2. REAUTHORIZE SUPERFUND APPROPRIATION	0	30,096	30,096
3. REAUTHORIZE WATER QUAL APPROPRIATION	0	3,600	3,600
TOTAL 1987-89 BIENNIUM	53,444	123,315	176,759
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	60,234	101,880	162,114
POLICY ITEMS			
1. WATER RESOURCES PROGRAM	1,010	0	1,010
2. LEASE DEVELOPMENT	344	0	344
3. COST ACCOUNTING SYSTEM	250	0	250
4. HAZARDOUS WASTE ADMIN FUNDING	-5,000	0	-5,000
5. HYDROPOWER PLAN	70	0	70
6. SOLID WASTE	0	5,600	5,600
7. UNDERGROUND TANKS	0	3,658	3,658
8. AUTO EMISSIONS INSPECTION	2,209	0	2,209
9. MOVE REFERENDUM REQUEST-POLICY	0	200	200
10. VEHICLE TIRE RECYCLING ACCOUNT	0	6,038	6,038
11. NISQUALLY RIVER	200	0	200
12. WATER USE EFFICIENCY	0	427	427
13. MIXED WASTES	0	2,654	2,654
14. DROUGHT	0	110	110
15. WATER POLICY COMMITTEE	200	0	200
16. OIL SPILLS	250	0	250
TOTAL 1989-91 BIENNIUM	59,767	120,567	180,334

Comments:

1. WATER RESOURCES PROGRAM - Provides funds for increased workload in the agency's water resources and groundwater management.
2. LEASE DEVELOPMENT - Provides funding for agency planning and the development of a lease management agreement to consolidate the agency's Thurston County staff.
3. COST ACCOUNTING SYSTEM - Provides funds for the initial development of an agency-wide cost accounting system which is to be controlled and monitored by the Department of Information Systems.
4. HAZARDOUS WASTE ADMINISTRATION FUNDING - Directs the agency to support hazardous waste administration from toxics revenue rather than the General Fund-State.
5. HYDROPOWER PLAN - Provides funds for the development of the agency's portion of the state hydropower plan, in compliance with Chapter 159, Laws of 1989.
6. SOLID WASTE - Provides for the management of solid wastes within the state and the development of the following studies and programs dealing with solid waste: a study by the Institute for Urban and Rural Studies of state and local solid waste enforcement; a model waste reduction and recycling program; product packaging environmental awards; evaluation of mixed waste paper with the pulp and paper industry; determination of the best available practices for management of problem wastes; and extension of the Joint Select Committee for Preferred Solid Waste Management from July 1989 to June 1991. Implements the provisions of Chapter 431, Laws of 1989.
7. UNDERGROUND TANKS - Provides operating funds for the underground storage tank insurance program under Chapter 346, Laws of 1989.
8. AUTO EMISSIONS INSPECTIONS - Provides funding for reauthorized vehicle emissions testing program in King and Spokane Counties, in compliance with Chapter 240, Laws of 1989.
9. MOVE REFERENDUM REQUEST-POLICY - Provides revision to referendum administration staff.
10. VEHICLE TIRE RECYCLING ACCOUNT - Increases funding for the recycling program resulting from additional vehicle tire revenue.
11. NISQUALLY RIVER - Provides funds for the agency's support of the Nisqually River Council and for implementation of the Council's action plan.
12. WATER USE EFFICIENCY - Provides funds to conduct a statewide evaluation of the impact of irrigated areas, local interest in irrigation, and opportunities for increased efficiency.
13. MIXED WASTES - Provides operating funds for the monitoring of storage, treatment, incineration, or disposal facilities for wastes containing both hazardous and radioactive components, and for the closure of such facilities, resulting from Chapter 376, Laws of 1989.
14. DROUGHT - Provides for loans or grants, or a combination of loans and grants, for agricultural and certain nonagricultural purposes during periods when drought conditions exist, in compliance with Chapter 171, Laws of 1989.
15. WATER POLICY COMMITTEE - Provides funds for agency support of the Water Policy Committee.
16. OIL SPILLS - Provides funds to assess damages and vessel financial responsibility in the event of a marine oil and/or chemical spill.

Governor's Vetoes:

Section 304 (7). The Governor vetoed subsection (7), which earmarked \$1,000,000 from the Solid Waste Management Account to assist local governments in promoting waste reduction and recycling pursuant to Section 7, Chapter 431, Laws of 1989. That section was also vetoed by the Governor.

ENERGY FACILITY SITE EVALUATION COUNCIL
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	61	3,799	3,860
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	4,120	4,120
POLICY ITEMS			
1. COMPUTER ENHANCEMENT	0	13	13
TOTAL 1989-91 BIENNIUM	0	4,133	4,133

Comments:

1. COMPUTER ENHANCEMENT - Funds acquisition of computer equipment.

STATE PARKS AND RECREATION COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	36,535	13,090	49,625
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	39,393	13,963	53,356
POLICY ITEMS			
1. GENERAL REPAIRER POSITIONS	0	410	410
2. PARK AIDE EXPANSION	0	60	60
3. VOLUNTEER PROGRAM STAFF	0	70	70
4. LOCAL AREA NETWORK REPLACEMENT	0	50	50
5. INCREASED PLANNED MAINTENANCE	321	100	421
6. STATE OPERATED 25-MILE CREEK	75	0	75
7. HAZARDOUS MATERIAL DATA & TRAINING	0	119	119
8. SKI LIFT INSPECTIONS	0	8	8
9. IRON HORSE STATE PARK	0	156	156
10. YOUTH PROGRAM FUNDING	0	230	230
11. BOATING RECREATION	1,100	0	1,100
12. CENTENNIAL TRAIL	79	0	79
13. EQUIPMENT ENHANCEMENT	68	0	68
14. COMPUTER ASSISTANCE	36	0	36
15. MARINE SCIENCE CENTER FT WORDEN	60	0	60
TOTAL 1989-91 BIENNIUM	41,132	15,166	56,298

Comments:

1. GENERAL REPAIRER POSITIONS - Provides funds for mobile general repair teams to perform major repairs and maintenance in state parks.
2. PARK AIDE EXPANSION - Provides funds to increase park aide positions to assist at peak load periods in the state's park system.
3. VOLUNTEER PROGRAM STAFF - Provides staff to coordinate and recruit volunteers to assist permanent staff in state parks.
4. LOCAL AREA NETWORK REPLACEMENT - Provides funds to replace the agency's communications system.
5. INCREASED PLANNED MAINTENANCE - Increases planned maintenance within agency parks.
6. STATE OPERATED 25 MILE CREEK - Terminates the concession operation of 25-Mile Creek State Park and provides additional funds for operation by state personnel.
7. HAZARDOUS MATERIAL DATA AND TRAINING - Provides funds and staff to maintain hazardous material data base and to provide training in the handling and disposition of hazardous materials by park rangers.
8. SKI LIFT INSPECTIONS - Provides funds for additional ski lift inspections with the fees charged for this inspection supporting the additional staff.
9. IRON HORSE STATE PARK - Provides operational funds for the Iron Horse State Park Capital project.
10. YOUTH PROGRAM FUNDING - Restores the agency's youth program.
11. BOATING RECREATION - Provides for the State Treasurer's transfer of vessel registration funds to be used for county boating safety and for the enforcement of boating registration pursuant to Chapter 393, Laws of 1989.
12. CENTENNIAL TRAIL - Provides operating funds for the Spokane Centennial Trails.
13. EQUIPMENT ENHANCEMENT - Provides funds for additional equipment acquisition and replacement.
14. COMPUTER ASSISTANCE - Provides funds for staffing and software for the agency's computer activity.
15. MARINE SCIENCE CENTER-FT WORDEN Provides funds for staff and operation of the Marine Science Center as an interpretive center at Fort Worden, with additional staff and support to be provided from private sources.

INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION
 (\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	0	1,702	1,702
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	1,863	1,863
POLICY ITEMS			
1. STATEWIDE NEEDS ASSESSMENT	0	63	63
TOTAL 1989-91 BIENNIUM	0	1,926	1,926

Comments:

1. STATEWIDE NEEDS ASSESSMENT -
 Provides funds for a recreational needs
 assessment to be completed in FY90.

ENVIRONMENTAL HEARINGS OFFICE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	858	0	858
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	901	0	901
TOTAL 1989-91 BIENNIUM	901	0	901

Comments:

None.

DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	24,043	1,930	25,973
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	24,142	833	24,975
POLICY ITEMS			
1. WASHINGTON RESEARCH FOUNDATION	400	0	400
2. WASH TECHNOLOGY CENTER INITIATIVES	1,000	0	1,000
3. WASH TECH CNTR/CINTRAFOR SALARY INCREASE	145	0	145
4. TIMBER ASSISTANCE	367	0	367
5. BUSINESS & JOB RETENTION	550	0	550
6. TARGETED SECTOR PROGRAM	150	0	150
7. DEVELOPMENT FINANCE AUTHORITY	450	0	450
8. TOURISM ENHANCEMENT	700	0	700
9. WASHINGTON VILLAGE	200	0	200
10. WASHINGTON MARKETPLACE	350	0	350
11. TRI CITIES DIVERSIFICATION	1,614	0	1,614
12. SOLID WASTE MANAGEMENT ACCOUNT	0	312	312
	<hr/>	<hr/>	<hr/>
TOTAL 1989-91 BIENNIUM	30,068	1,145	31,213

Comments:

1. WASHINGTON RESEARCH FOUNDATION
Provides funding to contract with the Washington Research Foundation which patents and licenses University developed technologies for transfer to the private sector. Completion of an audit by the State Auditor is required by December 1, 1989.
2. WASHINGTON TECHNOLOGY CENTER INITIATIVES - Funding is provided for program initiatives and research in biotechnology/plant defense, gallium arsenide, human machine interfaces, technological assistance, and cooperation.
3. WASHINGTON TECHNOLOGY CENTER/CINTRAFOR SALARY INCREASE - Funds a 6.1% faculty salary increase for each year of the biennium, and a 2.5% and 6% classified employee increase for the first and second years, respectively.
4. TIMBER ASSISTANCE - Funds implementation of a timber industrial extension service which will offer technical assistance and marketing expertise to timber firms coping with reductions in the state's timber harvest.
5. BUSINESS & JOB RETENTION - Funding is provided to develop a program offering assistance to firms threatened with plant closure, failure, or mass layoff.
6. TARGETED SECTOR PROGRAM - Funding is provided under Chapter 423, Laws of 1989, for the Department of Trade and Economic Development to work with bio-technology and food processing industries in the development of future action plans.
7. DEVELOPMENT FINANCE AUTHORITY
Provides one-time funding for the Washington State Finance Authority, pursuant to Chapter 279, Laws of 1989, to make funds available for small business development, export transactions, and farm related investments.
8. TOURISM ENHANCEMENT - Funding is provided to support market research and advertising, private sector investment in tourism facilities, additional planning guides to distribute to state visitors, and administrative costs.
9. WASHINGTON VILLAGE - Provides for administrative and project costs related to development of the 170-unit Washington Village housing project in Hyogo Prefecture, Japan. The project will showcase Washington wood products, building materials, and construction technology. These funds are contingent upon an equal, non-state match.
10. WASHINGTON MARKETPLACE - Provides funding for the Washington Marketplace program pursuant to Chapter 417, Laws of 1989, which directs the Department to assist development organizations in the creation of local and regional marketplace programs that will encourage local purchase of locally produced goods.
11. TRI-CITIES DIVERSIFICATION - Funding is provided for the state's final contribution toward the Tri-Cities Diversification program.
12. SOLID WASTE MANAGEMENT ACCOUNT
Provides funding to work with the Department of Ecology in the development of new markets for recycled materials pursuant to Chapter 431, Laws of 1989.

NOTE: The Department of Trade and Economic Development received appropriations in the following legislation: Chapter 312, Laws of 1989 (SSB 5241) and Chapter 424, Laws of 1989 (ESSB 5911). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

STATE CONSERVATION COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	568	78	646
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	609	179	788
POLICY ITEMS			
1. DISTRICT OPERATIONAL GRANTS	606	0	606
2. MAINTAIN COMMISSION OPERATIONS	125	0	125
TOTAL 1989-91 BIENNIUM	1,340	179	1,519

Comments:

1. DISTRICT OPERATIONAL GRANTS -
Provides grant funds for Conservation Districts on the basis of a dollar for dollar match, except for \$85,000, which is to be provided to Stevens County on a one-time basis.
2. MAINTAIN COMMISSION OPERATIONS -
Provides additional funds for the agency's administration.

WINTER RECREATION COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	27	0	27
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	27	0	27
TOTAL 1989-91 BIENNIUM	27	0	27

Comments:

None.

PUGET SOUND WATER QUALITY AUTHORITY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	2,889	1,221	4,110
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,989	1,302	4,291
POLICY ITEMS			
1. PSWQMP MONITORING	400	0	400
2. PSWQMP EDUCATION & INFORMATION	100	0	100
TOTAL 1989-91 BIENNIUM	3,489	1,302	4,791

Comments:

1. PSWQMP MONITORING - Provides funds for a monitoring program within the Management Plan to (a) determine toxic levels in shellfish through an interagency agreement with the Department of Fisheries; (b) implement a citizens program for monitoring; and (c) coordinate and manage monitoring data within the Authority.
2. PSWQMP EDUCATION AND INFORMATION - Provides funds for public education and information programs.

DEPARTMENT OF FISHERIES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	48,865	18,599	67,464
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	51,377	21,977	73,354
POLICY ITEMS			
1. AGENCY RE-PRIORITIZATION	-263	85	-178
2. BOAT REGISTRATION	320	0	320
3. GHOST SHRIMP FISHERY MANAGEMENT	152	0	152
4. AQUATIC LANDS ENHANCEMENT	0	794	794
5. SALMON ENHANCEMENT PROJECTS	1,810	0	1,810
6. NAVY HOMEPORT MONITORING	100	0	100
7. SIMPSON HATCHERY	276	0	276
8. SEA GRANT PROGRAM	250	0	250
TOTAL 1989-91 BIENNIUM	54,022	22,856	76,878

Comments:

- | | | |
|---|--|---|
| <p>1. AGENCY RE-PRIORITIZATION - Funds the agency's re-prioritization recommendation except for the request to establish an Office of Education and Information. Also funds a participant in the Executive Fellows program, and fiscal staff for Planning, Research and Habitat Management.</p> <p>2. BOAT REGISTRATION - Provides funds for increased monitoring of boat registration.</p> <p>3. GHOST SHRIMP FISHERY MANAGEMENT - Enhances ghost shrimp fisheries management.</p> <p>4. AQUATIC LANDS ENHANCEMENT - Distributes increased aquatic lands revenue to the Department based upon the agreed upon proportional share between the affected agencies. If actual Aquatic Lands Enhancement Account (ALEA) revenue is below the projected level, each of the affected agencies</p> | <p>will proportionately decrease their expenditures to prevent overspending of available funds.</p> <p>5. SALMON ENHANCEMENT PROJECTS - Provides funds for projects that will increase the recreational fishery opportunities for salmon in Washington waters.</p> <p>6. NAVY HOMEPORT MONITORING - Continues monitoring of the Everett naval homeport for endangerment to marine fish and shellfish.</p> <p>7. SIMPSON HATCHERY - Provides funds for the continued operation of the Simpson Hatchery, with the provision that this operation may be discontinued in FY91 if studies objectively indicate jeopardy to the production level by environmental conditions which are outside of the control of the agency.</p> | <p>8. SEA GRANT PROGRAM - Provides grant funds for Sea Grant program shellfish studies at the University of Washington.</p> <p>Governor's Vetoes:</p> <p>Section 313 (4). The Governor vetoed subsection (4), which earmarked \$276,000 General Fund-State to maintain current operations of the Simpson Hatchery on the Chehalis River. See item 7.</p> |
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DEPARTMENT OF WILDLIFE
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	7,986	56,401	64,387
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1989-91			
ESSENTIAL REQUIREMENTS LEVEL	9,802	59,420	69,222
POLICY ITEMS			
1. EQUIPMENT REPLACEMENT	0	1,400	1,400
2. FIRE PROTECTION WILDLIFE AREAS	68	0	68
3. FISHERIES OPERATIONS & MAINTENANCE	-530	0	-530
4. NONGAME THREATENED & ENDANGERED	0	90	90
5. PAMPHLET & SURVEY SAVINGS	0	-140	-140
6. FISHERIES RETRENCHMENT	0	-150	-150
7. WINTER FEEDING	0	69	69
8. ALEA ENHANCEMENT	0	732	732
9. HYDROPOWER PLAN	45	0	45
10. FISH FOOD	0	100	100
11. HATCHERY PERMITS	0	50	50
12. ELK STUDY - BLUE MOUNTAINS	0	100	100
TOTAL 1989-91 BIENNIUM	9,385	61,671	71,056

Comments:

1. EQUIPMENT REPLACEMENT - Provides funds for an accelerated schedule of equipment replacement.
2. FIRE PROTECTION WILDLIFE AREAS - Provides funds to contract for fire suppression on departmental lands near rural and suburban areas.
3. FISHERIES OPERATIONS AND MAINTENANCE - Agency imposed reduction of the hatchery program until studies of the present status and recommendations as to future development have been completed and acted upon.
4. NONGAME THREATENED AND ENDANGERED - Provides funds to complete 24 action plans to either improve the status of individual nongame species or to remove them from the threatened or endangered list.
5. PAMPHLET AND SURVEY SAVINGS - Agency imposed savings generated by elimination of unnecessary pamphlets or surveys.
6. FISHERIES RETRENCHMENT - Agency imposed savings generated by de-emphasizing fisheries activities until studies currently under way indicate the current conditions of hatcheries and the future fisheries goals of the agency have been determined.
7. WINTER FEEDING - Provides funds to enhance winter feeding of snow bound animals.
8. ALEA ENHANCEMENT - Distributes increased aquatic lands revenue to the Department based upon the agreed upon proportional share among the affected agencies. If actual Aquatic Lands Enhancement Account (ALEA) revenue is below the projected level, each of the affected agencies will proportionately decrease their expenditures to avoid overspending available funds.
9. HYDROPOWER PLAN - Provides funds for the development of the agency's portion of the state hydropower plan, in compliance with Chapter 159, Laws of 1989.
10. FISH FOOD - Provides funds to meet the increasing costs of fish food used in the hatcheries.
11. HATCHERY PERMITS - Provides funding to obtain required discharge permits.
12. ELK STUDY-BLUE MOUNTAINS - Provides funds for a study of the elk population in the Blue Mountains located in the southeastern area of the state.

DEPARTMENT OF NATURAL RESOURCES
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	43,597	98,364	141,961
1989 SUPPLEMENTAL BUDGET			
1. FOREST FIRE SUPPRESSION	15,186	2,345	17,531
TOTAL 1987-89 BIENNIUM	58,783	100,709	159,492
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	42,395	107,135	149,530
POLICY ITEMS			
1. URBAN/WILDLAND FIRES	110	0	110
2. REVENUE SYSTEM/ACCT PAYROLL	372	1,925	2,297
3. CORRECTIONS CAMP STAFF & EQUIPMENT	0	643	643
4. DISPOSAL SITE MANAGEMENT	0	139	139
5. AQUATIC LANDS MANAGEMENT	0	1,020	1,020
6. ALEA ADMINISTRATION	0	235	235
7. LAND MANAGEMENT ACTIVITIES	0	728	728
8. GEOMAPS	0	514	514
9. TRUST LANDS ACQUISITION	71,500	0	71,500
10. MARINE PLASTICS	125	0	125
11. TIMBER-FISH-WILDLIFE (CMER)	1,500	0	1,500
12. EQUIPMENT REPLACEMENT	0	1,500	1,500
13. WETLANDS INVENTORY	0	400	400
14. INTENSIVE LAND MANAGEMENT	0	2,800	2,800
15. SLUDGE DISPERSAL EIS	0	75	75
16. MOVE FISCAL OFFICE	38	100	138
17. TRANSFER FUNDS FROM CAPITAL	0	364	364
TOTAL 1989-91 BIENNIUM	116,040	117,578	233,618

Comments:

1. URBAN/WILDLAND FIRES - Provides funds to employ staff to inspect after a fire to determine if it was negligently set, and if so, to collect the cost of suppression from the negligent party. This enhancement is expected to return \$1,700,000 to the state from lost recoveries.
2. REVENUE SYSTEMS/ACCOUNTING PAYROLL - Provides funds to develop a revenue accounting system and an agency payroll system. This will be subject to control and monitoring by the Department of Information Systems.
3. CORRECTIONS CAMP STAFF AND EQUIPMENT - Provides for supervision and equipment for increased correctional inmate teams.
4. DISPOSAL SITE MANAGEMENT - Provides for continued monitoring of dredging activity on state lands.
5. AQUATIC LANDS MANAGEMENT - Meets the increasing workload in the management of aquatic lands.
6. ALEA ADMINISTRATION - Provides funds to reduce a backlog in maintenance of aquatic land files by June 30, 1991.
7. LAND MANAGEMENT ACTIVITIES - Provides funds to allow increased precommercial thinning, etc., in preparation for land sales.
8. GEOMAPS - Provides additional funds to support the Geographic Information System.
9. TRUST LANDS ACQUISITION - Provides funds to acquire Common School Trust Lands which the Board of Natural Resources, in consultation with the appropriation committees of the Senate and the House of Representatives, has determined should not be harvested. The lands so purchased shall be managed as either Natural Area Preserves or Natural Resource Conservation Area lands.
10. MARINE PLASTICS - Provides funds to carry out the action plan of the Marine Plastic Debris Study Group created in Chapter 23, Laws of 1989.
11. TIMBER-FISH-WILDLIFE (CMER) - Provides funds for study grants under the Cooperative Monitoring, Evaluation, and Research Committee (CMER) of Timber, Fish, and Wildlife (TFW).
12. EQUIPMENT REPLACEMENT - Provides funds for increased equipment replacement.
13. WETLANDS INVENTORY - Provides funds for a statewide inventory of wetlands.
14. INTENSIVE LAND MANAGEMENT - Trust land funds are provided for intensive land management activity which will, through increased timber sales, provide employment opportunities in areas where the federal government has reduced or eliminated timber harvesting.
15. SLUDGE DISPERSAL EIS - Provides funds for the agency to complete an Environmental Impact Statement (EIS) regarding the dispersal of sludge on state lands.
16. MOVE FISCAL OFFICE - Provides funds for the agency to vacate and relocate the fiscal office from the John Cherberg Building.
17. TRANSFER FUNDS FROM CAPITAL - Transfers aquatic land funds from the capital budget to provide administration of projects.

Governor's Vetoes:

Section 316 (1). The Governor vetoed subsection (1), which directs the Board of Natural Resources to purchase land and timber after a finding by the Board, in consultation with legislative fiscal committees, that "timber on such lands should not be harvested." See item 9.

DEPARTMENT OF AGRICULTURE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	16,413	35,047	51,460
1989 SUPPLEMENTAL BUDGET			
1. DAIRY & FOOD INSPECTION EQUIPMENT	56	0	56
2. AGRICULTURAL CHEMICAL & PLANT SERVICES	279	0	279
3. REAUTHORIZE SUPERFUND APPROPRIATION	0	234	234
TOTAL 1987-89 BIENNIUM	16,748	35,281	52,029
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	17,156	39,603	56,759
POLICY ITEMS			
1. AIM 2000	0	1,531	1,531
2. PESTICIDES ENHANCEMENT	1,624	695	2,319
TOTAL 1989-91 BIENNIUM	18,780	41,829	60,609

Comments:

1. AIM 2000 - Provides funding for the development of the Department's Agricultural Information and Management System (AIM). This project is to be under the control and monitoring of the Department of Information Systems.
2. PESTICIDES ENHANCEMENT - Funds pesticide control, education and monitoring.

NOTE: The Department of Agriculture also received appropriations in the following legislation: Chapter 355, Laws of 1989 (ESHB 2000) and Chapter 354, Laws of 1989 (SSB 5686). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

STATE CONVENTION AND TRADE CENTER
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	11,956	11,956
1989 SUPPLEMENTAL BUDGET			
1. UNANTICIPATED OPERATING COSTS	0	1,828	1,828
TOTAL 1987-89 BIENNIUM	0	13,784	13,784
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	22,119	22,119
TOTAL 1989-91 BIENNIUM	0	22,119	22,119

Comments:

None.

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MAJOR BUDGET ENHANCEMENTS

The majority of funding for transportation services is not included in the Omnibus Appropriations Act but is instead included in the transportation budget. The Omnibus Appropriations Act includes only a portion of the funding for the State Patrol and the Department of Licensing; therefore, the notes contained in this section are limited and deal only with portions of those two agencies. For additional information see the Transportation Budget section of this report.

Washington State Patrol Narcotics Enforcement

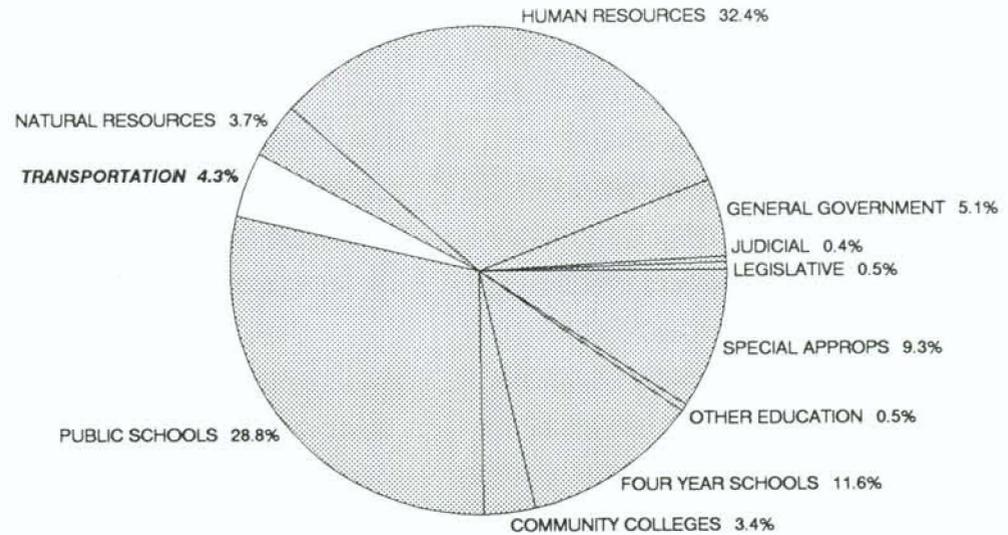
In order to replace revenues lost due to federal cutbacks, \$525,000 is provided to support multi-jurisdictional drug investigations and the Eastern Washington task force formed to address drug related crime.

Department of Licensing

The Department received a number of enhancements totalling \$3.9 million, directed at such things as legal support, improving licensing exams, improving disciplinary procedures, expanding public information activities, increasing on-site business audits, and professional development. In order to address the Legislative Transportation Committee cost allocation study, the Department was appropriated an additional \$1 million GF-State for operating purposes, provided that Uniform Commercial Code filing fees are increased to yield \$1 million in additional revenue.

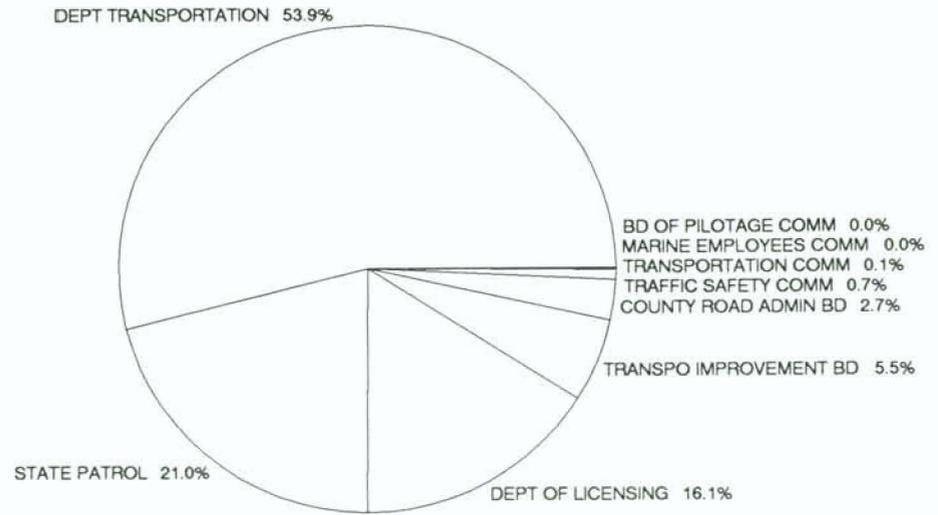
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
1989-91 APPROP	21,351,258



Washington State

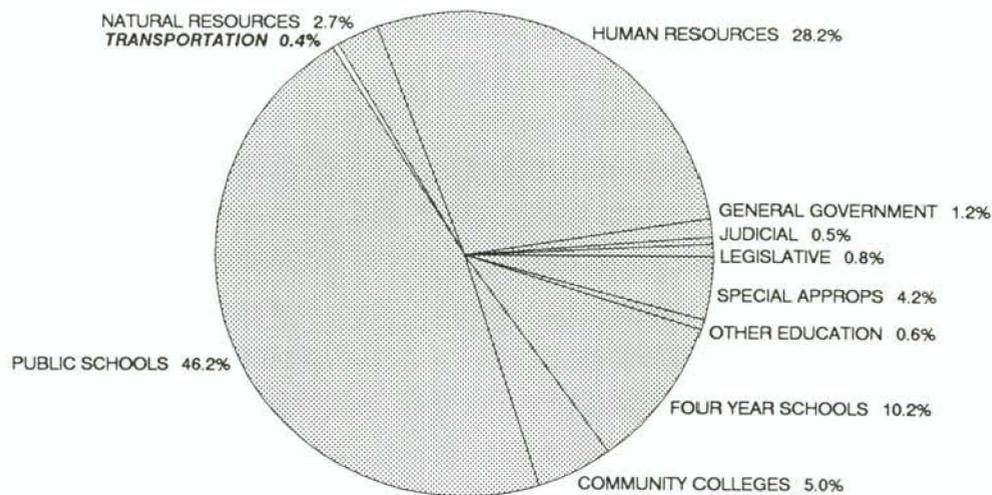
DEPT TRANSPORTATION	497,986
STATE PATROL	193,521
DEPT OF LICENSING	148,698
TRANSPRO IMPROVEMENT BD	50,977
COUNTY ROAD ADMIN BD	25,155
TRAFFIC SAFETY COMM	6,084
TRANSPORTATION COMM	513
MARINE EMPLOYEES COMM	307
BD OF PILOTAGE COMM	175
TRANSPORTATION	923,416



Transportation

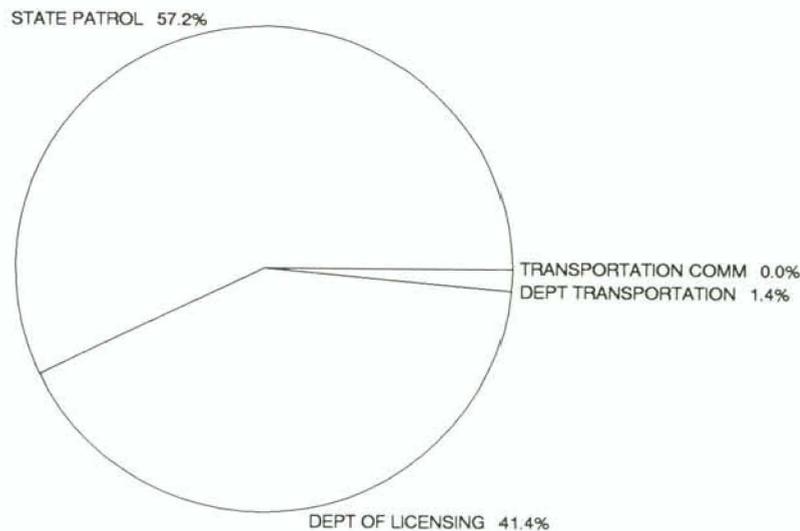
**WASHINGTON STATE 1989-91 OPERATING BUDGET
GENERAL FUND - STATE (\$ 000)**

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

STATE PATROL	26,628
DEPT OF LICENSING	19,267
DEPT TRANSPORTATION	656
TRANSPORTATION COMM	2
TOTAL TRANSPORTATION	46,553



Transportation

WASHINGTON STATE PATROL
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	23,404	434	23,838
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	25,066	549	25,615
POLICY ITEMS			
1. NARCOTICS ENFORCEMENT	525	0	525
2. MISSING CHILDREN	52	0	52
3. CLANDESTINE LABS	75	0	75
TOTAL 1989-91 BIENNIUM	25,718	549	26,267

Comments:

1. NARCOTICS ENFORCEMENT - Funding is provided to replace a discontinued federal grant to support multi-jurisdictional drug investigations and the Eastern Washington narcotics task force.
2. MISSING CHILDREN - Funds are provided to replace a discontinued federal grant to operate the clearinghouse for missing children.
3. CLANDESTINE LABS - Funding is provided for the State Patrol to provide technical assistance to local governments in seizures of clandestine drug labs.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The Washington State Patrol also received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793) and Chapter 350, Laws of 1989 (2SSB 5375). For further information see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

The remainder of their budget is shown in the Transportation Budget section of this report.

DEPARTMENT OF LICENSING
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	17,633	19,286	36,919
1989 SUPPLEMENTAL BUDGET			
1. AIDS TRAINING (SSB 6221)	142	0	142
TOTAL 1987-89 BIENNIUM	17,775	19,286	37,061
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	17,485	22,306	39,791
POLICY ITEMS			
1. SUPPORT SERVICES REORGANIZATION	-63	-84	-147
2. LEGAL SUPPORT INCREASES	31	196	227
3. DATA PROCESSING STORAGE	14	17	31
4. PROFESSIONAL LICENSE SYSTEM	-112	-351	-463
5. IMPROVE EXAM QUALITY	93	401	494
6. BOARD DISCIPLINARY SYSTEMS	17	338	355
7. INFORMATIONAL PROGRAMS	81	361	442
8. ON-SITE AUDITS	2	249	251
9. EDUCATIONAL STANDARDS INCREASE	0	110	110
10. TRAVEL/PROFESSIONAL DEVELOPMENT	0	370	370
11. GFS ALLOCATION	1,000	0	1,000
12. HEALTH PROFESSIONS BILLS	0	642	642
13. BUSINESS LICENSING BILLS	801	0	801
TOTAL SSB 5352	19,349	24,555	43,904
<hr/>			
LAPSED - ESSB 5352, SEC. 402(2)	0	-9	-9
LAPSED - ESSB 5352, SEC. 402(2)	0	-42	-42
LAPSED - ESSB 5352, SEC. 402(3)	-130	0	-130
REVISED 1989-91 BIENNIUM	19,219	24,504	43,723

Comments:

1. SUPPORT SERVICES REORGANIZATION - Reflects savings generated from reorganization of the Management and Support Services division.
2. LEGAL SUPPORT INCREASES - Includes additional Attorney General services for the Driver Services and Business and Professions divisions.
3. DATA PROCESSING STORAGE - Increases data processing storage necessitated by increased data transactions.
4. PROFESSIONAL LICENSE SYSTEM - Savings generated by deferring implementation of the Professional License Upgrade System.
5. IMPROVE EXAM QUALITY - Additional resources to improve validity and reliability of business and professional license examinations.
6. BOARD DISCIPLINARY SYSTEMS - Automation of disciplinary tracking for boards and professions and additional resources to reduce disciplinary backlogs in specific professions.
7. INFORMATIONAL PROGRAMS - Informational programs on current laws and regulations for specific professions to be directed at educating licensees and consumers.
8. ON-SITE AUDITS - Additional resources to increase consumer protection by providing on-site audits for specific boards.
9. EDUCATIONAL STANDARDS INCREASE - Establishes adequate education and training standards for the Chiropractic Examining Board and the Real Estate Commission to meet minimum statutory requirements.
10. TRAVEL/PROFESSIONAL DEVELOPMENT Provides funding for travel and professional development for board members.
11. GFS ALLOCATION - Increases GF-State funding per the Legislative Transportation Committee cost allocation study recommendations, provided the uniform commercial code filing fees are increased to produce sufficient revenues.

12. HEALTH PROFESSIONS BILLS - Funds are provided for implementation of 1989 legislation relating to health professions. \$9,000 of this amount is contingent on the enactment of HB 1896, and \$42,000 is contingent on the enactment of HB 2126. Since neither bill was enacted, these amounts lapse.
13. BUSINESS LICENSING BILLS - Establishes real estate appraiser certification requirements pursuant to Chapter 414, Laws of 1989, and regulations for financial planners, pursuant to Chapter 391, Laws of 1989. \$130,000 of this amount is contingent on the enactment of HB 1096. Since this bill was not enacted, these funds lapse.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The Department of Licensing also received appropriations in the following legislation: Chapter 382, Laws of 1989 (SHB 1208), Chapter 202, Laws of 1989 (SHB 1894), Chapter 119, Laws of 1989 (SSB 5481), and Chapter 125, Laws of 1989 (SSB 5614). For further information see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

The remainder of their budget is shown in the Transportation Budget section of this report.

MAJOR BUDGET ENHANCEMENTS

Class Size

Individual instruction will be enhanced by the \$37.7 million provided to add two instructional staff per 1,000 students in kindergarten through third grade, beginning with the first year of the biennium. The increase will enhance the K-3 staffing ratio from 49 to 51 certificated instructional staff per 1,000 FTE students for the full biennium. School districts that have already achieved this staffing ratio may use the funds to further reduce class size through grade 12.

Block Grants

The \$54.5 million provided will be distributed on a per pupil basis to allow districts to address their unique needs for teacher training, gifted programs, counseling for at-risk students, and other important programs.

Salaries

The K-12 compensation package funded by the Legislature provides a substantial base increase for all teachers, with additional increases provided for beginning teachers and teachers who have attained a Master's degree. The \$234.9 million appropriation for school employee's salary increases is directed to attract and retain highly capable and motivated school teachers. All school districts are allocated sufficient funds to provide teachers and classified staff a minimum 4 percent raise in the first year and 3 percent in the second year. The budget provides a 9+ percent increase for beginning teachers in the 1990-91 school year, raising the beginning teacher's salary to \$20,001. Also beginning in 1990-91, \$22 million provides additional compensation for teachers with Master's degrees who have received further education and training. Administrators are allocated a 2.5 percent increase for the biennium.

School Construction

The amount of \$71.5 million appropriated to the Department of Natural Resources will be used to purchase ecologically sensitive school trust lands that are considered commercially unsuitable, with approximately \$70 million going to the Common School Construction Fund as compensation for the value of the timber on those lands. The balance of \$1.5 million will be used to purchase replacement land with long-term investment value. This \$70 million will be available to construct new school buildings and thereby reduce the \$300 million backlog of school construction projects. This funding supplements an additional \$187 million included in the capital budget, bringing the total 1989-91 school construction funding to more than \$250 million.

Schools for the 21st Century

A total of \$7.4 million is provided to ensure the continuation of the existing 21 projects and the addition of 12 new projects in the state's innovative program to foster educational improvements in local schools. Additional proposals will be accepted and the new projects funded for the 1990-91 school year.

Paraprofessional Training

In an effort to accrue some of the benefits of smaller class size at a lower cost, the Legislature provides \$1.5 million to train classroom assistants under the direction of certificated instructional staff. The program will result in greater individual instruction in the classroom.

Vocational Education Equipment

A \$6 million grant program is funded to help bring our vocational education programs up to industry standards. Grants will be available to local school districts to modernize and add equipment for vocational programs. Districts will be better able to provide training consistent with the needs of potential employers.

VTI Enrollment Increases

At a cost of \$3.4 million, enrollment levels at the state's five Vocational Technical Institutes are expanded by 5 percent, or about 600 full-time students. This enhancement is a part of the Legislature's initiative to expand access throughout our post-secondary education system.

Levy Equalization

For the first time since its adoption by the 1987 Legislature, the levy equalization program is fully funded. \$82.7 million is appropriated to provide support to school districts that have trouble raising money because of relatively low property values. These funds are used to match levy dollars raised through local efforts with the result being uniform property tax rates, at the statewide average, on the first 10 percent of local school district operational property tax levies.

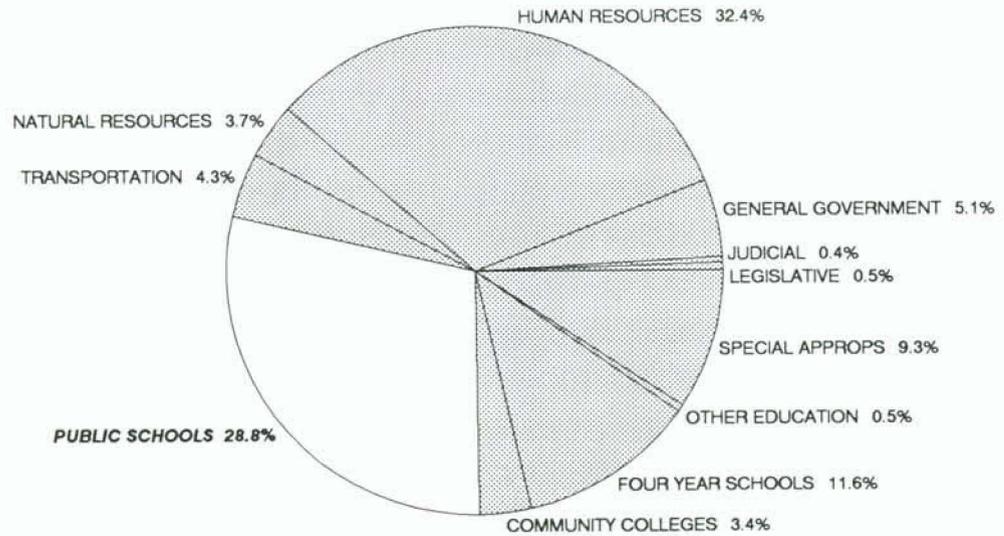
Pacific Science Center

An additional \$1.3 million is provided to enhance the math and science teacher in-service training program and the travelling van program.

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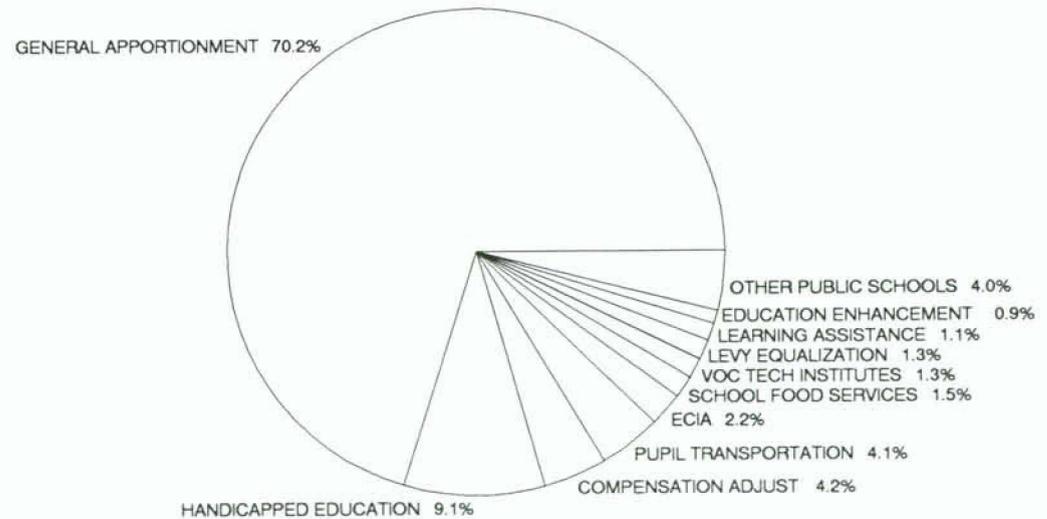
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NATURAL RESOURCES	780,388
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SPECIAL APPROPS	1,993,364
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1989-91 APPROP	21,351,258



Washington State

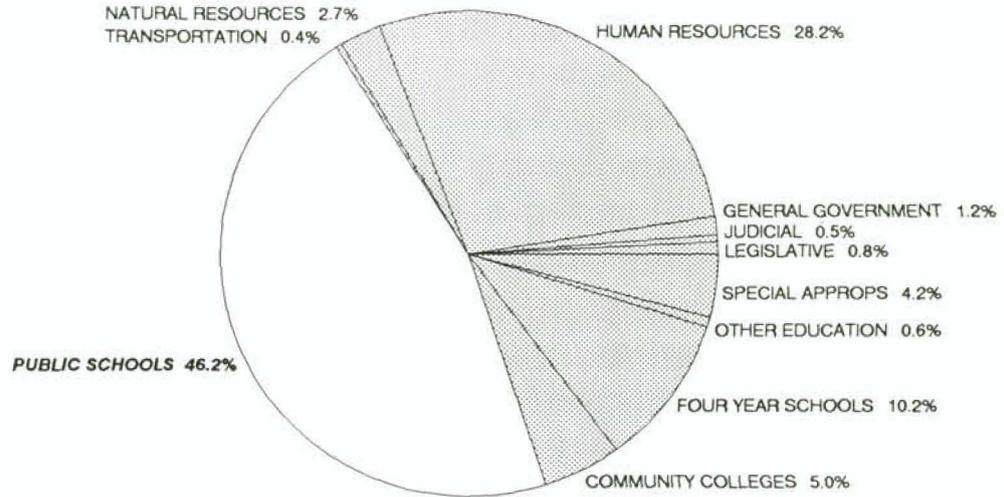
GENERAL APPORTIONMENT	4,323,885
HANDICAPPED EDUCATION	562,593
COMPENSATION ADJUST	255,969
PUPIL TRANSPORTATION	250,821
ECIA	138,000
SCHOOL FOOD SERVICES	91,000
VOC TECH INSTITUTES	82,884
LEVY EQUALIZATION	82,700
LEARNING ASSISTANCE	70,417
EDUCATION ENHANCEMENT	54,463
OTHER PUBLIC SCHOOLS	245,128
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PUBLIC SCHOOLS	6,157,860



Public Schools

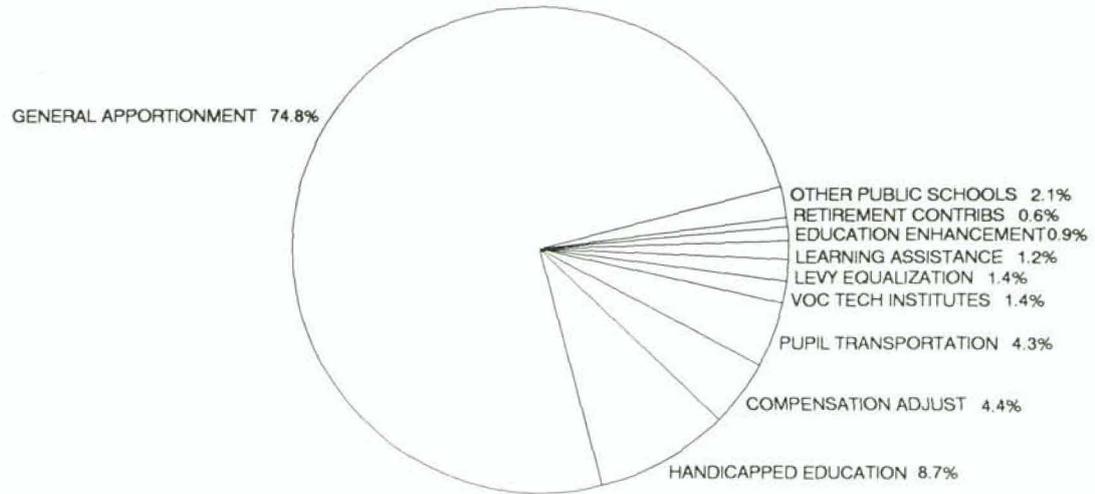
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
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COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

GENERAL APPORTIONMENT	4,323,885
HANDICAPPED EDUCATION	503,593
COMPENSATION ADJUST	255,969
PUPIL TRANSPORTATION	250,821
VOC TECH INSTITUTES	82,884
LEVY EQUALIZATION	82,700
LEARNING ASSISTANCE	70,417
EDUCATION ENHANCEMENT	54,463
RETIREMENT CONTRIBS	33,141
OTHER PUBLIC SCHOOLS	121,463
PUBLIC SCHOOLS	5,779,336



Public Schools

**1989-91 WASHINGTON STATE OPERATING BUDGET
WORKLOAD INDICATORS**

Unit Type		FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	BUDGETED		FY 1991
							FY 1989	FY 1990	
Public Schools									
Basic Education (1)	FTE Enrollment	675,872	681,606	687,856	698,960	711,228	724,455	741,684	764,931
Handicapped Education (2)	FTE Enrollment	-----	-----	21,203	21,918	22,839	23,850	24,403	25,146
Learning Assistance	Headcount Enrollment	28,618	34,808	56,595	56,610	64,693	75,892	85,624	100,330
Voc-Tech Institutes (3)	FTE Enrollment	10,638	11,255	11,255	11,255	12,050	12,050	12,655	12,655
Pupil Transportation	Weighted Pupil Miles	3,310,636	3,545,124	3,503,985	3,617,290	3,710,385	3,837,371	3,920,392	4,039,632

(1) Excludes Handicapped FTE Enrollment.

(2) FY84 and FY85 excluded because FTE Handicapped Enrollment used a different formula for those years.

(3) Funded FTE Enrollment.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
STATE OFFICE ADMINISTRATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	18,051	10,236	28,287
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	17,551	9,831	27,382
POLICY ITEMS			
1. ECIA CHAPTER 2 SUPPLANT	1,998	0	1,998
2. OUTCOMES STUDY	25	0	25
3. CURRICULUM MATERIALS	200	0	200
4. ADJUST FEDERAL FUNDS	0	435	435
TOTAL 1989-91 BIENNIUM	19,774	10,266	30,040

Comments:

1. ECIA CHAPTER 2 SUPPLANT - Funds are appropriated to replace federal ECIA revenues which may no longer be expended on general state administration costs. The federal ECIA revenues have been appropriated in other sections of the budget to fund district drop-out programs and to establish 12 new projects for the Schools for the 21st Century program.
2. OUTCOMES STUDY - Provides funds to continue the development of educational outcomes measures and field testing in local school districts.
3. CURRICULUM MATERIALS - Provides for purchase, training, and development costs associated with innovative curriculum. The funds are intended to address the need for multi-cultural curriculum materials, programs such as Schools and Architecture, and other projects as determined by the Superintendent.

4. ADJUST FEDERAL FUNDS - Appropriates the estimated amount of federal funding available.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. An additional appropriation is contained in Chapter 233, Laws of 1989 (ESHB 1444). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
GENERAL APPORTIONMENT
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,863,132	55,100	3,918,232
1989 SUPPLEMENTAL BUDGET			
1. K-12 & VOCATIONAL ENROLLMENT	4,450	0	4,450
2. HANDICAPPED ENROLLMENT (BACKOUT)	-1,702	0	-1,702
3. FED FOREST FUNDS/LOCAL DEDUCTS	-5,652	0	-5,652
4. SPECIAL STAFF UNITS	3,255	0	3,255
5. "STAFF MIX"/AVERAGE SALARY ADJUST	1,072	0	1,072
6. SUBSTITUTES	865	0	865
7. FIRE PAYMENTS	-18	0	-18
8. DRS ADMIN RATE INCREASE	667	0	667
TOTAL 1987-89 BIENNIUM	3,866,069	55,100	3,921,169
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	4,280,081	0	4,280,081
POLICY ITEMS			
1. VOCATIONAL EQUIPMENT GRANTS	6,000	0	6,000
2. SUMMER VOCATIONAL ENROLLMENT INCREASE	536	0	536
3. SMALL HIGH < 25 PUPILS	-470	0	-470
4. INCREASE K-3 STAFF	37,738	0	37,738
TOTAL 1989-91 BIENNIUM	4,323,885	0	4,323,885

Comments:

- | | | |
|--|--|--|
| <p>1. VOCATIONAL EQUIPMENT GRANTS - Provides for vocational equipment grants to school districts for the replacement of worn out equipment and the purchase of new equipment.</p> <p>2. SUMMER VOCATIONAL ENROLLMENT INCREASE - Expands summer vocational program enrollments from 337 to 375 FTE students in the 1989-90 school year and to 450</p> | <p>FTE students in the 1990-91 school year.</p> <p>3. SMALL HIGH < 25 PUPILS - Reduces the number of certificated staff positions allocated to small high schools with fewer than 25 pupils from 9.5 to 4.75 FTE employees.</p> <p>4. INCREASE K-3 STAFF - A substantial increase is provided to enhance the K-3 staffing ratio from 49 to 51 Certified Instructional Staff</p> | <p>per 1,000 FTE students for the full biennium. However, school districts that do not demonstrate an actual staffing ratio of at least 51 per 1,000 in grades K-3 will be funded at their actual staffing ratio, or 49 per 1,000, whichever is greater, in each school year. School districts that are already staffed at 51 per 1,000 in 1988-89 must use the additional allocation to further reduce class size in grades K-12.</p> |
|--|--|--|

**SUPERINTENDENT OF PUBLIC INSTRUCTION
COMPENSATION ADJUSTMENTS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989 SUPPLEMENTAL BUDGET			
1. ADJUST SALARIES FOR ENROLLMENT	420	0	420
2. ADJUST BENEFITS FOR ENROLLMENT	152	0	152
TOTAL 1987-89 BIENNIUM	572	0	572
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	21,111	0	21,111
POLICY ITEMS			
1. K-12 SALARY INCREASES	234,858	0	234,858
TOTAL 1989-91 BIENNIUM	255,969	0	255,969

Comments:

1. K-12 COMPENSATION INCREASES -
For 1989-90, a 4% across-the-board increase is provided for certificated instructional and classified staff and a 2.5% increase for certificated administrative staff.

For 1990-91, a 3% across-the-board increase is provided for classified staff and for certificated instructional staff. Also, the statewide salary allocation schedule for certificated instructional staff is modified to enhance beginning teacher pay levels and pay levels for individuals with master degrees. The aggregate average increase for instructional staff when these schedule changes are included is 6.1%. No additional state increase is provided for certificated administrative staff in the second year of the biennium.

The minimum beginning teachers pay for the 1990-91 school year is increased to \$20,001. For state salary allocation purposes, teachers with a bachelor's degree who earn a master's

degree in the future and teachers who currently have master's degrees are allowed to carry over all credits in excess of 45 hours that are earned after their BA degree.

Governor's Vetoes:

Section 503 (10). The Governor vetoed subsection (10), which expresses legislative intent that salary increases granted to administrators be limited to the percentage increase in administrative salary allocations under this section. School districts are required to submit documentation and justification to legislative fiscal committees on any salary increases that exceed this amount.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
RETIREMENT CONTRIBUTIONS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989-91			
POLICY ITEMS			
1. COLA	15,203	0	15,203
2. FUNDING REVISION	17,938	0	17,938
TOTAL 1989-91 BIENNIUM	33,141	0	33,141

Comments:

- COLA - Provides 3% Cost of Living Adjustment to PERS I and TRS I retirees and increases minimum retirement benefit under PERS from \$13.82 to \$14.83 per month per year of service (Chapter 272, Laws of 1989).
- FUNDING REVISION - Institutes 35 year pension funding requirement to eliminate unfunded liability, beginning July 1990 (Chapter 273, Laws of 1989).

SUPERINTENDENT OF PUBLIC INSTRUCTION
PUPIL TRANSPORTATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	227,602	0	227,602
1989 SUPPLEMENTAL BUDGET			
1. TRANSPORTATION FOR DEAF/BLIND SCHOOLS	37	0	37
2. WEIGHTED PUPIL MILES	1,341	0	1,341
3. DISTRICT CAR MILEAGE	237	0	237
4. DEPRECIATION PAYMENTS	-210	0	-210
5. DRS ADMIN RATE INCREASE	70	0	70
TOTAL 1987-89 BIENNIUM	229,077	0	229,077
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	252,208	0	252,208
POLICY ITEMS			
1. DEAF/BLIND SCHOOL TRANSFER	-387	0	-387
2. REDUCE SMALL FLEET FACTOR	-1,000	0	-1,000
TOTAL 1989-91 BIENNIUM	250,821	0	250,821

Comments:

1. DEAF/BLIND SCHOOL TRANSFER - Funding associated with transporting day students to and from the Schools for the Deaf and Blind are transferred from the Pupil Transportation program directly to the appropriations for the two schools.
2. REDUCE SMALL FLEET FACTOR - In the 1987-89 biennium, state funding for pupil transportation exceeded the actual expenditures in many school districts that received a "small fleet factor" in state allocations. The 1989-91 budget reduces the small fleet factor from \$2.71 in 1988-89, to \$1.53 per weighted pupil mile in 1989-90, and to \$1.60 per weighted pupil mile in 1990-91.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
VOCATIONAL TECHNICAL INSTITUTES & ADULT EDUCATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	74,349	0	74,349
1989 SUPPLEMENTAL BUDGET			
1. DRS ADMIN RATE INCREASE	8	0	8
TOTAL 1987-89 BIENNIUM	74,357	0	74,357
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	76,264	0	76,264
POLICY ITEMS			
1. RESTORE EQUIPMENT RATE	3,206	0	3,206
2. 5% ENROLLMENT INCREASE	3,414	0	3,414
TOTAL 1989-91 BIENNIUM	82,884	0	82,884

Comments:

1. RESTORE EQUIPMENT RATE - Restores the equipment rate enhancement provided in the 1987-89 biennium.
2. 5% ENROLLMENT INCREASE - Provides for an enrollment increase of 5% from the 1987-89 level of 12,050 to 12,655 FTE students for 1989-91.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
VOCATIONAL EDUCATION FLOW-THROUGH
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	379	0	379

Comments:

None.

SUPERINTENDENT OF PUBLIC INSTRUCTION
SCHOOL FOOD SERVICES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	6,000	68,154	74,154
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	6,000	76,990	82,990
POLICY ITEMS			
1. ADJUST FEDERAL FUNDS	0	8,010	8,010
TOTAL 1989-91 BIENNIUM	6,000	85,000	91,000

Comments:

1. ADJUST FEDERAL FUNDS - Appropriates the estimated amount of federal funds available, and the required state matching funds.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
HANDICAPPED EDUCATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	440,695	45,318	486,013
1989 SUPPLEMENTAL BUDGET			
1. HANDICAPPED ENROLLMENT	7,524	0	7,524
2. "STAFF MIX"/AVERAGE SALARY ADJUSTMENT	638	0	638
3. HOMES/HOSPITAL PAYMENTS	-97	0	-97
4. DRS ADMIN RATE INCREASE	73	0	73
5. ROUNDING/CARRYFORWARD	15	0	15
TOTAL 1987-89 BIENNIUM	448,848	45,318	494,166
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	503,363	50,338	553,701
POLICY ITEMS			
1. ADMIN/MEDICAID REIMBURSEMENT	150	0	150
2. EARLY CHILDHOOD/DEAF INFANTS	80	0	80
3. ADJUST FEDERAL FUNDS	0	8,662	8,662
TOTAL 1989-91 BIENNIUM	503,593	59,000	562,593

Comments:

1. ADMIN/MEDICAID REIMBURSEMENT - Planning and implementation costs associated with the implementation of Chapter 400, Laws of 1989, when fully implemented, will allow school districts to receive medical assistance payments for eligible medical services provided in special education programs. \$150,000 is provided for the planning and implementation of the program, of which \$50,000 is provided for an interagency agreement with the Department of Social and Health Services. The remainder is intended for the establishment of a billing mechanism through the educational service districts.
2. EARLY CHILDHOOD/DEAF INFANTS - The Early Childhood Home Instruction Program, which provides assistance for families with deaf infants, was funded previously from state handicapped education dollars and a federal grant. The federal grant is no longer available. \$80,000 is added to the program on a one-time basis while the program seeks other sources to replace the lost federal grant. The total provided for the program in the 1989-91 biennium is \$272,000.
3. ADJUST FEDERAL FUNDS - Adjusts the appropriation to match the latest estimate for the receipt of federal funds.

SUPERINTENDENT OF PUBLIC INSTRUCTION
TRAFFIC SAFETY EDUCATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	13,391	13,391
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	14,067	14,067
TOTAL 1989-91 BIENNIUM	0	14,067	14,067

Comments:

None.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
EDUCATIONAL SERVICE DISTRICTS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	10,227	0	10,227
1989 SUPPLEMENTAL BUDGET			
1. DRS ADMIN RATE INCREASE	1	0	1
TOTAL 1987-89 BIENNIUM	10,228	0	10,228
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	10,654	0	10,654
TOTAL 1989-91 BIENNIUM	10,654	0	10,654

Comments:

None.

SUPERINTENDENT OF PUBLIC INSTRUCTION
 LEVY EQUALIZATION
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,000	0	5,000
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	82,700	0	82,700
TOTAL 1989-91 BIENNIUM	82,700	0	82,700

Comments:

None.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
EDUCATION CONSOLIDATION/IMPROVEMENT ACT
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	120,554	120,554
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	137,517	137,517
POLICY ITEMS			
1. ADJUST FEDERAL FUNDS	0	483	483
TOTAL 1989-91 BIENNIUM	0	138,000	138,000

Comments:

1. ADJUST FEDERAL FUNDS - Appropriates the estimated amount of federal funding available.

SUPERINTENDENT OF PUBLIC INSTRUCTION
INDIAN EDUCATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	290	290
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	317	317
TOTAL 1989-91 BIENNIUM	0	317	317

Comments:

None.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
ADULT BASIC EDUCATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	3,022	3,022
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	3,298	3,298
POLICY ITEMS			
1. ADJUST FEDERAL FUNDS	0	202	202
TOTAL 1989-91 BIENNIUM	0	3,500	3,500

Comments:

1. ADJUST FEDERAL FUNDS - Appropriates the estimated amount of federal funding available.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
INSTITUTIONAL EDUCATION
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	22,273	7,034	29,307
1989 SUPPLEMENTAL BUDGET			
1. DRS ADMIN RATE INCREASE	4	0	4
TOTAL 1987-89 BIENNIUM	<u>22,277</u>	<u>7,034</u>	<u>29,311</u>
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	20,781	8,006	28,787
POLICY ITEMS			
1. ELIMINATE JOB SKILLS PROGRAM	-215	0	-215
TOTAL 1989-91 BIENNIUM	<u>20,566</u>	<u>8,006</u>	<u>28,572</u>

Comments:

1. ELIMINATE JOB SKILLS TRAINING PROGRAM - The pilot program established in 1988 is discontinued.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
EDUCATION OF HIGHLY CAPABLE STUDENTS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	5,426	0	5,426
1989 SUPPLEMENTAL BUDGET			
1. ENROLLMENT INCREASE	9	0	9
2. DRS ADMIN RATE INCREASE	3	0	3
TOTAL 1987-89 BIENNIUM	5,438	0	5,438
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	5,937	0	5,937
POLICY ITEMS			
1. SERVE UP TO 1.5% OF STUDENTS	1,153	0	1,153
TOTAL 1989-91 BIENNIUM	7,090	0	7,090

Comments:

1. SERVE UP TO 1.5% OF STUDENTS -
Expands the Highly Capable student program
from 1% of the student population currently
served to 1.5%, beginning in the 1990-91
school year.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
SCHOOL DISTRICT SUPPORT
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,116	7,461	10,577
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	3,338	5,131	8,469
POLICY ITEMS			
1. PACIFIC SCIENCE CENTER ENHANCEMENT	496	0	496
2. MULTICULTURAL IN-SERVICE	350	0	350
3. PARAPROFESSIONAL TRAINING	1,500	0	1,500
TOTAL 1989-91 BIENNIUM	5,684	5,131	10,815

Comments:

1. PACIFIC SCIENCE CENTER ENHANCEMENT - Allows the Science Center to provide in-service training in science for approximately 10% of the K-8 teachers each year. This represents an increased training effort of about threefold over the current program.
2. MULTICULTURAL IN-SERVICE - Provides \$350,000 for multicultural in-service training.
3. PARAPROFESSIONAL TRAINING - Provides funds for a minimum of 25 hours of training for approximately 1,000 para-professional classroom assistants. One day of training will also be provided for approximately 2,000 teachers participating in the program.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
SPECIAL AND PILOT PROGRAMS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	13,109	3,666	16,775
1989 SUPPLEMENTAL BUDGET			
1. FULLY FUND GOV REC PROJECTS/COSTS	660	0	660
TOTAL 1987-89 BIENNIUM	13,769	3,666	17,435
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	16,274	3,928	20,202
POLICY ITEMS			
1. 21ST CENTURY SCHOOLS	1,786	0	1,786
2. EXPAND PACIFIC SCIENCE CENTER	815	0	815
3. 21ST CENTURY SCHOOLS	0	1,710	1,710
4. DELETE DROPOUT PROGRAM	-5,846	0	-5,846
5. STUDENT TEACHER PILOT PROJECT	250	0	250
6. ADJUST FEDERAL FUNDS	0	47	47
7. DROPOUT PROGRAM	2,712	288	3,000
TOTAL 1989-91 BIENNIUM	15,991	5,973	21,964

Comments:

- | | | |
|--|---|--|
| <p>1. 21ST CENTURY SCHOOLS - Provides sufficient funds to fully cover the estimated costs of the existing 21 projects. Consistent with the 1989 supplemental budget, additional funds are added to cover one additional project authorized but not funded for 1987-89, as well as a rate per project higher than originally budgeted for the 1987-89 biennium.</p> <p>2. EXPAND PACIFIC SCIENCE CENTER - Expands the travelling program to serve approximately 50% of the K-8 enrollments annually and the on-site instruction program to serve approximately 70,000 students and teachers per year.</p> | <p>3. 21ST CENTURY SCHOOLS - Federal funds (Chapter 2) are provided to expand the 21st Century Schools program by 12 new projects in the 1990-91 school year. Federal funds that can no longer be spent on SPI administration are diverted to this purpose.</p> <p>4. DELETE DROPOUT PROGRAM - Eliminates funding for the dropout programs established in the 1987-89 biennium.</p> <p>5. STUDENT TEACHER PILOT PROJECT - Provides for continuation of the program established in the 1987-89 biennium for one more year.</p> | <p>6. ADJUST FEDERAL FUNDS - Reflects the most recent estimate for federal funds.</p> <p>7. DROPOUT PROGRAM - Provides \$2,712,000 GF-State and \$288,000 GF-Federal for dropout programs.</p> <p>NOTE: Special and Pilot Programs received appropriations in the following legislation: Chapter 271, Laws of 1989 (E2SHB 1793). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.</p> |
|--|---|--|

SUPERINTENDENT OF PUBLIC INSTRUCTION
FEDERAL ENCUMBRANCES
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	24,085	24,085
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	36,216	36,216
TOTAL 1989-91 BIENNIUM	0	36,216	36,216

Comments:

None.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
TRANSITIONAL BILINGUAL INSTRUCTION
(\$ 000)**

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	12,690	0	12,690
1989 SUPPLEMENTAL BUDGET			
1. BILINGUAL ENROLLMENT	603	0	603
2. DRS ADMIN RATE INCREASE	13	0	13
TOTAL 1987-89 BIENNIUM	13,306	0	13,306
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	14,772	0	14,772
TOTAL 1989-91 BIENNIUM	14,772	0	14,772

Comments:

None.

SUPERINTENDENT OF PUBLIC INSTRUCTION
LEARNING ASSISTANCE
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	51,307	0	51,307
1989 SUPPLEMENTAL BUDGET			
1. ENROLLMENT ADJUSTMENT	-255	0	-255
2. DRS ADMIN RATE INCREASE	9	0	9
TOTAL 1987-89 BIENNIUM	51,061	0	51,061
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	70,417	0	70,417
TOTAL 1989-91 BIENNIUM	70,417	0	70,417

Comments:

None.

SUPERINTENDENT OF PUBLIC INSTRUCTION
EDUCATIONAL CLINICS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,400	0	3,400
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	3,584	0	3,584
TOTAL 1989-91 BIENNIUM	3,584	0	3,584

Comments:

None.

SUPERINTENDENT OF PUBLIC INSTRUCTION
EDUCATION ENHANCEMENT
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	45,017	0	45,017
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	54,463	0	54,463
TOTAL 1989-91 BIENNIUM	54,463	0	54,463

Comments:

None.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
SCHOOLS FOR THE BLIND AND DEAF
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	16,108	148	16,256
1989 SUPPLEMENTAL BUDGET			
1. SCHOOL FOR BLIND/ASBESTOS INSPECTION	15	0	15
2. SCHOOL FOR BLIND/ADMIN SALARY INCREASE	2	0	2
3. SCHOOL FOR DEAF/USDA REV SHORTFALL	29	-90	-61
4. SCHOOL FOR DEAF/ASBESTOS INSPECTION	21	0	21
5. SCHOOL FOR DEAF/ADMIN SALARY INCREASE	10	0	10
TOTAL 1987-89 BIENNIUM	16,185	58	16,243
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	16,467	48	16,515
POLICY ITEMS			
1. EXPAND SUMMER SCHOOL	51	0	51
2. RESTORE DEFERRED EQUIPMENT	60	0	60
3. RESTORE DEFICIT REDUCTION	182	0	182
4. HOUSEPARENT EFFORT	42	0	42
5. EXTRA CURRICULAR ACTIVITIES	90	0	90
6. LIBRARY INFLATION	39	0	39
7. PUPIL TRANSPORTATION	387	0	387
TOTAL 1989-91 BIENNIUM	17,318	48	17,366

Comments:

1. EXPAND SUMMER SCHOOL - Allows non-matriculated blind students an opportunity to participate in a summer intensive school at the Vancouver campus. The purpose is to improve students confidence with the hopes of fostering a desire to interact and participate with greater frequency in the educational experience offered in their home communities.
2. RESTORE DEFERRED EQUIPMENT - Funds replacement or renovations postponed in 1989 to manage a budget shortfall.
3. RESTORE DEFICIT REDUCTION - This item represents the level of funding recommended for restoration by OFM based upon historical goods and services expenditures at the School for the Blind.
4. HOUSEPARENT EFFORT - Funds support dormitory counselor activities initiated by the school during the 1987-89 biennium.
5. EXTRA CURRICULAR ACTIVITIES - Provides course fees and transportation to and from recreational activities, as well as pre-arranged field trips. Allows the restoration of funding cut to manage a 1989 budget shortfall.
6. LIBRARY INFLATION - Provides special consideration for the unique costs of library materials purchased to serve this population of students.
7. PUPIL TRANSPORTATION - This item represents a direct appropriation of the Blind and Deaf Schools' daily transportation funding for non-residential students, previously provided for in the Superintendent of Public Instruction's Pupil Transportation budget.

**SUPERINTENDENT OF PUBLIC INSTRUCTION
BELATED CLAIMS
(\$ 000)**

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	46	0	46

Comments:

None.

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MAJOR BUDGET ENHANCEMENTS

Instructional Support

Following a commitment made in the 1987-89 budget, the Legislature provides \$66.3 million for the 1989-91 biennium to further improve instructional support at each of our colleges and universities. Of that amount, \$13.3 million is provided specifically to enhance each school's appropriation for equipment. (See detail on each school for specific dollar amounts.) The allocation among the institutions was calculated based on the total dollars per FTE student funding gap that exists between our schools and their peer institutions. Nationwide peer groups recommended by the Higher Education Coordinating Board were used in making the calculation. Though no specific target was established in determining the overall appropriation, the \$66.3 million for instructional support is distributed to close each institution's existing funding gap by the same proportion.

Salary Increases

The Legislature followed the Governor's recommendation for faculty salaries, granting increases ranging from 6.1 percent to 6.4 percent each year. The increases will close approximately 38 percent of the remaining peer salary gap at the research universities, and 28 percent of the remaining gap at the regional universities and community colleges. The amount of \$57.8 million is appropriated for faculty, graduate, and exempt salaries, with graduate assistants receiving the same increase allocation as faculty. Salary increases for exempt staff were allocated at 2.5 percent for fiscal year 1990 and 6.0 percent in fiscal year 1991. Another \$13.9 million is appropriated for classified salary increases of 2.5 percent in the first year and 6.0 percent in the second year, consistent with the increases granted state employees.

Access/Enrollment

A total of \$20.1 million is provided: to increase enrollments, both on and off campus; to fund branch campus planning and start-up; to cover costs of participation in the Spokane Inter-collegiate Research and Technology Institute (SIRTI); and to expand evening degree program offerings. The appropriations provide for: branch campus operations at Tacoma and Bothell/Woodinville, beginning in 1991; participation of both Washington State University and Eastern Washington University at SIRTI; WSU enrollment increases at Vancouver, Tri-Cities, and Spokane; Central Washington University expansion in Yakima; and substantial expansion of on-campus enrollments, most notably in the Community College system. Enrollment increase detail is included in the notes for each institution.

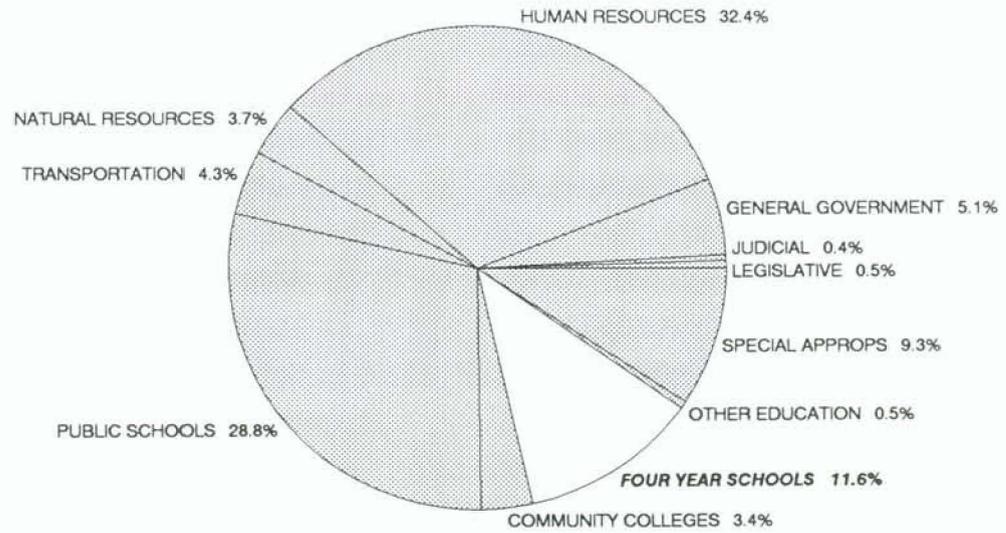
Assessment

The amount of \$2.8 million is divided evenly among each university and the Community College Board. This amount is for the development of performance evaluation programs that will allow both the institutions and the Legislature a means for evaluation and improvement. This investment is made consistent with the recommendations of the Higher Education Coordinating Board in the master plan presented during the 1988 legislative session.

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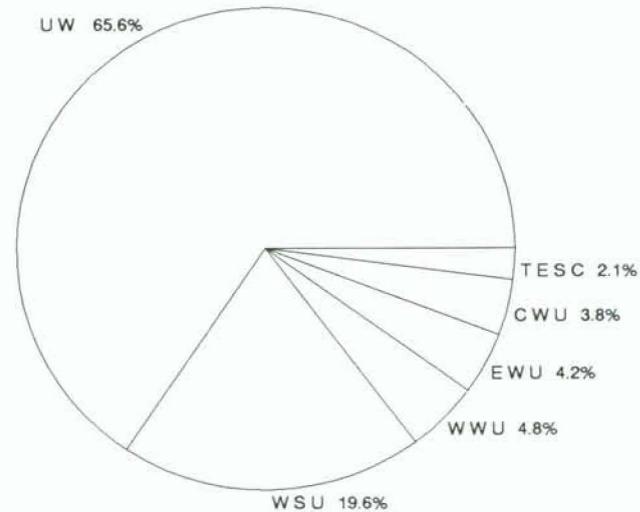
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
1989-91 APPROP	21,351,258



Washington State

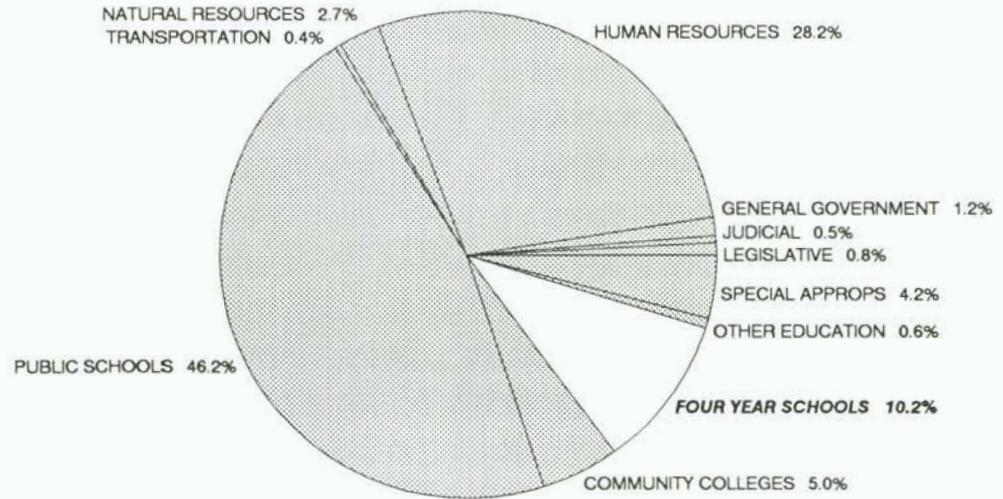
UW	1,626,362
WSU	485,922
WWU	118,144
EWU	103,370
CWU	93,660
TESC	51,716
FOUR YEAR SCHOOLS	2,479,174



Four Year Schools

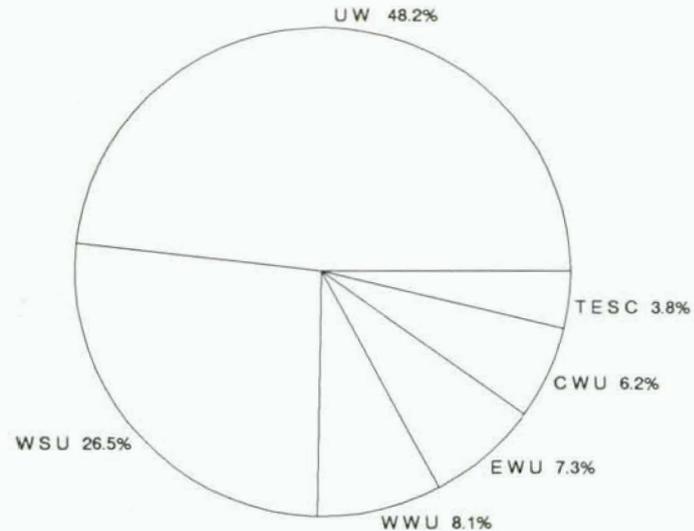
**WASHINGTON STATE 1989-91 OPERATING BUDGET
GENERAL FUND - STATE (\$ 000)**

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
1989-91 APPROP	12,515,705



Washington State

UW	613,821
WSU	337,969
WWU	102,936
EWU	92,656
CWU	78,366
TESC	48,375
FOUR YEAR SCHOOLS	1,274,123



Four Year Schools

**WASHINGTON STATE
HIGHER EDUCATION ENROLLMENT INCREASES
LEGISLATIVE FINAL**

(BY SCHOOL YEAR)

FTE ENROLLMENT

	BUDGETED 1989	INCREASE 1990	BUDGETED 1990	INCREASE 1991	BUDGETED 1991
COMMUNITY COLLEGES	83,300	1,200	84,500	1,000	85,500
FOUR YEAR SCHOOLS	69,796	483	70,279	1,112	71,391
UNIVERSITY OF WASHINGTON	29,885	(385)	29,500	600	30,100
WASHINGTON STATE UNIVERSITY	15,884	428	16,312	169	16,481
EASTERN WASHINGTON UNIVERSITY	7,000	20	7,020	0	7,020
CENTRAL WASHINGTON UNIVERSITY	5,877	120	5,997	93	6,090
THE EVERGREEN STATE COLLEGE	2,900	100	3,000	50	3,050
WESTERN WASHINGTON UNIVERSITY	8,250	200	8,450	200	8,650
TOTAL HIGHER EDUCATION	153,096	1,683	154,779	2,112	156,891

**WASHINGTON STATE
HIGHER EDUCATION ENROLLMENT**

(BY SCHOOL YEAR)

FTE ENROLLMENT

								BUDGETED		
	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
COMMUNITY COLLEGES	86,101	82,110	82,317	83,225	83,556	84,406	84,304	83,300	84,500	85,500
FOUR YEAR SCHOOLS	71,767	70,012	69,966	69,570	69,339	69,470	69,571	69,796	70,279	71,391
UNIVERSITY OF WASHINGTON	30,190	29,764	29,673	29,780	29,836	29,791	29,878	29,885	29,500	30,100
WASHINGTON STATE UNIVERSITY	16,682	16,381	16,035	15,951	15,811	15,739	15,650	15,884	16,312	16,481
EASTERN WASHINGTON UNIVERSITY	7,086	7,126	7,220	7,144	6,871	6,809	6,881	7,000	7,020	7,020
CENTRAL WASHINGTON UNIVERSITY	5,995	5,949	6,068	6,003	5,942	6,093	6,015	5,877	5,997	6,090
THE EVERGREEN STATE COLLEGE	2,432	2,267	2,365	2,426	2,582	2,628	2,790	2,900	3,000	3,050
WESTERN WASHINGTON UNIVERSITY	9,382	8,525	8,605	8,266	8,297	8,410	8,357	8,250	8,450	8,650
TOTAL HIGHER EDUCATION	157,868	152,122	152,283	152,795	152,895	153,876	153,875	153,096	154,779	156,891

PERCENT OF TOTAL

COMMUNITY COLLEGES	54.54	53.98	54.06	54.47	54.65	54.85	54.79	54.41	54.59	54.50
FOUR YEAR SCHOOLS	45.46	46.02	45.94	45.53	45.35	45.15	45.21	45.59	45.41	45.50
UNIVERSITY OF WASHINGTON	19.12	19.57	19.49	19.49	19.51	19.36	19.42	19.52	19.06	19.19
WASHINGTON STATE UNIVERSITY	10.57	10.77	10.53	10.44	10.34	10.23	10.17	10.38	10.54	10.50
EASTERN WASHINGTON UNIVERSITY	4.49	4.68	4.74	4.68	4.49	4.42	4.47	4.57	4.54	4.47
CENTRAL WASHINGTON UNIVERSITY	3.80	3.91	3.98	3.93	3.89	3.96	3.91	3.84	3.87	3.88
THE EVERGREEN STATE COLLEGE	1.54	1.49	1.55	1.59	1.69	1.71	1.81	1.89	1.94	1.94
WESTERN WASHINGTON UNIVERSITY	5.94	5.60	5.65	5.41	5.43	5.47	5.43	5.39	5.46	5.51
TOTAL HIGHER EDUCATION	100.00									

PERCENT CHANGE FROM PRIOR YEAR

COMMUNITY COLLEGES	-4.64	0.25	1.10	0.40	1.02	-0.12	-1.19	1.44	1.18
FOUR YEAR SCHOOLS	-2.45	-0.07	-0.57	-0.33	0.19	0.15	0.32	0.69	1.58
UNIVERSITY OF WASHINGTON	-1.41	-0.31	0.36	0.19	-0.15	0.29	0.02	-1.29	2.03
WASHINGTON STATE UNIVERSITY	-1.80	-2.11	-0.52	-0.88	-0.46	-0.57	1.50	2.69	1.04
EASTERN WASHINGTON UNIVERSITY	0.56	1.32	-1.05	-3.82	-0.90	1.06	1.73	0.29	0.00
CENTRAL WASHINGTON UNIVERSITY	-0.77	2.00	-1.07	-1.02	2.54	-1.28	-2.29	2.04	1.55
THE EVERGREEN STATE COLLEGE	-6.78	4.32	2.58	6.43	1.78	6.16	3.94	3.45	1.67
WESTERN WASHINGTON UNIVERSITY	-9.13	0.94	-3.94	0.38	1.36	-0.63	-1.28	2.42	2.37
TOTAL HIGHER EDUCATION	-3.64	0.11	0.34	0.07	0.64	-0.00	-0.51	1.10	1.36

COMMUNITY COLLEGE SYSTEM
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	536,764	74,090	610,854
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	571,363	93,163	664,526
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	27,148	0	27,148
2. ON CAMPUS ENROLLMENT INCREASE	6,477	0	6,477
3. FACULTY SALARY INCREASE	19,753	0	19,753
4. ASSESSMENT	400	0	400
5. SIRTI	26	0	26
6. CHILDCARE	50	0	50
7. CLASSIFIED SALARY INCREASE	4,011	0	4,011
8. STUDENT SALARY INCREASE	142	0	142
9. HEALTH BENEFITS INCREASE	96	0	96
TOTAL 1989-91 BIENNIUM	629,466	93,163	722,629

Comments:

1. **INSTRUCTIONAL SUPPORT** - This amount includes \$5,430,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.
2. **ON CAMPUS ENROLLMENT INCREASE** - Funds full-time equivalent (FTE) student enrollment increases as follows:

Community College System	1990	1991	Total Enrollment Including Base
Total	1,200	1,000	85,500

3. **FACULTY SALARY INCREASE** - System-wide, community college faculty will receive a maximum average salary increase (including increments) of 6.2% on January 1, 1990 and 6.2% on January 1, 1991. The State Board for Community College Education may distribute amounts to individual districts based on a Board approved salary equity plan. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.
4. **ASSESSMENT** - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.
5. **SIRTI** - Provides for the Spokane Community College District's participation in the Spokane Intercollegiate Research and Technology Institute (SIRTI).
6. **CHILDCARE** - Provides at least \$50,000 to fund comparable worth salary adjustments for employees in community college childcare centers.
- 7-9 **SALARY/BENEFIT INCREASE** - Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$142,000 is appropriated to increase student salaries and \$96,000 is provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that the Community College System maintain an average student quality standard of \$3,270 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

Notwithstanding the Governor's veto, the Legislature provides instructional support funding to be expended for supplies, materials, travel, staffing and other services necessary to support instruction. The Legislature intends that no more than 5% of instructional support enhancement money be used to convert existing part-time faculty to full-time only in districts having a higher than average proportion of part-time faculty.

Governor's Vetoes:

Section 602 (2). The Governor vetoed subsection (2), which restricts the use of instructional support enhancement money to convert existing part-time faculty to full-time status.

UNIVERSITY OF WASHINGTON
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	522,009	896,942	1,418,951
1989 SUPPLEMENTAL BUDGET			
1. HARBORVIEW MEDICAL CENTER	5,400	0	5,400
TOTAL 1987-89 BIENNIUM	527,409	896,942	1,424,351
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	560,146	1,010,951	1,571,097
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	22,933	0	22,933
2. EVENING CREDIT DEGREE PROGRAM	391	0	391
3. BRANCH CAMPUS - STARTUP COSTS	1,250	0	1,250
4. SPECIAL PUBLIC SERVICES	0	957	957
5. OFF CAMPUS ENROLLMENTS	4,320	0	4,320
6. FACULTY SALARY INCREASE	18,348	0	18,348
7. ASSESSMENT	400	0	400
8. CLASSIFIED SALARY INCREASE	4,484	0	4,484
9. STUDENT SALARY INCREASE	130	0	130
10. HEALTH BENEFIT INCREASE	1,269	633	1,902
TOTAL 1989-91 BIENNIUM	613,671	1,012,541	1,626,212

Comments:

1. INSTRUCTIONAL SUPPORT - This amount includes \$4,587,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.
2. EVENING CREDIT DEGREE PROGRAM - \$391,000 is provided to facilitate the establishment of the Evening Degree program for 300 new FTE students in FY 1991 (in addition to the 290 FTE students currently taking evening classes.)
3. BRANCH CAMPUS--START UP COSTS - \$1,250,000 is provided in fiscal year 1990 for one-time expenditures associated with starting branch campuses.
4. SPECIAL PUBLIC SERVICES - Provides \$357,000 to the State Toxicology Lab for conversion of the State Toxicologist position to full time and the addition of two technicians to the staff and \$600,000 to the Department of Environmental Health for additional faculty and staff as needed for expanded research.
5. OFF CAMPUS ENROLLMENTS - Provides upper-division course offerings for 300 FTE students in Tacoma and 300 FTE students in the Bothell/Woodinville area in fiscal year 1991.
6. FACULTY SALARY INCREASE - Faculty, medical residents, and teaching and research assistants will receive a maximum average salary increase of 6.1% on January 1, 1990 and 6.1% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.
7. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.
- 8-10 SALARY/BENEFITS INCREASE - Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$130,000 is appropriated to increase student salaries and \$1,269,000 is

provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that the University of Washington maintain an average student quality standard of \$9,274 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

NOTE: The University of Washington also received appropriations in the following legislation: Chapter 424, Laws of 1989 (ESSB 5911). For further information, see the schedule entitled 'Appropriations Contained within other Legislation' in the Revenue section of this report.

WASHINGTON STATE UNIVERSITY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNium	290,401	136,108	426,509
1989 SUPPLEMENTAL BUDGET			
1. INTERCOLL CTR FOR NURSING ED	37	0	37
TOTAL 1987-89 BIENNium	290,438	136,108	426,546
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	314,611	147,953	462,564
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT INCREASE	6,185	0	6,185
2. FEDERAL EMPLOYEE SEIB ADJUSTMENT	238	0	238
3. OFF CAMPUS ENROLLMENT	2,012	0	2,012
4. FACULTY SALARY INCREASE	9,603	0	9,603
5. ASSESSMENT	400	0	400
6. SIRTI	690	0	690
7. TRI-CITIES FEE CONVERSION	312	0	312
8. GENDER EQUITY/ATHLETICS	300	0	300
9. CLASSIFIED SALARY INCREASE	2,950	0	2,950
10. STUDENT SALARY INCREASE	73	0	73
11. HEALTH BENEFITS INCREASE	595	0	595
TOTAL 1989-91 BIENNium	337,969	147,953	485,922

Comments:

1. INSTRUCTIONAL SUPPORT INCREASE - This amount includes \$1,237,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.
2. FEDERAL EMPLOYEE SEIB ADJUSTMENT - Adjustment covers medical insurance increases under the State Employee Insurance Board for WSU employees who are supported by federal funds.
3. OFF CAMPUS ENROLLMENT - Funds full-time equivalent (FTE) student enrollment increases as follows:

<u>Location</u>	<u>1990</u>	<u>1991</u>	<u>Total Enrollment Including Base</u>
Vancouver	38	114	218
Tri-Cities	5	20	410
Spokane (grad)	0	35	54

It is intended that enrollment increases be directed to resident students seeking upper-division courses to complete a bachelor's degree. The Spokane FTE's are graduate students.

4. FACULTY SALARY INCREASE - Faculty, medical residents, and teaching and research assistants will receive a maximum average salary increase of 6.1% on January 1, 1990 and 6.1% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.
5. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.
6. SIRTI - Of the total \$690,000: \$486,000 is for Washington State University's participation in the Spokane Intercollegiate Research and Technology Institute (SIRTI); and \$204,000 is for costs incurred as the fiscal agent for the institute. Of the total amount, \$252,000 is to

be spent in the first year and \$438,000 in the second year.

7. TRI-CITIES FEE CONVERSION - \$312,000 is provided to fund conversion of Student Activities and Building fees from a self-supporting system (retained by the institution) to a state-supported system. It is intended that this supplementation will be decreased by \$156,000 in the 1991-93 biennium and eliminated in total by 1993-95.
8. GENDER EQUITY/ATHLETICS - Provides funds to implement programs for gender equity in athletics, to be expended in fiscal year 1991. Funds will be replaced by the tuition waiver program, Chapter 340, Laws of 1989, for the 1991-93 biennium.
- 9-11 SALARY/BENEFITS INCREASE - Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$73,000 is appropriated to increase student salaries and \$595,000 is provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Tri-Cities University Center enrollments were transferred as of July 1, 1989 from the University of Washington to Washington State University. The Center becomes the Washington State University Tri-Cities branch campus.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that Washington State University maintain an average student quality standard of \$7,521 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

EASTERN WASHINGTON UNIVERSITY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	82,434	8,645	91,079
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	87,554	8,910	96,464
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	2,580	0	2,580
2. ON CAMPUS ENROLLMENT INCREASE	118	0	118
3. FACULTY SALARY INCREASE	2,864	0	2,864
4. ASSESSMENT	400	0	400
5. SUMMER SELF-SUSTAINING	-2,092	1,804	-288
6. SIRT I	436	0	436
7. CLASSIFIED SALARY INCREASE	747	0	747
8. STUDENT SALARY INCREASE	21	0	21
9. HEALTH BENEFITS INCREASE	28	0	28
TOTAL 1989-91 BIENNIUM	92,656	10,714	103,370

Comments:

1. INSTRUCTIONAL SUPPORT - This amount includes \$516,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.
2. ON CAMPUS ENROLLMENT INCREASE - Funds full-time equivalent (FTE) student enrollment increases as follows:

<u>Location</u>	<u>1990</u>	<u>1991</u>	<u>Total Enrollment Including Base</u>
Main Campus	20	0	7,020

It is intended that enrollment increases be directed to resident students seeking upper-division courses to complete a bachelor's degree.

3. FACULTY SALARY INCREASE - Faculty and teaching and research assistants will receive a maximum average salary increase of 6.4% on January 1, 1990 and 6.4% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.
4. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.
5. SUMMER SELF-SUSTAINING - It is intended that all higher education institutions maintain self-supporting summer sessions without General Fund-State support. Beginning with the 1989 summer term, appropriate student tuition and fees shall be charged to cover summer session costs.
6. SIRTI - Provides for Eastern Washington University's participation in the Spokane Intercollegiate Research and Technology Institute (SIRTI).
- 7-9 SALARY/BENEFIT INCREASE - Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$21,000 is appropriated to increase student salaries and \$28,000 is

provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that Eastern Washington University maintain an average student quality standard of \$5,480 for the biennium and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

CENTRAL WASHINGTON UNIVERSITY
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	69,696	12,597	82,293
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	74,071	13,664	87,735
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	1,581	0	1,581
2. ON CAMPUS ENROLLMENT INCREASE	654	0	654
3. OFF CAMPUS ENROLLMENT INCREASE	599	0	599
4. FACULTY SALARY INCREASE	2,553	0	2,553
5. ASSESSMENT	400	0	400
6. SUMMER SELF-SUSTAINING	-2,342	1,630	-712
7. CLASSIFIED SALARY INCREASE	574	0	574
8. STUDENT SALARY INCREASE	18	0	18
9. HEALTH BENEFITS INCREASE	258	0	258
	78,366	15,294	93,660
TOTAL 1989-91 BIENNIUM			
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Comments:

- 1. INSTRUCTIONAL SUPPORT - This amount includes \$316,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.
- 2,3 ON CAMPUS/OFF CAMPUS ENROLLMENT - Funds full-time equivalent (FTE) student enrollment increases as follows:

<u>Location</u>	<u>1990</u>	<u>1991</u>	<u>Total Enrollment Including Base</u>
Main Campus	100	0	5,977
Yakima	20	93	113
Total	120	93	6,090

It is intended that enrollment increases be directed to resident students seeking upper-division courses to complete a bachelor's degree.

- 4. FACULTY SALARY INCREASE - Faculty, and teaching and research assistants, will receive a maximum average salary increase of 6.4% on January 1, 1990 and 6.4% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.
- 5. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.
- 6. SUMMER SELF SUSTAINING - It is intended that all higher education institutions maintain self-supporting summer sessions without General Fund-State support. Beginning with the 1989 summer term, appropriate student tuition and fees shall be charged to cover summer session costs.
- 7-9 SALARY/BENEFITS INCREASE -Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$18,000 is appropriated to increase student salaries and \$258,000 is provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that Central Washington University maintain an average student quality standard of \$5,574 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

THE EVERGREEN STATE COLLEGE
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	40,709	3,711	44,420
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	43,470	3,341	46,811
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	1,887	0	1,887
2. ON CAMPUS ENROLLMENT INCREASE	882	0	882
3. FACULTY SALARY INCREASE	1,210	0	1,210
4. ASSESSMENT	400	0	400
5. CLASSIFIED SALARY INCREASE	427	0	427
6. STUDENT SALARY INCREASE	9	0	9
7. HEALTH BENEFIT INCREASE	90	0	90
TOTAL 1989-91 BIENNIUM	48,375	3,341	51,716

Comments:

1. INSTRUCTIONAL SUPPORT - This amount includes \$377,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.

2. ON CAMPUS ENROLLMENT INCREASE - Funds full-time equivalent (FTE) student enrollment increases as follows:

<u>Location</u>	<u>1990</u>	<u>1991</u>	<u>Total Enrollment Including Base</u>
Main Campus	100	50	3,050

It is intended that enrollment increases be directed to resident students seeking upper-division courses to complete a bachelor's degree.

3. FACULTY SALARY INCREASE - Faculty, and teaching and research assistants, will receive a maximum average salary increase of

6.4% on January 1, 1990 and 6.4% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.

4. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.

5-7 SALARY/BENEFIT INCREASE - Classified employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$9,000 is appropriated to increase student salaries and \$90,000 is provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

NOTES: It is the intent of the Legislature to fund the Public Policy Fellows program sponsored by the Washington State Institute for Public Policy, located on The Evergreen State College campus. The Fellows program will support applied research on topics of interest to the Legislature. The \$326,000 expenditure to fund the program will be shared evenly by the House and Senate.

The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that The Evergreen State College maintain an average student quality standard of \$6,944 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

WESTERN WASHINGTON UNIVERSITY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	88,447	10,774	99,221
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	93,897	13,556	107,453
POLICY ITEMS			
1. INSTRUCTIONAL SUPPORT	4,024	0	4,024
2. ENROLLMENT INCREASE - ON CAMPUS	2,259	0	2,259
3. FACULTY SALARY INCREASE	3,435	0	3,435
4. ASSESSMENT	400	0	400
5. SUMMER SELF-SUSTAINING	-2,074	1,652	-422
6. CLASSIFIED SALARY INCREASE	792	0	792
7. STUDENT SALARY INCREASE	25	0	25
8. HEALTH BENEFITS INCREASE	178	0	178
TOTAL 1989-91 BIENNIUM	102,936	15,208	118,144

Comments:

1. INSTRUCTIONAL SUPPORT - This amount includes \$805,000 for equipment above current level expenditures. It is intended that the instructional support enhancement be expended evenly between fiscal years.

receive a maximum average salary increase of 6.4% on January 1, 1990 and 6.4% on January 1, 1991. Exempt personnel will receive a maximum average salary increase of 2.5% on January 1, 1990 and 6% on January 1, 1991.

employees will receive across-the-board salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991. \$25,000 is appropriated to increase student salaries and \$178,000 is provided to cover the cost increase of state employee medical and dental coverage for the 1989-91 biennium.

2. ON CAMPUS ENROLLMENT INCREASE - Funds full-time equivalent (FTE) student enrollment increases as follows:

4. ASSESSMENT - Provides for the continued development of performance evaluation programs which will: (1) provide a means for institutional self-evaluation and improvement; and (2) meet the state's need for institutional accountability.

NOTES: The budget assumes that the rate charged for part-time undergraduate credit hours at the state's public institutions is one-tenth of the rate established for full-time students.

<u>Location</u>	<u>1990</u>	<u>1991</u>	<u>Total Enrollment Including Base</u>
Main Campus	200	200	8,650

Main Campus 200 200 8,650

It is intended that enrollment increases be directed to resident students seeking upper-division courses to complete a bachelor's degree.

5. SUMMER SELF-SUSTAINING - It is intended that all higher education institutions maintain self-supporting summer sessions without General Fund-State support. Beginning with the 1989 summer term, appropriate student tuition and fees shall be charged to cover summer session costs.

Although the Governor vetoed the student and facilities quality standards, the Legislature intends that Western Washington University maintain an average student quality standard of \$5,355 for the biennium, and not allow expenditures for plant operation and maintenance to be more than 5% below amounts allotted for this purpose.

3. FACULTY SALARY INCREASE - Faculty, and teaching and research assistants, will

6-8 SALARY/BENEFITS INCREASE - Classified

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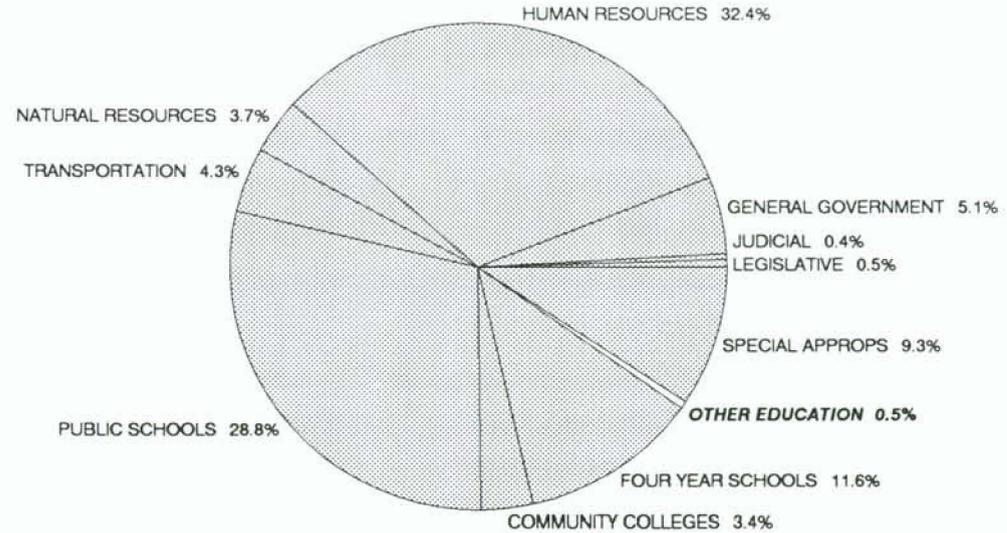
MAJOR BUDGET ENHANCEMENTS

Financial Aid

An increase of \$9.7 million is provided for financial aid programs, with \$9.1 million of that amount going to enhance the State Needs Grant Program, increasing the number of grant awards in the first year and allowing the Higher Education Coordinating Board to redesign the program in the second year. In addition, \$500,000 is provided for an Educational Opportunity Grant pilot project and \$100,000 is provided for a Community Scholarship Program. (See notes on Higher Education Coordinating Board for details.)

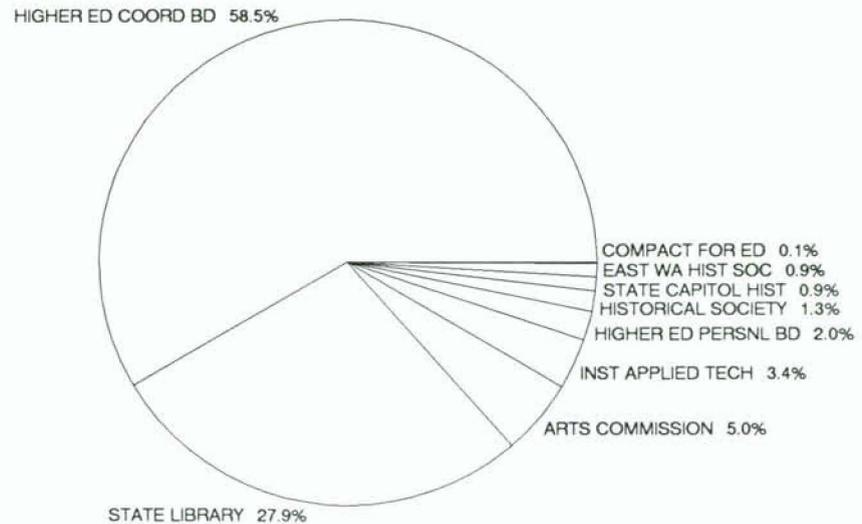
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
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1989-91 APPROP	21,351,258



Washington State

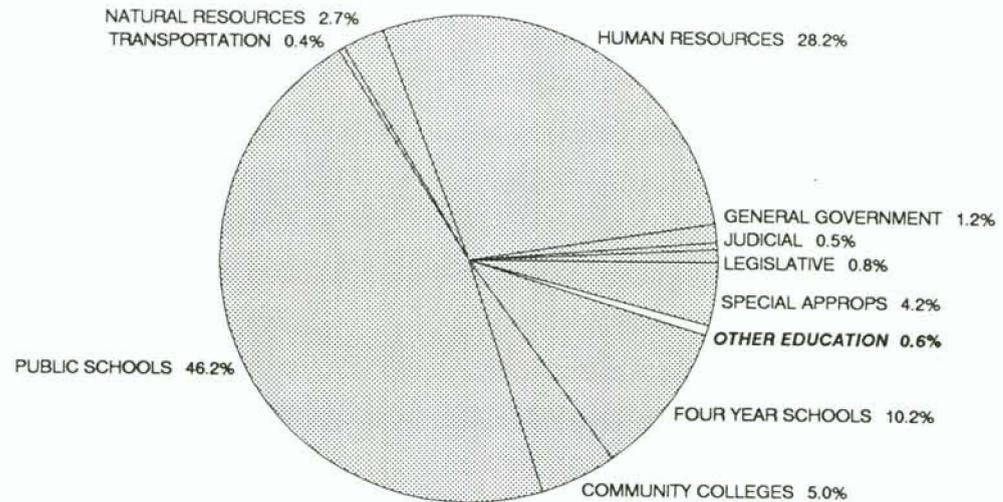
HIGHER ED COORD BD	62,440
STATE LIBRARY	29,818
ARTS COMMISSION	5,329
INST APPLIED TECH	3,604
HIGHER ED PERSNL BD	2,083
HISTORICAL SOCIETY	1,430
STATE CAPITOL HIST	992
EAST WA HIST SOC	950
COMPACT FOR ED	92
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OTHER EDUCATION	106,738



Other Education

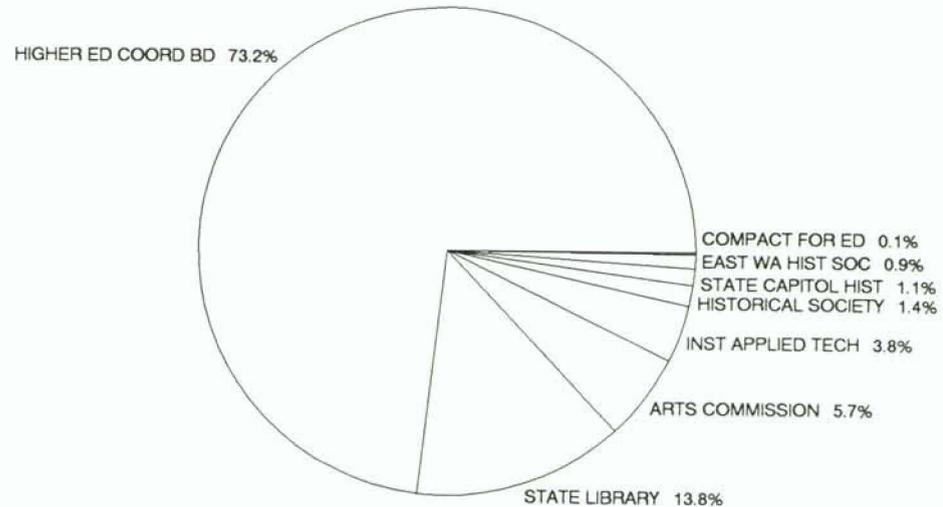
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
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1989-91 APPROP	12,515,705



Washington State

HIGHER ED COORD BD	58,248
STATE LIBRARY	11,013
ARTS COMMISSION	4,557
INST APPLIED TECH	3,000
HISTORICAL SOCIETY	1,095
STATE CAPITOL HIST	873
EAST WA HIST SOC	748
COMPACT FOR ED	92
<hr/>	
OTHER EDUCATION	79,626



Other Education

COMPACT FOR EDUCATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	84	0	84
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	92	0	92
TOTAL 1989-91 BIENNIUM	<u>92</u>	<u>0</u>	<u>92</u>

Comments:

None.

HIGHER EDUCATION COORDINATING BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	52,396	4,425	56,821
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	48,040	4,188	52,228
POLICY ITEMS			
1. STATE WORK STUDY	44	0	44
2. STATE NEEDS GRANTS	9,109	0	9,109
3. STAFFING INCREASE	354	0	354
4. EDUCATIONAL OPPORTUNITY GRANTS	500	0	500
5. COMMUNITY SCHOLARSHIP PROGRAM	100	0	100
6. STAFF SALARY INCREASE	101	4	105
TOTAL 1989-91 BIENNIUM	58,248	4,192	62,440

Comments:

1. STATE WORK STUDY - Provides one additional staff position for State Needs Grant/Work Study processing.
2. STATE NEEDS GRANT - The financial aid enhancement to the State Needs Grant program is provided to increase the number of awards in the first year and to implement the HECB redesigned program in the second year. It is intended that the award to any individual shall not exceed the amount received by a student attending a state research university.
3. STAFFING INCREASE - \$354,000 is provided to add 3 new FTE staff positions at the Higher Education Coordinating Board.
4. EDUCATIONAL OPPORTUNITY GRANTS - \$500,000 is provided for the education opportunity grant pilot project. This demonstration project is designed to assist financially needy place-bound students in the

Puget Sound and Yakima areas who have completed an associate of arts degree to obtain a baccalaureate degree at either a public or private institution.

5. COMMUNITY SCHOLARSHIP PROGRAM - The appropriation for the Community Scholarship program is to provide matching awards of \$2,000 to tax exempt community foundations for scholarships.
6. STAFF SALARY INCREASE - Provides for staff salary increases not included in the state compensation model. Classified and exempt employees will receive salary increases of 2.5% on January 1, 1990 and 6% on January 1, 1991.

Governor's Vetoes:

Section 610 (2). The Governor vetoed subsection (2), which earmarked \$50,000 for a state writing project to enhance the skills of K-12 writing teachers.

WASHINGTON INSTITUTE OF APPLIED TECHNOLOGY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	2,319	0	2,319
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	3,365	100	3,465
POLICY ITEMS			
1. LOCAL REVENUE USED FOR MAINTENANCE	0	-100	-100
2. ALL OTHER	0	604	604
3. REDUCTION	-365	0	-365
TOTAL 1989-91 BIENNIUM	3,000	604	3,604

Comments:

1. LOCAL REVENUE USED FOR MAINTENANCE - Uses local lease revenues to partially offset facility maintenance and security costs.
2. ALL OTHER - Estimated tuition revenue.
3. REDUCTION - Reflects the estimated cost of enrolling 507 annual full time equivalent students (FTE's).

NOTE: \$1.5 million for expenditure in fiscal year 1991 is appropriated to the 1991 Applied Technology Reserve Account. A study of the effectiveness of the Institute by the State Board for Vocational Education is to be completed by December 1, 1989. Upon completion of the study, the funds must be appropriated prior to June 30, 1990 or the funds will revert to the General Fund.

HIGHER EDUCATION PERSONNEL BOARD
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	0	1,893	1,893
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	2,024	2,024
POLICY ITEMS			
1. INCREASED AFFIRMATIVE ACTION	0	59	59
TOTAL 1989-91 BIENNIUM	0	2,083	2,083

Comments:

1. INCREASED AFFIRMATIVE ACTION -
Enhances the agency's Affirmative Action program.

STATE LIBRARY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	9,565	18,075	27,640
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	10,263	18,805	29,068
POLICY ITEMS			
1. BOOK REPLACEMENT	316	0	316
2. AUTOMATION	350	0	350
3. EQUIPMENT	84	0	84
TOTAL 1989-91 BIENNIUM	11,013	18,805	29,818

Comments:

Maintains current service levels. Fully funds the Seattle Public Library contract for the provision of services to the blind and physically handicapped.

1. BOOK REPLACEMENT - Provides additional funds for the replacement of books and other library materials.
2. AUTOMATION - Provides additional funds to augment automation of the library.
3. EQUIPMENT - Provides additional funds for increased equipment purchases for the library.

STATE ARTS COMMISSION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	3,462	1,061	4,523
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	3,599	772	4,371
POLICY ITEMS			
1. CULTURAL ENRICHMENT	458	0	458
2. PROGRAM ENHANCEMENT	500	0	500
TOTAL 1989-91 BIENNIUM	4,557	772	5,329

Comments:

1. CULTURAL ENRICHMENT - Provides funds to expand the Cultural Enrichment program which will serve approximately 50% of the K-12 student population each school year.
2. PROGRAM ENHANCEMENT - Provides additional support for the "Artist in Residence" program and grants to professional artists and arts organizations.

STATE HISTORICAL SOCIETY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	891	403	1,294
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	854	335	1,189
POLICY ITEMS			
1. TRANSFER MARITIME EXHIBITION	241	0	241
TOTAL 1989-91 BIENNIUM	1,095	335	1,430

Comments:

1. TRANSFER MARITIME EXHIBITION -
Provides funds for the planning and implementation of the "Maritime Voyages" exhibition. This item was moved from the Centennial Commission.

EASTERN WASHINGTON STATE HISTORICAL SOCIETY
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	714	140	854
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	748	202	950
TOTAL 1989-91 BIENNIUM	748	202	950

Comments:

None.

STATE CAPITOL HISTORICAL ASSOCIATION
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNium	751	119	870
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	773	119	892
POLICY ITEMS			
1. CENTENNIAL RESOURCE CENTER	100	0	100
TOTAL 1989-91 BIENNium	873	119	992

Comments:

1. CENTENNIAL RESOURCE CENTER -
Continues the activities of the Technical Resource Center. The Center provides assistance to local heritage foundations and associations previously funded through the Centennial Commission.

MAJOR BUDGET ENHANCEMENTS

Puyallup Indian Claim

The Legislature provides \$4.9 million GF-State, in addition to \$9.4 million in the Capital Budget and \$6.7 million in the Transportation Budget, to provide the State's share of the \$161.8 million Puyallup Tribal Land Claim Settlement. This settlement will resolve the Puyallup Tribe's claim to lands in the Puyallup River Valley.

Salary Increases

The \$40.1 million provided for salaries will increase pay for state employees by 2.5 percent on January 1, 1990 and by 6.0 percent on January 1, 1991. An additional \$8.4 million is provided to fully fund the increased cost of the state employees' health insurance.

Contributions to Retirement Systems

The budget includes funds to address pension reforms enacted under Ch. 272 and Ch. 273, Laws of 1989 (ESHB 1322 and SSB 5418). The Legislature provides a 3 percent cost of living adjustment (COLA) to PERS I and TRS I retirees and increases the minimum retirement benefit under PERS from \$13.82 to \$14.83 per month, per year of service. In addition, the budget reflects the cost of implementing a new pension funding requirement aimed at eliminating the unfunded liability within 35 years.

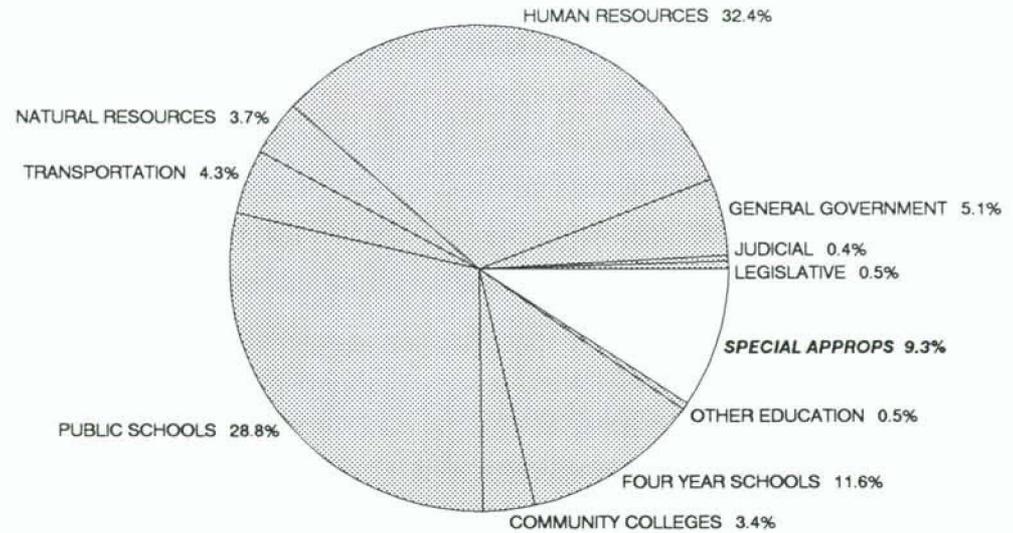
Department of Health

A new Department of Health is created pursuant to Ch. 9, Laws of 1989 (ESB 6152). The Department is formed by merging the Board of Pharmacy, the

health care data collection duties of the Hospital Commission, the health professional licensure functions of the Department of Licensing, the Board of Health and other health-related functions within the Department of Social and Health Services. The amount of \$1 million GF-State is appropriated to the Governor's Special Appropriations account and \$845,000 GF-State (\$1.689 million total funds) from the Hospital Commission to help with the transition cost of establishing the Department.

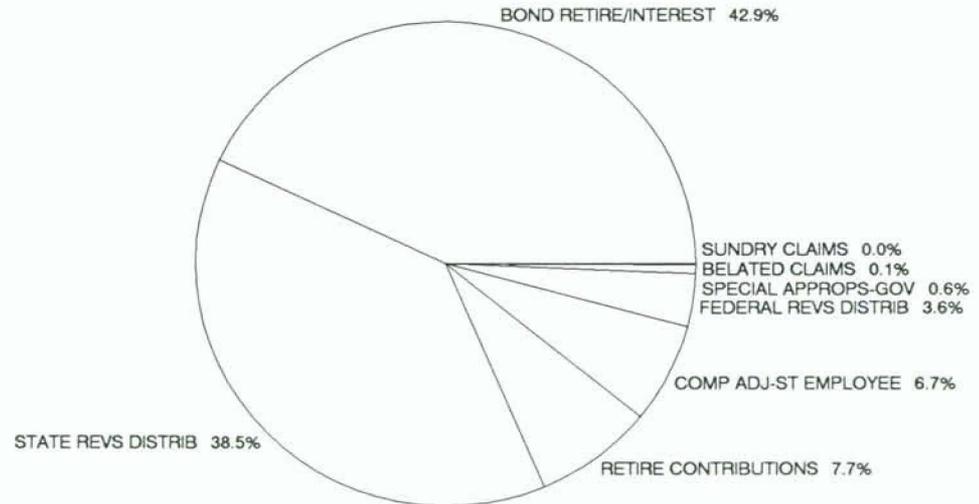
WASHINGTON STATE 1989-91 OPERATING BUDGET TOTAL ALL FUNDS (\$ 000)

LEGISLATIVE	106,879
JUDICIAL	81,883
GENERAL GOVERNMENT	1,083,800
HUMAN RESOURCES	6,915,127
NATURAL RESOURCES	780,388
TRANSPORTATION	923,416
PUBLIC SCHOOLS	6,157,860
COMMUNITY COLLEGES	722,629
FOUR YEAR SCHOOLS	2,479,174
OTHER EDUCATION	106,738
SPECIAL APPROPS	1,993,364
<hr/>	
1989-91 APPROP	21,351,258



Washington State

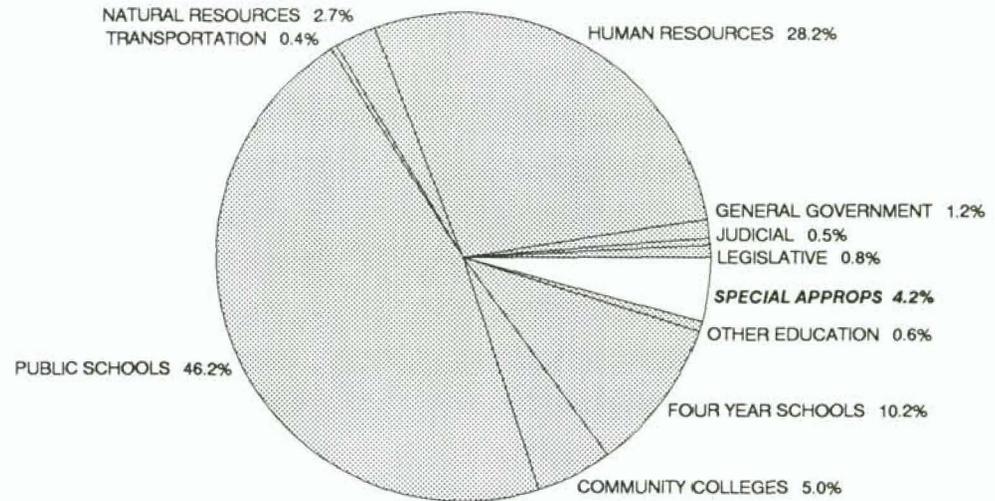
BOND RETIRE/INTEREST	855,736
STATE REVS DISTRIB	767,801
RETIRE CONTRIBUTIONS	153,424
COMP ADJ-ST EMPLOYEE	132,733
FEDERAL REVS DISTRIB	70,860
SPECIAL APPROPS-GOV	11,367
BELATED CLAIMS	1,140
SUNDRY CLAIMS	303
SPECIAL APPROPS	1,993,364



Special Approps

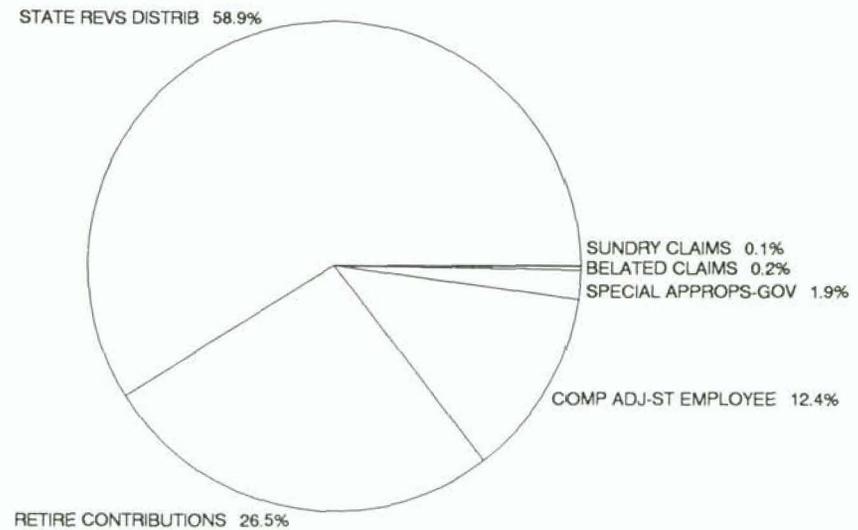
WASHINGTON STATE 1989-91 OPERATING BUDGET GENERAL FUND - STATE (\$ 000)

LEGISLATIVE	102,488
JUDICIAL	57,233
GENERAL GOVERNMENT	154,821
HUMAN RESOURCES	3,526,821
NATURAL RESOURCES	339,275
TRANSPORTATION	46,553
PUBLIC SCHOOLS	5,779,336
COMMUNITY COLLEGES	629,466
FOUR YEAR SCHOOLS	1,274,123
OTHER EDUCATION	79,626
SPECIAL APPROPS	525,963
<hr/>	
1989-91 APPROP	12,515,705



Washington State

STATE REVS DISTRIB	309,902
RETIRE CONTRIBUTIONS	139,484
COMP ADJ-ST EMPLOYEE	65,080
SPECIAL APPROPS-GOV	10,075
BELATED CLAIMS	1,140
SUNDRY CLAIMS	282
SPECIAL APPROPS	525,963



Special Approps

STATE REVENUES FOR DISTRIBUTION
 (\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	276,751	417,330	694,081
1989 SUPPLEMENTAL BUDGET			
1. FIRE INSURANCE PREMIUM TAX	-1,626	0	-1,626
2. PUBLIC UTILITY DIST EXCISE TAX	-259	0	-259
3. MOTOR VEHICLE EXCISE TAX	-1,512	0	-1,512
4. MASS TRANSIT ASSISTANCE	-1,735	0	-1,735
5. CAMPER & TRAVEL TRAILER EXCISE TAX	12	0	12
6. COUNTY SALES & USE TAX EQUALIZATION	0	-274	-274
7. MUNICIPAL SALES & USE TAX EQUALIZATION	0	-815	-815
8. TIMBER TAX DISTRIBUTION ACCOUNT	0	2,106	2,106
9. AUTOPSY REIMBURSEMENTS	0	25	25
10. LIQUOR EXCISE TAX DISTRIBUTION	0	33	33
11. MOTOR VEHICLE FUEL TAX	0	10,042	10,042
12. LIQUOR CONTROL BOARD PROFITS	0	-120	-120
TOTAL 1987-89 BIENNIUM	271,631	428,327	699,958
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	309,902	457,899	767,801
TOTAL 1989-91 BIENNIUM	309,902	457,899	767,801

Comments:

None.

FEDERAL REVENUES FOR DISTRIBUTION
 (\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	0	59,089	59,089
1989 SUPPLEMENTAL BUDGET			
1. FEDERAL FOREST RECEIPTS	0	17,500	17,500
2. FLOOD CONTROL	0	50	50
3. GEOTHERMAL	0	-50	-50
4. PUBLIC LAW 97-99	0	100	100
TOTAL 1987-89 BIENNIUM	0	76,689	76,689
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	70,860	70,860
TOTAL 1989-91 BIENNIUM	0	70,860	70,860

Comments:

None.

BOND RETIREMENT AND INTEREST
(\$ 000)

	GF-S	OTHER	TOTAL
1987-89 BIENNIUM	0	750,289	750,289
1989 SUPPLEMENTAL BUDGET			
1. FISHERIES BOND REDEMPTION 1977	0	80	80
2. WASTE DISPOSAL FACILITIES REDEMP	0	-7,723	-7,723
3. HIGHER ED BOND REDEMPTION 1977	0	-3,093	-3,093
4. INDIAN CULTURE CENTER	0	-27	-27
5. WATER SUPPLY FACILITIES BOND REDEMPTION	0	-202	-202
6. SALMON ENHANCEMENT REDEMPTION 1977	0	-1,153	-1,153
7. FIRE SERVICE TRNG BOND REDEMPTION 1977	0	-290	-290
8. STATE GENERAL OBLIG BOND REDEMPTION 1979	0	-10,874	-10,874
9. HIGHER ED BOND RETIREMENT 1979	0	-379	-379
10. COMM COLL CAPITAL CONSTRUCTION BOND REDEMP	0	-665	-665
11. WSU BOND REDEMPTION 1977	0	-27	-27
12. HWY BOND RETIREMENT FUND	0	-11,531	-11,531
13. FERRY BOND RETIREMENT 1977	0	-944	-944
14. STATE CONVENTION & TRADE CENTER	0	1,389	1,389
TOTAL 1987-89 BIENNIUM	0	714,850	714,850
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	0	855,736	855,736
TOTAL 1989-91 BIENNIUM	0	855,736	855,736

Comments:

None.

SPECIAL APPROPRIATIONS TO THE GOVERNOR
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989 SUPPLEMENTAL BUDGET			
1. WPPSS SETTLEMENT	10,000	0	10,000
TOTAL 1987-89 BIENNIUM	10,000	0	10,000
<hr/>			
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	2,000	0	2,000
POLICY ITEMS			
2. PUYALLUP TRIBAL CLAIMS	4,925	0	4,925
3. AG TORT DEFENSE	1,500	1,292	2,792
4. DEPARTMENT OF HEALTH	1,000	0	1,000
TOTAL 1989-91 BIENNIUM	9,425	1,292	10,717

Comments:

2. PUYALLUP TRIBAL CLAIMS - Meets the requirements of state participation in the Puyallup Tribal Settlement.
3. AG TORT DEFENSE - Provides funds to better facilitate the handling costs associated with the defense of tort actions against state agencies.
4. DEPARTMENT OF HEALTH - Provides for transition costs associated with the establishment of the Department of Health in Fiscal Year 1990.

Governor's Vetoes:

Section 709 (3). The Governor vetoed subsection (3), which directed the Attorney General to provide legal representation to homeowners in defending land claims brought by individual tribal members.

BELATED CLAIMS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	1,140	0	1,140
TOTAL 1989-91 BIENNIUM	<u>1,140</u>	<u>0</u>	<u>1,140</u>

Comments:

None.

SUNDRY CLAIMS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	282	21	303
TOTAL 1989-91 BIENNIUM	<u>282</u>	<u>21</u>	<u>303</u>

Comments:

None.

STATE EMPLOYEE COMPENSATION ADJUSTMENTS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	25,020	22,454	47,474
POLICY ITEMS			
1. SALARY INCREASE	40,060	45,199	85,259
TOTAL 1989-91 BIENNIUM	<u>65,080</u>	<u>67,653</u>	<u>132,733</u>

Comments:

- SALARY INCREASE - Provides funds for an across-the-board salary increase of 2.5 % on January 1, 1990, and 6.0 % on January 1, 1991, for classified and exempt state employees, and commissioned officers of the State Patrol. The commissioned officers of the State Patrol receive a further salary increase under the Transportation Budget.

CONTRIBUTIONS TO RETIREMENT SYSTEMS
(\$ 000)

	<u>GF-S</u>	<u>OTHER</u>	<u>TOTAL</u>
1987-89 BIENNIUM	11,400	109,712	121,112
1989-91			
ESSENTIAL REQUIREMENTS LEVEL	128,931	0	128,931
POLICY ITEMS			
1. COLA/\$1 MINIMUM	4,451	5,297	9,748
2. FUNDING REVISION	6,102	8,643	14,745
TOTAL 1989-91 BIENNIUM	139,484	13,940	153,424

Comments:

1. COLA/\$1 MINIMUM - Provides 3% COLA to PERS I and TRS I retirees and increases minimum retirement benefit under PERS from \$13.82 to \$14.83 per month per year of service as provided in Chapter 272, Laws of 1989.
2. FUNDING REVISION - Institutes 35 year pension funding requirement to eliminate unfunded liability, beginning July 1990, as provided in Chapter 273, Laws of 1989.