

# Omnibus Appropriations Act - Agency Detail

## DIRECTORY

<b>Agency</b>	<b>Page</b>
Accountancy, State Board of .....	100
Actuary, Office of the State .....	45
Administrative Hearings, Office of .....	79
Administrator for the Courts, Office of the .....	56
African-American Affairs, Washington State Commission on .....	87
Agency Loans .....	281
Agriculture, Department of .....	202
Arts Commission, Washington State .....	268
Asian-Pacific-American Affairs, Washington State Commission on .....	67
Attorney General, Office of the .....	71
Auditor, Office of the State .....	69
Bond Retirement & Interest .....	277
Central Washington University .....	256
Columbia River Gorge Commission .....	186
Community & Technical College System .....	249
Community, Trade, & Economic Development, Department of .....	74
Conservation Commission, State .....	194
Convention and Trade Center, State .....	109
Corrections, Department of .....	172
Court of Appeals .....	54
Criminal Justice Training Commission, Washington State .....	162
Deferred Compensation Committee .....	82
Eastern Washington State Historical Society .....	270
Eastern Washington University .....	255
Ecology, Department of .....	187
Economic & Revenue Forecast Council .....	77
Employee Compensation Adjustments, State .....	279
Employment Security, Department of .....	178
Energy Office, Washington State .....	185
Environmental Hearings Office .....	193
Financial Institutions, Department of .....	73

Agency	Page
Financial Management, Office of	78
Fish and Wildlife, Department of	198
Forensics Investigation Council	101
Gambling Commission, Washington State	84
General Administration, Department of	96
Governor, Office of the	61
Growth Management Hearings Board	108
Health Care Authority, Washington State	158
Health Care Policy Board, Washington	157
Health, Department of	168
Higher Education Coordinating Board	260
Hispanic Affairs, Washington State Commission on	86
Historical Society, Washington State	269
Horse Racing Commission, Washington	102
House of Representatives	40
Human Rights Commission	160
Indeterminate Sentence Review Board	165
Indian Affairs, Governor's Office of	66
Industrial Insurance Appeals, Board of	161
Information Services, Department of	98
Insurance Commissioner, Office of	99
Investment Board, State	90
Joint Center for Higher Education	261
Joint Legislative Systems Committee	46
Judicial Conduct, Commission on	55
Labor & Industries, Department of	163
Legislative Budget Committee	42
Legislative Evaluation & Accountability Program Committee	44
Licensing, Department of	208
Lieutenant Governor, Office of the	62
Liquor Control Board, Washington State	103
Lottery Commission, State	83
Marine Safety, Office of	196
Military Department	106
Minority & Women's Business Enterprises, Office of	95
Municipal Research Council	94
Natural Resources, Department of	200

Agency	Page
Outdoor Recreation, Interagency Committee for	192
Parks and Recreation Commission, State	190
Performance Partnership Council, Washington	43
Personnel Appeals Board	88
Personnel, Department of	80
Pollution Liability Insurance Program, Washington	204
Public Disclosure Commission	63
Public Employment Relations Commission	107
Public Schools	213
OSPI & Statewide Programs	218
General Apportionment	220
Pupil Transportation	223
School Food Services	224
Special Education	225
Traffic Safety Education	227
Educational Service Districts	228
Levy Equalization	229
Elementary & Secondary School Improvement	230
Indian Education	231
Institutional Education	232
Education of Highly Capable Students	233
Education Reform	234
Federal Encumbrances	236
Transitional Bilingual Instruction	237
Learning Assistance Program (LAP)	238
Block Grants	239
Compensation Adjustments	222
Puget Sound Water Quality Authority	195
Retirement Systems, Contributions to	280
Retirement Systems, Department of	89
Revenue, Department of	91
Salaries for Elected Officials, Citizens' Commission on	70
School for the Blind, State	271
School for the Deaf, State	272
Secretary of State, Office of the	64
Senate	41
Sentencing Guidelines Commission	177

Agency	Page
Services for the Blind, Department of .....	176
Social & Health Services, Department of .....	117
Children & Family Services .....	122
Juvenile Rehabilitation .....	126
Mental Health .....	129
Developmental Disabilities .....	132
Long-Term Care Services .....	136
Economic Services .....	140
Alcohol & Substance Abuse .....	144
Medical Assistance Payments .....	146
Vocational Rehabilitation .....	151
Administration & Supporting Services .....	152
Child Support Services .....	153
Payments to Other Agencies .....	154
Special Appropriations to the Governor .....	278
State Law Library .....	53
State Library .....	267
State Patrol, Washington .....	211
Statute Law Committee .....	47
Supreme Court .....	52
Tax Appeals, Board of .....	93
The Evergreen State College .....	257
Treasurer, Office of the State .....	68
Uniform Legislation Commission .....	110
United States Presidential Electors .....	111
University of Washington .....	251
Utilities and Transportation Commission .....	104
Veterans' Affairs, Department of .....	166
Volunteer Firefighters, Board for .....	105
Washington State University .....	253
Western Washington University .....	258
Work Force Training & Education Coordinating Board .....	266

# Legislative

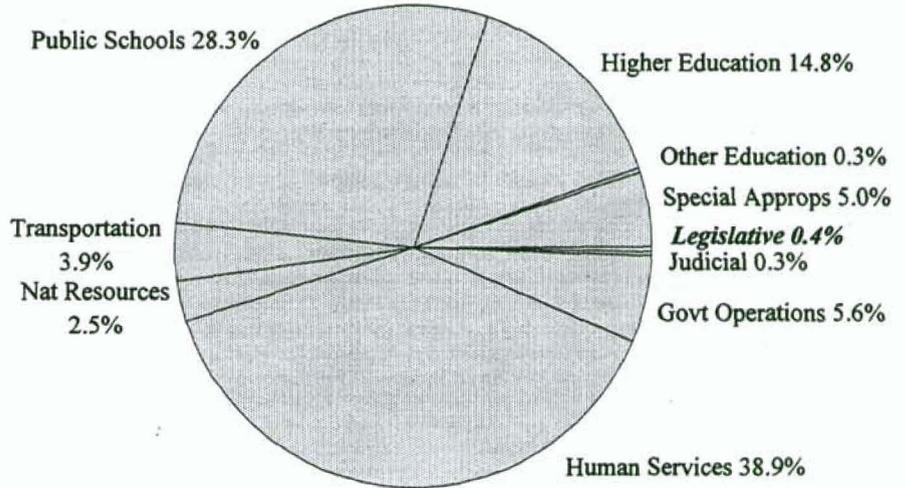
Funding is provided for several studies to be completed by the House, the Senate, and the Legislative Budget Committee.

The House and Senate fiscal committees will study privatization of state services, improving fiscal notes, and cost containment in the Department of Social and Health Services Medical Assistance and General Assistance-Unemployable programs.

The Legislative Budget Committee will conduct a performance audit of the Office of the Superintendent of Public Instruction, study the Forest Board Land Transfers pursuant to Chapter 334, Laws of 1995 (2SSB 5574), and K-12 teacher "in-service" credits pursuant to Chapter 284, Laws of 1995 (ESHB 1518). A sunset review of the Rural Assistance program is also required by June of 1997 under Chapter 226, Laws of 1995 (E2SSB 5342).

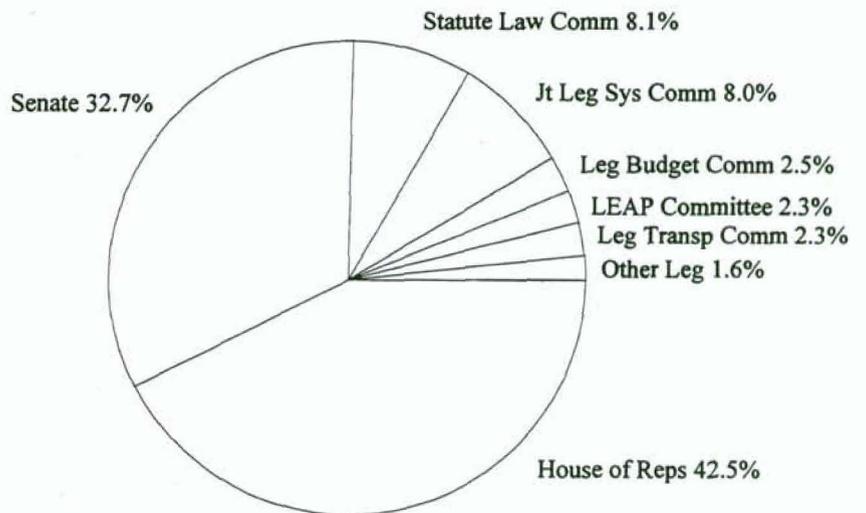
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

<i>Legislative</i>	<b>111,881</b>
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

House of Representatives	47,547
Senate	36,595
Statute Law Committee	9,094
Joint Leg Systems Comm	8,940
Leg Budget Committee	2,825
LEAP Committee	2,529
Leg Transportation Comm	2,528
Other Legislative	1,823
<i>Legislative</i>	<b>111,881</b>



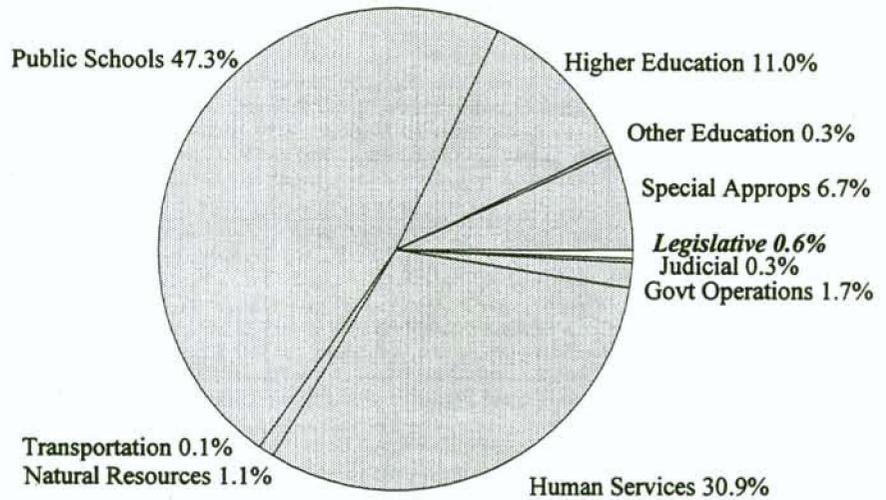
**Legislative**

# Washington State 1995-97 Operating Budget

## General Fund - State

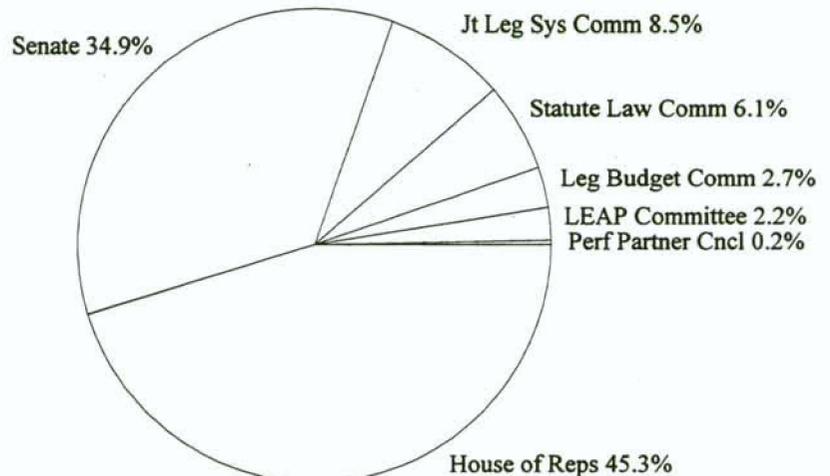
(Dollars in Thousands)

<b>Legislative</b>	<b>104,873</b>
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



### Washington State

House of Representatives	47,547
Senate	36,595
Joint Leg Systems Comm	8,900
Statute Law Committee	6,432
Leg Budget Committee	2,825
LEAP Committee	2,324
WA Perform Partner Cncl	250



<b>Legislative</b>	<b>104,873</b>
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### Legislative

**House of Representatives**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	45,362	0	45,362
<b>Biennialize Current Biennium Changes</b>	2,007	0	2,007
<b>Program Enhancements</b>			
1. Legislatively-Mandated Studies	178	0	178
<b>Total 1995-97 Biennium</b>	47,547	0	47,547
<b>Fiscal Year 1996 Totals</b>	23,862	0	23,862
<b>Fiscal Year 1997 Totals</b>	23,685	0	23,685

**Comments:**

1. LEGISLATIVELY-MANDATED STUDIES - Funds are provided for legislatively-mandated studies regarding: fiscal notes (\$38,000); the privatization of state services (\$128,000); cost containment in the DSHS Medical Assistance Program (\$100,000); and the DSHS General Assistance-Unemployable Program (\$90,000). The referenced amounts reflect the total for each study. The cost for each study will be divided equally between the House and Senate budgets.

**Senate**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	34,903	0	34,903
<b>Biennialize Current Biennium Changes</b>	1,515	0	1,515
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Agency Legal Services Adjustment	-1	0	-1
<b>Program Enhancements</b>			
2. Legislatively-Mandated Studies	178	0	178
<b>Total 1995-97 Biennium</b>	36,595	0	36,595
<b>Fiscal Year 1996 Totals</b>	17,397	0	17,397
<b>Fiscal Year 1997 Totals</b>	19,198	0	19,198

**Comments:**

1. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
2. LEGISLATIVELY-MANDATED STUDIES - Funds are provided for legislatively mandated studies regarding: fiscal notes (\$38,000); the privatization of state services (\$128,000); cost containment in the DSHS Medical Assistance Program (\$100,000); and the DSHS General Assistance-Unemployable program (\$90,000). The referenced amounts reflect the total for each study. The cost for each study will be divided equally between the House and Senate budgets.

## Legislative Budget Committee

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,418	564	2,982
<b>Eliminate One-Time Spending</b>	-400	-564	-964
<b>Biennialize Current Biennium Changes</b>	-32	0	-32
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	6	0	6
2. Merit Increments	36	0	36
3. General Inflation	8	0	8
4. Agency Legal Services Adjustment	-1	0	-1
5. Increased Computer Charges	26	0	26
6. Phone Rate Increase	4	0	4
<b>Caseload &amp; Enrollment Changes</b>			
7. Legislatively-Directed Studies	472	0	472
<b>Program Enhancements</b>			
8. Performance Audit OSPI	288	0	288
<b>Total 1995-97 Biennium</b>	<b>2,825</b>	<b>0</b>	<b>2,825</b>
<b>Fiscal Year 1996 Totals</b>	<b>1,557</b>	<b>0</b>	<b>1,557</b>
<b>Fiscal Year 1997 Totals</b>	<b>1,268</b>	<b>0</b>	<b>1,268</b>

**Comments:**

1. **INTERNAL RENTS** - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. **MERIT INCREMENTS** - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. **GENERAL INFLATION** - Funding is provided for inflation of costs for goods and services. The rates are 3.2 percent for fiscal year 1996 and 3.1 percent for fiscal year 1997.
4. **AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. **INCREASED COMPUTER CHARGES** - Provides funding for increased charges to the Legislative Service Center.
6. **PHONE RATE INCREASE** - Funding is provided for increases in phone rates and usage.
7. **LEGISLATIVELY-DIRECTED STUDIES** - Funding is provided for legislatively-mandated studies established in legislation passed during the 1995 Session. The Legislative Budget Committee is directed to study Forest Board Land Transfers (Chapter 334, Laws of 1995 -- 2SSB 5574), Teacher In-Service Credits (Chapter 284, Laws of 1995 -- ESHB 1518), and Long-Term Care Reform (Chapter 18, Laws of 1995, 1st sp.s. -- E2SHB 1908). A sunset review of the Rural Assistance Program is also required by June of 1997 pursuant to Chapter 226, Laws of 1995 (E2SSB 5342).
8. **PERFORMANCE AUDIT OSPI** - Funding is provided to conduct a performance audit of the Office of the Superintendent of Public Administration (OSPI) and report the findings to the Legislature by December 31, 1995.

## Washington Performance Partnership Council

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	500	0	500
<b>Caseload &amp; Enrollment Changes</b>			
1. Agency Start-Up	500	0	500
2. Workload Changes	-750	0	-750
<b>Total 1995-97 Biennium</b>	250	0	250
<b>Fiscal Year 1996 Totals</b>	250	0	250
<b>Fiscal Year 1997 Totals</b>	0	0	0

**Comments:**

1. AGENCY START-UP - Funding is carried forward from the 1993-95 biennium.
2. WORKLOAD CHANGES - Funding is eliminated for the Washington Performance Partnership in fiscal year 1997.

## Legislative Evaluation & Accountability Program Committee

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	2,478	0	2,478
Eliminate One-Time Spending	-126	0	-126
Biennialize Current Biennium Changes	-28	0	-28
<b>Total 1995-97 Biennium</b>	<b>2,324</b>	<b>0</b>	<b>2,324</b>
<b>Fiscal Year 1996 Totals</b>	<b>1,162</b>	<b>0</b>	<b>1,162</b>
<b>Fiscal Year 1997 Totals</b>	<b>1,162</b>	<b>0</b>	<b>1,162</b>

**Comments:**

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the LEAP Committee's budget is shown in the Transportation Budget section of this document.

## Office of the State Actuary

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	1,644	1,644
<b>Eliminate One-Time Spending</b>	0	-183	-183
<b>Biennialize Current Biennium Changes</b>	0	-4	-4
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Merit Increments	0	50	50
2. Agency Legal Services Adjustment	0	-1	-1
3. Employee Retirement	0	23	23
4. LSC Connection Increase	0	24	24
<b>Program Enhancements</b>			
5. Transfer DIS to LSC	0	20	20
<b>Total 1995-97 Biennium</b>	0	1,573	1,573
<b>Fiscal Year 1996 Totals</b>	0	772	772
<b>Fiscal Year 1997 Totals</b>	0	801	801

**Comments:**

1. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. EMPLOYEE RETIREMENT - Funding is provided for the sick leave buyout costs related to the anticipated retirement of a Senior Research Analyst in the fall of 1995.
4. LSC CONNECTION INCREASE - Funding is provided for increased charges by the Legislative Service Center's Washington Legislative Information System for bill drafting and tracking. Costs are anticipated to increase from the current \$37.50 per month total to \$100 per month per employee.
5. TRANSFER DIS TO LSC - Funding is provided to transfer actuarial processing from the Department of Information Services to an in-house computer located at the Legislative Service Center. Funding includes \$50,000 for a personal service contract to make necessary programming changes, and also recognizes a \$30,000 savings from not paying current DIS charges, which results in a net increase in funding of \$20,000. Current DIS costs of \$30,000 will be saved in future biennia. (Department of Retirement Systems Expense Account)

## Joint Legislative Systems Committee

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	9,572	0	9,572
<b>Caseload &amp; Enrollment Changes</b>			
1. Adjustment to Reach 1995-97 Target	-672	0	-672
<b>Total 1995-97 Biennium</b>	<b>8,900</b>	<b>0</b>	<b>8,900</b>
<b>Fiscal Year 1996 Totals</b>	<b>4,450</b>	<b>0</b>	<b>4,450</b>
<b>Fiscal Year 1997 Totals</b>	<b>4,450</b>	<b>0</b>	<b>4,450</b>

**Comments:**

1. ADJUSTMENT TO REACH 1995-97 TARGET - This reduction reflects the completion of equipment expenditures for the Legislative Information System. This item also provides additional funding for equipment replacement for legislative agencies.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Legislative Service Center's budget is shown in the Transportation Budget section of this document.

## Statute Law Committee

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	5,814	2,456	8,270
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Workload Changes	523	206	729
<b>Changes in Service Delivery</b>			
2. Uniform Legislation Commission	55	0	55
<b>Program Enhancements</b>			
3. Regulatory Reform Report	40	0	40
<b>Total 1995-97 Biennium</b>	6,432	2,662	9,094
<b>Fiscal Year 1996 Totals</b>	3,076	924	4,000
<b>Fiscal Year 1997 Totals</b>	3,356	1,738	5,094

**Comments:**

1. **WORKLOAD CHANGES** - Increased funding for the Statute Law Committee represents increased costs in the bill drafting, RCW codification, and Administrative Code functions. The budget defers costs associated with conversion of the RCW to a new data processing system, pending decision by the Legislative Systems Committee. In addition, some costs associated with workload changes are funded from the local Publications Account instead of the General Fund to reflect the use of the computers in publishing the Revised Code of Washington (RCW) and the Washington Administrative Code.
2. **UNIFORM LEGISLATION COMMISSION** - Funding for the Uniform Legislation Commission, previously appropriated to the Commission as a separate entity, is transferred to the Statute Law Committee.
3. **REGULATORY REFORM REPORT** - Pursuant to the Regulatory Reform Act (Chapter 403, Laws of 1995 -- ESHB 1010), funding is provided for the Code Revisor to publish a quarterly report regarding state agency rulemaking activities.

# Judicial

## **Office of Administrator for the Courts**

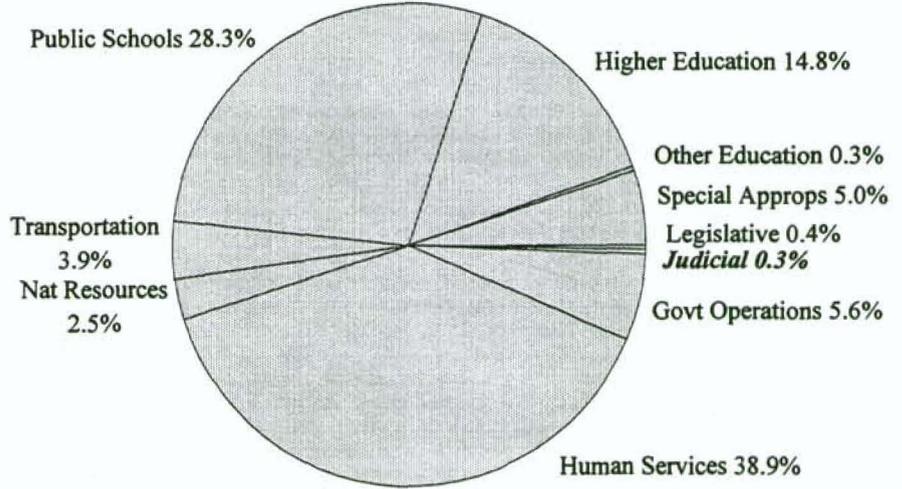
The amount of \$5.7 million from the Judicial Information Systems Account is provided for information system improvements, including: expanding the Judicial Information System to 42 additional courts; improvement of the alias detection and information exchange systems; and enhancements to the juvenile court information system.

Funding is provided to implement Chapter 246, Laws of 1995 (ESSB 5219) which requires specific information on domestic violence orders to be entered into the Judicial Information System data base. Funding is also provided to add an additional Superior Court Judge for Clark County, beginning July 1, 1996, pursuant to Chapter 117, Laws of 1995 (2SSB 5235).



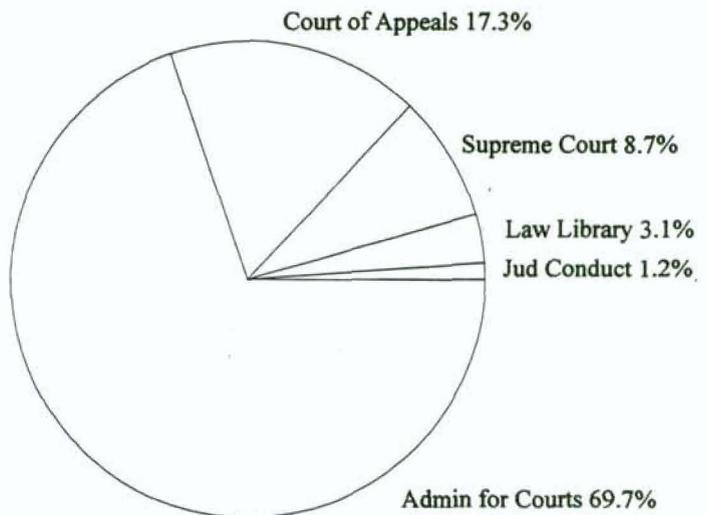
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
<b>Judicial</b>	<b>102,194</b>
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

Admin for the Courts	71,235
Court of Appeals	17,668
Supreme Court	8,875
State Law Library	3,215
Judicial Conduct Comm	1,201
<b>Judicial</b>	<b>102,194</b>



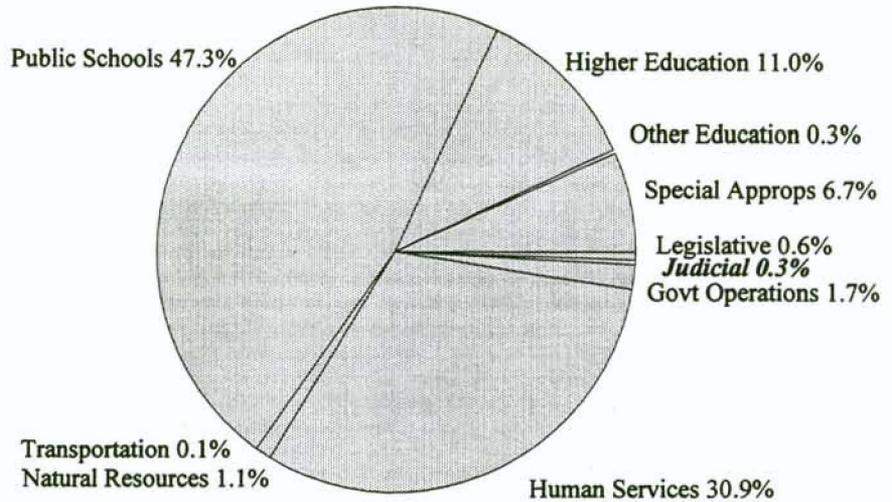
**Judicial**

# Washington State 1995-97 Operating Budget

## General Fund - State

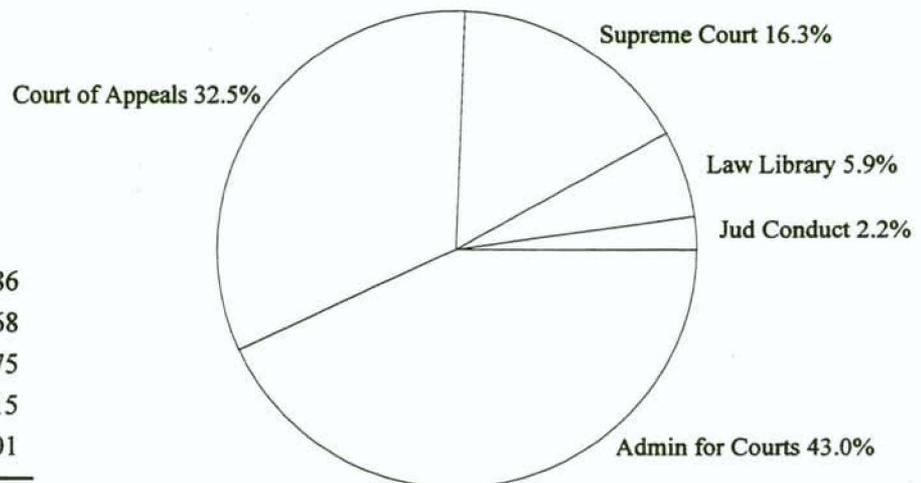
(Dollars in Thousands)

Legislative	104,873
<b>Judicial</b>	<b>54,345</b>
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



### Washington State

Admin for the Courts	23,386
Court of Appeals	17,668
Supreme Court	8,875
State Law Library	3,215
Judicial Conduct Comm	1,201
<b>Judicial</b>	<b>54,345</b>



### Judicial

**Supreme Court**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	9,560	0	9,560
<b>Eliminate One-Time Spending</b>	-224	0	-224
<b>Biennialize Current Biennium Changes</b>	-570	0	-570
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	89	0	89
2. Merit Increments	117	0	117
3. Compensation Changes	-2	0	-2
<b>Program Enhancements</b>			
4. SSB 5724 State Court Reports	-95	0	-95
<b>Total 1995-97 Biennium</b>	<b>8,875</b>	<b>0</b>	<b>8,875</b>
<b>Fiscal Year 1996 Totals</b>	<b>4,419</b>	<b>0</b>	<b>4,419</b>
<b>Fiscal Year 1997 Totals</b>	<b>4,456</b>	<b>0</b>	<b>4,456</b>

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. SSB 5724 STATE COURT REPORTS - Chapter 257, Laws of 1995 (SSB 5724) changes the responsibilities of the Commission on Supreme Court Reports to a commission advisory to the Supreme Court. It reduces costs by reducing the number of copies of Court of Appeals and Supreme Court decisions provided free of charge and implements a reorganization of the Reporter of Decisions' Office.

**State Law Library**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	3,186	0	3,186
<b>Biennialize Current Biennium Changes</b>	-4	0	-4
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	46	0	46
2. Interagency Billings - Audit	8	0	8
3. Merit Increments	29	0	29
4. Increase Storage Lease	2	0	2
5. Carry Forward for Copier Lease	4	0	4
<b>Program Reductions</b>			
6. Reduction in Publications & Equip.	-50	0	-50
<b>Program Enhancements</b>			
7. SSB 5724 State Court Reports	-6	0	-6
<b>Total 1995-97 Biennium</b>	3,215	0	3,215
<b>Fiscal Year 1996 Totals</b>	1,607	0	1,607
<b>Fiscal Year 1997 Totals</b>	1,608	0	1,608

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - AUDIT - A funding adjustment is made to reflect the costs of interagency billings.
3. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
4. INCREASE STORAGE LEASE - Funding is provided for the estimated increase in lease costs for storage.
5. CARRY FORWARD FOR COPIER LEASE - Funding is provided for the carryforward cost of leasing a new copier in the 1993-95 biennium.
6. REDUCTION IN PUBLICATIONS & EQUIP. - Funding is reduced for the purchase of publications and equipment.
7. SSB 5724 STATE COURT REPORTS - Chapter 257, Laws of 1995 (SSB 5724) changes the responsibilities of the Commission on Supreme Court Reports to a commission advisory to the Supreme Court. It reduces costs by reducing the number of copies of Court of Appeals and Supreme Court decisions provided free of charge and implements a reorganization of the Reporter of Decisions' Office.

**Court of Appeals**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	17,436	0	17,436
<b>Eliminate One-Time Spending</b>	-556	0	-556
<b>Biennialize Current Biennium Changes</b>	542	0	542
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	-4	0	-4
<b>Program Enhancements</b>			
2. Non-Judicial Staff Increase	250	0	250
<b>Total 1995-97 Biennium</b>	17,668	0	17,668
<b>Fiscal Year 1996 Totals</b>	8,834	0	8,834
<b>Fiscal Year 1997 Totals</b>	8,834	0	8,834

**Comments:**

1. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
2. NON-JUDICIAL STAFF INCREASE - Funding is provided for additional staff for the Court of Appeals.

**Commission on Judicial Conduct**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	1,064	0	1,064
<b>Eliminate One-Time Spending</b>	-4	0	-4
<b>Biennialize Current Biennium Changes</b>	130	0	130
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Merit Increments	37	0	37
2. Agency Legal Services Adjustment	-1	0	-1
<b>Program Reductions</b>			
3. Reduce Ethics Commission Support	-25	0	-25
<b>Total 1995-97 Biennium</b>	1,201	0	1,201
<b>Fiscal Year 1996 Totals</b>	595	0	595
<b>Fiscal Year 1997 Totals</b>	606	0	606

**Comments:**

1. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. REDUCE ETHICS COMMISSION SUPPORT - Funding is reduced for administrative support staff, Commission meetings, and travel costs.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Office of the Administrator for the Courts

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	23,982	48,116	72,098
<b>Eliminate One-Time Spending</b>	-100	-352	-452
<b>Biennialize Current Biennium Changes</b>	-590	-4,658	-5,248
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	4	0	4
2. Compensation Changes	27	-11	16
<b>Changes in Service Delivery</b>			
3. Administrative Efficiencies	0	-413	-413
4. Judicial Support Efficiencies	0	-575	-575
<b>Program Enhancements</b>			
5. Indigent Defense Caseload	0	-494	-494
6. Thurston County Impact Fees	0	138	138
7. Minority and Justice Commission	0	100	100
8. Gender and Justice Commission	0	212	212
9. 2SSB 5235 Clark County Judge	63	0	63
10. ESSB 5219 Domestic Violence	0	136	136
11. Judicial Information Funding Pool	0	5,650	5,650
<b>Total 1995-97 Biennium</b>	23,386	47,849	71,235
<b>Fiscal Year 1996 Totals</b>	11,658	26,272	37,930
<b>Fiscal Year 1997 Totals</b>	11,728	21,577	33,305

**Comments:**

- INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
- COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
- ADMINISTRATIVE EFFICIENCIES - Funding is reduced for administration in the Office of the Administrator for the Courts. (Public Safety and Education Account)
- JUDICIAL SUPPORT EFFICIENCIES - Funding is reduced for the Judicial Support Program of the Office of the Administrator for the Courts. (Public Safety and Education Account)
- INDIGENT DEFENSE CASELOAD - The number of indigent appellate defense cases are currently overestimated by approximately 130 per year. The budget reduces funding for the adjusted caseload by \$1,900 per case. (Public Safety and Education Account)
- THURSTON COUNTY IMPACT FEES - Funding is provided for Thurston County Impact fees to more accurately represent the costs associated with the current number of state cases processed. (Public Safety and Education Account)
- MINORITY AND JUSTICE COMMISSION - Funding is provided for development and continuation of ongoing education and research programs and adds a support staff person. (Public Safety and Education Account)
- GENDER AND JUSTICE COMMISSION - Funding is provided for a permanent Gender and Justice Commission to continue the work of the Gender and Justice Task Force. (Public Safety and Education Account)
- 2SSB 5235 CLARK COUNTY JUDGE - Funding is provided for Chapter 117, Laws of 1995 (2SSB 5235) which adds an additional Superior Court judge for Clark County, beginning July 1, 1996.
- ESSB 5219 DOMESTIC VIOLENCE - Funding is provided for Chapter 246, Laws of 1995 (ESSB 5219) which requires specific information to be entered into the Judicial Information System database system on domestic violence orders. (Judicial Information Systems Account, Public Safety and Education Account)
- JUDICIAL INFORMATION FUNDING POOL - Provides a funding pool for various judicial computer equipment items requested by the judicial branch from Fund 543, the Judicial Information Systems Account. It is expected that expanding services to courts, the state law library, technology improvements, and criminal justice proposals would receive priority consideration. (Judicial Information Systems Account)

# Governmental Operations

## **Regulatory Reform**

The amount of \$4.4 million from the state general fund and \$6.3 million from other funds is provided to improve the state's regulatory climate through implementation of Chapter 403, Laws of 1995 (ESHB 1010). Fourteen agencies are provided resources to re-examine and revise rules. Technical assistance efforts are also enhanced to help individuals and organizations comply with regulations. The fourteen agencies are throughout the major areas of state government, including Governmental Operations, Natural Resources, Human Services, Legislative, and Transportation.

## **Americorps**

The amount of \$300,000 from the state general fund and \$12.3 million in federal funding is provided to the Office of Financial Management. This funding will allow the state to participate in the new federal National and Community Service Act (Americorps) to increase the participation of volunteers in public service.

## **Liquor Control Board Point-of-Sale System**

The amount of \$722,000 from the Liquor Revolving Account will be used to provide Washington State liquor stores with a new "Point-of-Sale" system to improve sales tracking, inventory control, and tax information.

## **Department of Personnel Human Resource Information System**

The amount of \$2.6 million is provided to establish a statewide human resource information data base. This will improve completeness and accuracy of personnel information and make it more accessible to users.

## **Board of Tax Appeals Backlog**

The amount of \$700,000 from the state general fund is provided for a five-year plan to reduce the current tax appeals backlog.

## **Secretary of State**

Funding is provided for costs associated with dissolution and reinstatement of corporations under Chapter 47, Laws of 1995 (SSB 5334) and for administration of limited liability partnerships authorized by Chapter 337, Laws of 1995 (SSB 5374).

## **Office of the State Auditor**

Funding is provided to automate the audit process. This one-time expenditure will allow the phase-out of ten staff in the second year of the biennium.

## **Office of the Attorney General**

Funding for agency legal services and the Laser program is reduced by \$4.5 million as a result of a needs analysis completed by the Attorney General's Office division chiefs and the management of affected agencies. The Attorney General's Office has implemented other efficiencies in order to continue the Laser program which provides mediation training to high school students in an effort to prevent juvenile violence.

The amount of \$3.6 million is provided for Assistant Attorney General salary increases, and \$2.4 million is provided for several state agencies requiring enhanced legal services to meet specific requirements in the 1995-97 biennium.

**Department of Community, Trade, and Economic Development**

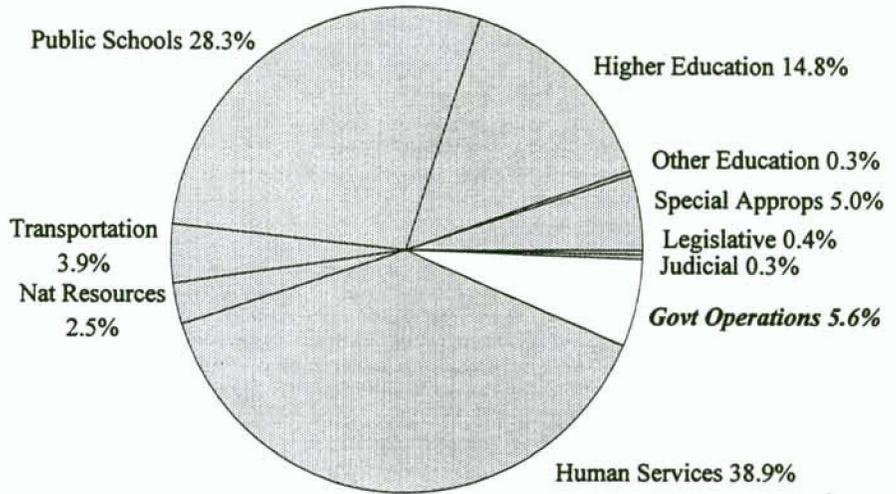
A total of \$3.5 million is provided for additional technical assistance to implement the State Environmental Policy Act and Growth Management Act, pursuant to Chapter 347, Laws of 1995 (ESHB 1724).

**Department of Retirement Systems**

Funding is provided to implement the Plan 3 retirement system and to assume the responsibilities of the Deferred Compensation Committee pursuant to Chapter 239, Laws of 1995 (ESHB 1206).

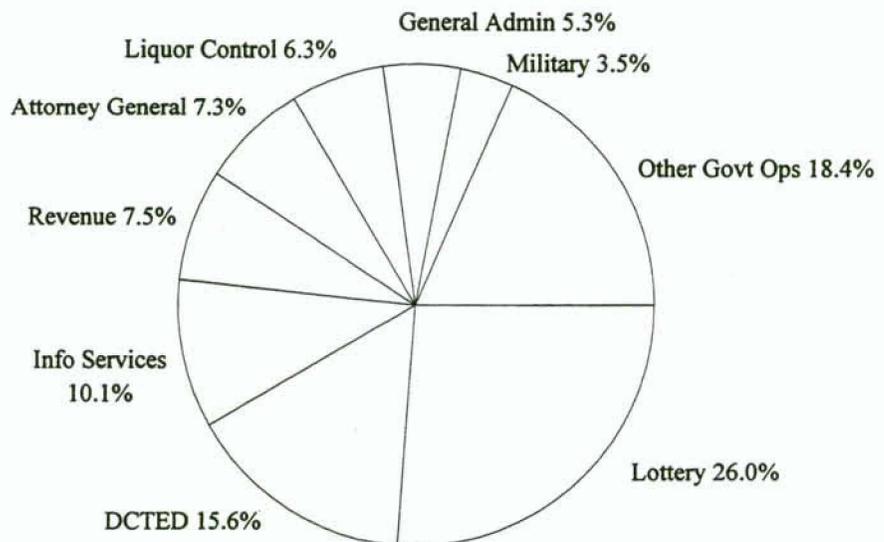
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
<b>Governmental Operations</b>	<b>1,789,938</b>
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

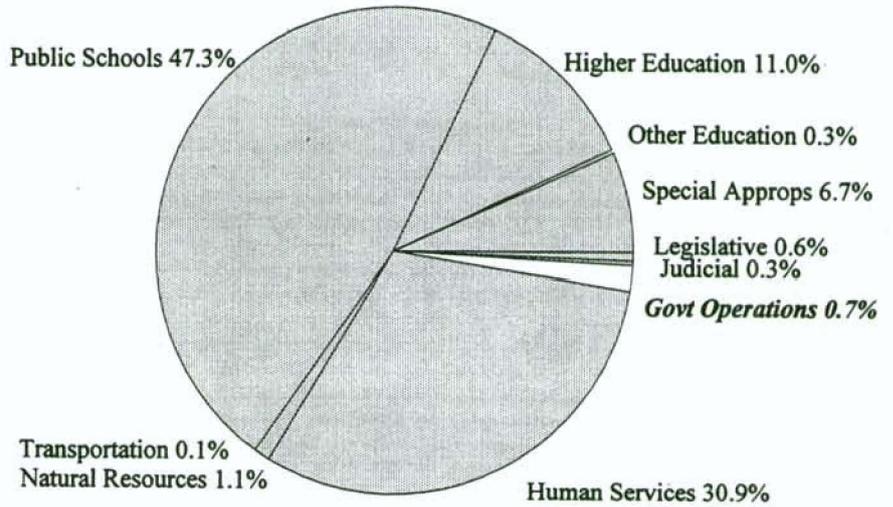
State Lottery Comm	465,718
Comm/Trade/Econ Dev	278,822
Dept of Info Services	180,414
Dept of Revenue	133,786
Attorney General	131,305
Liquor Control Board	113,461
Dept of General Admin	94,207
Military Department	62,056
Other Govt Operations	330,169
<b>Governmental Operations</b>	<b>1,789,938</b>



**Governmental Operations**

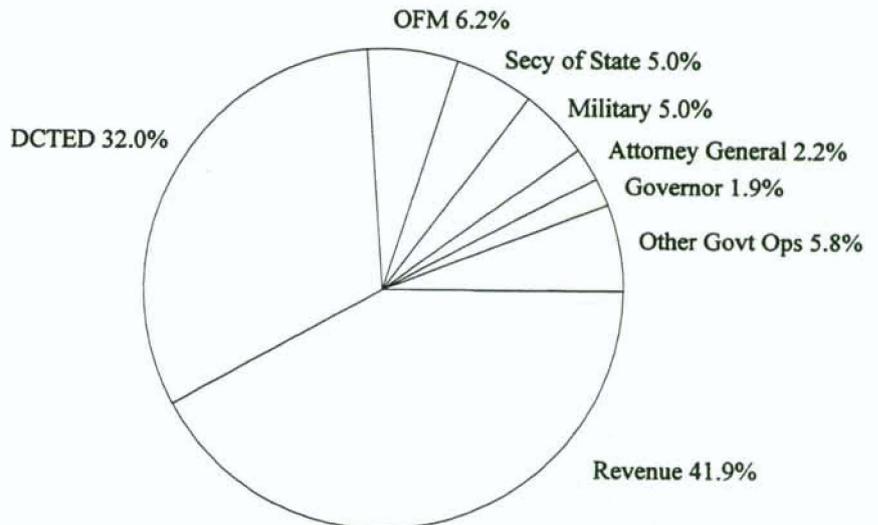
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
<b>Governmental Operations</b>	<b>299,904</b>
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

Dept of Revenue	125,667
Comm/Trade/Econ Dev	95,955
Office of Financial Mgmt	18,620
Secretary of State	15,099
Military Department	14,951
Attorney General	6,453
Office of Governor	5,797
Other Govt Operations	17,362
<b>Governmental Operations</b>	<b>299,904</b>



**Governmental Operations**

**Office of the Governor**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	6,000	0	6,000
<b>Biennialize Current Biennium Changes</b>	-12	0	-12
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	57	0	57
2. Interagency Billings	-68	0	-68
3. Compensation Changes	2	0	2
4. Agency Legal Services Adjustment	-1	0	-1
<b>Program Reductions</b>			
5. Administrative Reductions	-181	0	-181
<b>Total 1995-97 Biennium</b>	5,797	0	5,797
<b>Fiscal Year 1996 Totals</b>	2,899	0	2,899
<b>Fiscal Year 1997 Totals</b>	2,898	0	2,898

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. ADMINISTRATIVE REDUCTIONS - Funding is eliminated for one staff position and associated expenditures.

## Office of the Lieutenant Governor

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	484	0	484
<b>Biennialize Current Biennium Changes</b>	-2	0	-2
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	3	0	3
2. Interagency Billings	1	0	1
3. Compensation Changes	-1	0	-1
<b>Total 1995-97 Biennium</b>	485	0	485
<b>Fiscal Year 1996 Totals</b>	242	0	242
<b>Fiscal Year 1997 Totals</b>	243	0	243

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.

## Public Disclosure Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures *	2,172	0	2,172
Eliminate One-Time Spending	-290	0	-290
Biennialize Current Biennium Changes	-6	0	-6
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Pay Off Lease Purchase	-15	0	-15
2. Retrospective Rating Refund	0	1	1
3. Interagency Billings	4	0	4
4. Merit Increments	23	0	23
5. Compensation Changes	-1	0	-1
6. Agency Legal Services Adjustment	-9	0	-9
<b>Caseload &amp; Enrollment Changes</b>			
7. Restore Attorney General	126	0	126
<b>Changes in Service Delivery</b>			
8. Electronic Add Savings	-59	0	-59
<b>Program Enhancements</b>			
9. Restore Initiative 134	80	0	80
10. Restore Electronic Access	68	0	68
11. Improve Electronic Access	59	0	59
<b>Total 1995-97 Biennium</b>	<b>2,152</b>	<b>1</b>	<b>2,153</b>
<b>Fiscal Year 1996 Totals</b>	<b>1,107</b>	<b>1</b>	<b>1,108</b>
<b>Fiscal Year 1997 Totals</b>	<b>1,045</b>	<b>0</b>	<b>1,045</b>

**Comments:**

1. PAY OFF LEASE PURCHASE - The agency will complete payment for the two lease-purchase agreements entered into during the 1991-93 biennium early in the ensuing biennium.
2. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
4. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
5. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
6. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
7. RESTORE ATTORNEY GENERAL - Funds are provided for Attorney General services, allowing the Commission to maintain 1.0 Attorney General FTE staff for rule-making, interpretation, and enforcement of Initiative 134 and the Public Disclosure Act.
8. ELECTRONIC ADD SAVINGS - Reflects the savings that will be generated as a result of funding the electronic access improvement package. These savings derive from eliminating the need for replacing microfilm equipment, renewing microfilm maintenance agreements, and purchasing microfilm supplies. It is also anticipated that savings will be realized on printing expenditures as a result of the new technology.
9. RESTORE INITIATIVE 134 - Provides funding to continue the unfinished implementation of Initiative 134, which will not be complete until the 1996 election cycle.
10. RESTORE ELECTRONIC ACCESS - Funding is provided for the replacement of cabling, software upgrades, and temporary data entry assistance to implement the electronic access designed by the Commission in compliance with Chapter 40, Laws of 1994 (E2SSB 6426). This item also provides funding for the development of an electronic filing system. An additional \$13,000 reflects a revised cost estimate by the Department of Information Services.
11. IMPROVE ELECTRONIC ACCESS - Funding is provided to continue work begun under Chapter 40, Laws of 1994 (E2SSB 6426) to improve electronic access to Commission information. Specifically, funds are provided for conversion from the existing microfilm system to an imaging/CD ROM storage system (allowing the Commission to produce hard copies of data requested by the public) and a fax-on-demand system to allow 24-hour access to PDC data from any PC/modem.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Office of the Secretary of State

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	8,522	5,756	14,278
<b>Eliminate One-Time Spending</b>	-40	-618	-658
<b>Biennialize Current Biennium Changes</b>	-56	128	72
<b>Inflation &amp; Other Rate Adjustments</b>			
1. DIS Database Rate Increase	10	2	12
2. Productivity Board Salary Realloc	0	46	46
3. Internal Rents	16	166	182
4. Interagency Billings	155	66	221
5. General Inflation	113	53	166
6. Compensation Changes	-4	-2	-6
7. Agency Legal Services Adjustment	-14	-4	-18
<b>Caseload &amp; Enrollment Changes</b>			
8. National Voter Registration Act	460	0	460
9. Voters Pamphlet/Odd Year Elections	1,773	0	1,773
10. Presidential Preference Primary	3,157	0	3,157
11. Open Puget Sound Regional Archive	0	11	11
<b>Changes in Service Delivery</b>			
12. Consolidate Presidential Electors	1	0	1
<b>Program Reductions</b>			
13. Eliminate Small County Subsidy	-36	0	-36
<b>Program Enhancements</b>			
14. Registration File Maintenance	211	0	211
15. Obsolete Records Disposal	0	135	135
16. Corporations Act	244	6	250
17. Limited Liability Partnerships	297	0	297
18. Oral History Program	150	0	150
19. Census Block Boundary Program	140	0	140
20. Public Electronic Records	0	10	10
<b>Total 1995-97 Biennium</b>	15,099	5,755	20,854
<b>Fiscal Year 1996 Totals</b>	9,175	2,850	12,025
<b>Fiscal Year 1997 Totals</b>	5,924	2,905	8,829

**Comments:**

1. DIS DATABASE RATE INCREASE - Funding is provided for increases in the rate of database management charged by the Department of Information Services (DIS).
2. PRODUCTIVITY BOARD SALARY REALLOC - Funding is provided for reallocation of six positions following a Department of Personnel desk audit. (Department of Personnel Service Account)
3. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. GENERAL INFLATION - Funding is provided for inflation of costs for goods and services. The rates are 3.2 percent for fiscal year 1996 and 3.1 percent for fiscal year 1997.
6. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
7. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
8. NATIONAL VOTER REGISTRATION ACT - The National Voter Registration Act (NVRA) of 1993 placed new requirements on states to offer voters registration service in all offices serving clients funded through federal programs. In 1994, state legislation designated the Secretary of State as the lead agency to coordinate the program at the state and local level. Funding requirements have been estimated by experience with the similar Motor-Voter program at estimated transaction levels provided by some of the affected agencies. Start-up funding of \$112,000 is provided for training, equipment, and forms

## Office of the Secretary of State

design and revision. The remainder of the appropriation is for on-going program costs.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

9. VOTERS PAMPHLET/ODD YEAR ELECTIONS - Funding is provided for costs associated with the production and distribution of voters' and candidates' pamphlets, initiative verifications, and administering odd-year elections.
10. PRESIDENTIAL PREFERENCE PRIMARY - Funding is provided to reimburse counties for costs associated with the 1996 Presidential Preference Primary Election, as directed by RCW 29.19.080. Funding levels are based on actual reimbursement for the 1992 election.
11. OPEN PUGET SOUND REGIONAL ARCHIVE - Funding is provided for moving expenses from the Burien facility to the new Puget Sound Regional Archive Branch, scheduled for construction during the 1995-97 biennium. The new facility, which will be co-located with the Bellevue Community College, is anticipated to open in July 1997. (Archives and Records Management Account)
12. CONSOLIDATE PRESIDENTIAL ELECTORS - Activities performed by the United States Presidential Electors are transferred to the Secretary of State. The agency will be abolished.
13. ELIMINATE SMALL COUNTY SUBSIDY - Counties with less than 10,000 registered voters receive a voter registration subsidy of 30 cents per registered voter to defray the cost of file maintenance. This subsidy originated at the outset of computer automation of voters' records. It was intended to help small counties that could not afford the new technology. With the reduced cost of personal computers and the technical assistance provided by the Office of the Secretary of State, this subsidy is no longer required. (Voter Registration Subsidy)
14. REGISTRATION FILE MAINTENANCE - The Secretary of State is constitutionally required to verify initiative and referenda petitions by comparing signatures to voter registration cards. The number of registered voters has increased 148 percent since 1989 due to population growth and the Motor-Voter Registration Program. Additional growth in the number of registered voters is anticipated with the implementation of the National Voters Registration Act. File maintenance includes adding new voters, pulling inactive cards, and requesting new cards from voters whose signatures change over time.
15. OBSOLETE RECORDS DISPOSAL - Funding is provided to eliminate a backlog of expired records over a five year period. One-time funding of \$58,000 is provided to purchase a box retrieval crane, barcode reader, and computer equipment. (Archives and Records Management Account)
16. CORPORATIONS ACT - Funding is provided for costs associated with dissolution and reinstatement of corporations as directed by Chapter 47, Laws of 1995 (SSB 5334). (General Fund-State, Archives and Records Management Account)
17. LIMITED LIABILITY PARTNERSHIPS - Funding is provided for administration of Limited Liability Partnerships as authorized by Chapter 337, Laws of 1995 (SSB 5374).
18. ORAL HISTORY PROGRAM - Funding is provided to restore the Oral History Program. The program records and publishes the formulation of public policy through oral narratives by former state officials.
19. CENSUS BLOCK BOUNDARY PROGRAM - One-time funding is provided for the state's participation in the U.S. Census Block Boundary Suggestion Program to update precinct and other geographical data to facilitate the upcoming census and redistricting process.
20. PUBLIC ELECTRONIC RECORDS - Funding is provided for preservation of public electronic records as directed by Chapter 326, Laws of 1995 (SHB 1497). (Archives and Records Management Account)

**Governor's Office of Indian Affairs**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	300	0	300
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	2	0	2
2. Interagency Billings	1	0	1
<b>Total 1995-97 Biennium</b>	303	0	303
<b>Fiscal Year 1996 Totals</b>	151	0	151
<b>Fiscal Year 1997 Totals</b>	152	0	152

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.

## Washington State Commission on Asian-Pacific-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	338	0	338
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Moving Expenses - Rent Increase	7	0	7
2. Interagency Billings	1	0	1
<b>Total 1995-97 Biennium</b>	346	0	346
<b>Fiscal Year 1996 Totals</b>	173	0	173
<b>Fiscal Year 1997 Totals</b>	173	0	173

**Comments:**

1. MOVING EXPENSES - RENT INCREASE - Funding is provided for moving expenses and lease increases. The agency will collocate with other minority affairs commissions.
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.

## Office of the State Treasurer

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	4,990	9,740	14,730
<b>Eliminate One-Time Spending</b>	-4,990	-268	-5,258
<b>Biennialize Current Biennium Changes</b>	0	198	198
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	56	56
2. Interagency Billings	0	85	85
3. Merit Increments	0	67	67
4. Compensation Changes	0	3	3
5. Agency Legal Services Adjustment	0	-3	-3
<b>Caseload &amp; Enrollment Changes</b>			
6. Lease/Purchase Carry Forward	0	40	40
<b>Program Enhancements</b>			
7. Local Area Network (LAN)	0	254	254
8. Lease/Purchase Program	0	282	282
<b>Total 1995-97 Biennium</b>	0	10,454	10,454
<b>Fiscal Year 1996 Totals</b>	0	5,190	5,190
<b>Fiscal Year 1997 Totals</b>	0	5,264	5,264

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
4. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. LEASE/PURCHASE CARRY FORWARD - Carry-forward costs of lease-purchase contracts obligated in the 1993-95 biennium will be greater in the 1995-97 biennium. (State Treasurer's Service Account)
7. LOCAL AREA NETWORK (LAN) - Funding is provided for a computer specialist, on-going maintenance, software replacement, and staff training. (State Treasurer's Service Account)
8. LEASE/PURCHASE PROGRAM - FTE staff and associated funding are provided for administrative increases in real estate projects financed through the lease-purchase program. (Treasurer Service Fund)

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Office of the State Treasurer's budget is shown in the Transportation Budget section of this document.

**Office of the State Auditor**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	20	37,714	37,734
<b>Biennialize Current Biennium Changes</b>	0	-90	-90
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	68	68
2. Interagency Billings	0	150	150
3. Agency Legal Services Adjustment	0	-26	-26
<b>Caseload &amp; Enrollment Changes</b>			
4. Reduced Federal Support	0	-156	-156
5. Compensation Changes	0	1	1
<b>Changes in Service Delivery</b>			
6. Improve Process/Accountability Act	0	-694	-694
7. Cycle Financial Audits	0	-1,022	-1,022
8. Automate Audit Process	0	755	755
<b>Program Enhancements</b>			
9. Adult Sentencing Increase	2	0	2
<b>Total 1995-97 Biennium</b>	22	36,700	36,722
<b>Fiscal Year 1996 Totals</b>	12	19,146	19,158
<b>Fiscal Year 1997 Totals</b>	10	17,554	17,564

**Comments:**

- |   |   |
|---|---|
| <p>1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).</p> <p>2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>4. REDUCED FEDERAL SUPPORT - A contract for audit services with the federal Bonneville Power Administration has been completed.</p> <p>5. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.</p> <p>6. IMPROVE PROCESS/ACCOUNTABILITY ACT - The Accountability Act of 1993 directs state agencies to develop internal auditing controls. The Auditor's Office will use the data and findings from selected agencies' internal control systems to facilitate audits, resulting in reduced State Auditor FTE staff years and related costs. (State Audit Services Revolving Fund)</p> <p>7. CYCLE FINANCIAL AUDITS - The State Auditor's Office will scale back and lengthen the cycle of financial audits of state agencies and local governments. This will only impact entities with strong financial positions and a history of good financial accountability and which have no federal, bond covenant, or other requirement for more frequent audits. (Municipal Revolving Fund, State Audit Services Revolving Fund)</p> <p>8. AUTOMATE AUDIT PROCESS - Funding is provided for lap-top computers and integrated software. This one-time expenditure will allow the phase-out of ten staff in the second year of the biennium,</p> | <p>resulting in savings of \$500,000. Savings in the 1997-99 biennium will be at least \$1 million. The computers, software, and training necessary to implement this initiative cost \$1.4 million. The project has a payback period of three years. (Municipal Revolving Fund, State Audit Services Revolving Fund)</p> <p>9. ADULT SENTENCING INCREASE - Funding is provided for studies in adult sentencing as directed by Chapter 19, Laws of 1995, 1st sp.s. (2E2SHB 2010).</p> |
|---|---|

## Citizens' Commission on Salaries for Elected Officials

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	66	0	66
Eliminate One-Time Spending	-116	0	-116
Biennialize Current Biennium Changes	116	0	116
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	-1	0	-1
<b>Total 1995-97 Biennium</b>	<b>65</b>	<b>0</b>	<b>65</b>
<b>Fiscal Year 1996 Totals</b>	<b>6</b>	<b>0</b>	<b>6</b>
<b>Fiscal Year 1997 Totals</b>	<b>59</b>	<b>0</b>	<b>59</b>

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.

## Office of the Attorney General

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	5,985	106,844	112,829
<b>Biennialize Current Biennium Changes</b>	653	-214	439
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Transfer of Paralegal Staff	0	9,570	9,570
2. Internal Rents	0	1,051	1,051
3. Interagency Billings	27	419	446
<b>Caseload &amp; Enrollment Changes</b>			
4. Interagency Agreements	0	4,636	4,636
5. University Interagency Agreement	0	616	616
<b>Program Reductions</b>			
6. Reduce Funding of Ethics Program	-187	0	-187
7. Reduce Legal Services/Laser Program	0	-4,530	-4,530
<b>Program Enhancements</b>			
8. WAN/LAN Computer System	0	305	305
9. Attorney Salary Increase	0	3,648	3,648
10. Increased Legal Demand	0	2,375	2,375
11. Reduced Administrative Costs	-25	0	-25
12. Criminal Litigation Unit	0	8	8
13. Health Care Anti-Trust	0	124	124
<b>Total 1995-97 Biennium</b>	6,453	124,852	131,305
<b>Fiscal Year 1996 Totals</b>	3,228	62,624	65,852
<b>Fiscal Year 1997 Totals</b>	3,225	62,228	65,453

**Comments:**

- TRANSFER OF PARALEGAL STAFF - Support services within the Attorney General's Office (paralegals, legal secretaries, support services, travel costs, etc.) were transferred from the Department of Social and Health Services, the Department of Natural Resources, the Department of Revenue, and the Department of Ecology to the Attorney General's Office during the 1993-95 biennium as a result of an Attorney General's report to the Office of Financial Management in April 1994. No additional staff or FTEs are created. The consolidation of support services allows for centralized accounting for all legal-related costs, uniform staff training, and greater flexibility in support staff assignments. (Legal Services Revolving Fund)
- INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
- INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
- INTERAGENCY AGREEMENTS - These additional staff and funds represent the biennialization of Interagency Agreements made between 14 state agencies and the Attorney General's Office for additional legal services during the 1993-95 Biennium. (Legal Services Revolving Fund)
- UNIVERSITY INTERAGENCY AGREEMENT - The University of Washington is provided additional legal services to handle increased tort law suits brought by students and employees against the University. (Legal Services Revolving Fund)
- REDUCE FUNDING OF ETHICS PROGRAM - This item reflects lower-than-anticipated costs in the implementation and operation of the new Ethics in Government Program.
- REDUCE LEGAL SERVICES/LASER PROGRAM - Assistant Attorney General positions are reduced by 33.1 FTE staff years. Savings include salaries and associated support costs. These reductions result from a combined review and recommendation by the Attorney General's Office division chiefs and the management of affected agencies. The Attorney General's Office has developed other management efficiencies in order to assume responsibilities for the Laser Program without requiring any additional funding. The Laser Program is a joint effort between the Attorney General's Office and the Washington State Bar Association to provide mediation training to local high school students in an effort to prevent juvenile violence. (Legal Services Revolving Fund)
- WAN/LAN COMPUTER SYSTEM - The agency's Prime Computer is replaced with a wide area/local area computer network. (Legal Services Revolving Fund)
- ATTORNEY SALARY INCREASE - Funding is provided for Assistant Attorney General salary increases. (General Fund-State, Legal Services Revolving Fund)
- INCREASED LEGAL DEMAND - Additional funding is provided for several state agencies requiring enhanced legal services to meet specific requirements in the 1995-97 biennium. Agencies receiving increased legal services include the University of Washington, the Superintendent of Public Instruction, the Energy Facility Site Evaluation Council, and the Departments of Revenue, Labor & Industries, Fisheries & Wildlife, and Natural Resources. (Legal Services Revolving Fund)
- REDUCED ADMINISTRATIVE COSTS - Expenditures for goods and services are reduced.
- CRIMINAL LITIGATION UNIT - Additional funding is provided to the Criminal Litigation Unit.

## Office of the Attorney General

13. HEALTH CARE ANTI-TRUST - Additional funding is provided to the anti-trust program for continued implementation of health-care reform.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Department of Financial Institutions

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	72	10,681	10,753
<b>Eliminate One-Time Spending</b>	0	-888	-888
<b>Biennialize Current Biennium Changes</b>	-72	2,284	2,212
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	39	39
2. Interagency Billings	0	244	244
3. Compensation Changes	0	2	2
4. Agency Legal Services Adjustment	0	-5	-5
<b>Caseload &amp; Enrollment Changes</b>			
5. Increase in Regulated Entities	0	840	840
<b>Changes in Service Delivery</b>			
6. Transfer Escrow Program	0	237	237
<b>Total 1995-97 Biennium</b>	0	13,434	13,434
<b>Fiscal Year 1996 Totals</b>	0	6,655	6,655
<b>Fiscal Year 1997 Totals</b>	0	6,779	6,779

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. INCREASE IN REGULATED ENTITIES - Funds are provided to regulate an increased number of banks, licensed securities broker/dealers, and investment advisors. (Banking Examination Account Non-Appropriated; Securities Regulation Account)
6. TRANSFER ESCROW PROGRAM - The Escrow Regulatory Program is transferred from the Department of Licensing to the Department of Financial Institutions pursuant to Chapter 238, Laws of 1995 (SHB 1348). (Banking Examination Account Non-Appropriated)

## Department of Community, Trade, & Economic Development

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	116,878	244,124	361,002
<b>Eliminate One-Time Spending</b>	-11,774	-34,548	-46,322
<b>Biennialize Current Biennium Changes</b>	-1,650	26,056	24,406
<b>Inflation &amp; Other Rate Adjustments</b>			
1. DCTED Reclassification	515	135	650
2. Exchange Rate Adjustment - Japan	60	0	60
3. Internal Rents	13	26	39
4. Interagency Billings	71	144	215
5. Agency Legal Services Adjustment	-13	-22	-35
<b>Caseload &amp; Enrollment Changes</b>			
6. Sunset of Solid Waste Mgmt Account	0	-680	-680
<b>Changes in Service Delivery</b>			
7. Bordertowns Transfer to Treasurer	0	-234	-234
8. Delete Oil Spill Account Activities	0	-346	-346
9. Transfer Emergency Management	-6,562	-38,173	-44,735
10. Convention Center Marketing	0	-3,976	-3,976
11. Efficiencies and Consolidations	-884	-6,240	-7,124
12. Transf. Fire Protection (ESSB 5093)	-2,070	-2,529	-4,599
13. Clean Washington Center	0	760	760
<b>Program Reductions</b>			
14. Growth Mgmt Reduction	-900	0	-900
15. Funding Adjustment for the BAC	-226	0	-226
16. Funding Adjustment for Timber Team	-300	300	0
17. Litter Account Shortfall	0	-1,358	-1,358
18. Mobile Home Park Relocation Account	0	-536	-536
19. Reduce Energy Matchmakers Program	0	-6,664	-6,664
20. Reduce Diversification Grants	-400	0	-400
21. Reduce Community Econ Devel	-240	0	-240
22. DDPC Staff Reduction	-44	0	-44
23. Toxics Account Shortfall	0	-37	-37
<b>Program Enhancements</b>			
24. WIN Kiosks	6	12	18
25. SEPA/GMA (ESHB 1724)	538	3,000	3,538
26. Third Runway EIS	500	0	500
27. Columbia Interpretive Center	100	0	100
28. Communication Connections Project	200	0	200
29. Increase Crime Victims Office	0	360	360
30. Regulatory Reform	216	0	216
31. Building Code Council	0	144	144
32. Manufactured Housing Training	0	150	150
33. State Trade Representative	61	0	61
34. Earthquake Readiness	0	2,748	2,748
35. Salmon Emergency	500	0	500
36. ECEAP Vendor Rate COLA	660	0	660
37. Retired Senior Volunteer Pgm (RSVP)	350	0	350
38. Special Advocate Pgm (HB 1687)	300	0	300
39. Olympic Games Feasibility Study	50	0	50
<b>Total 1995-97 Biennium</b>	95,955	182,616	278,571
<b>Fiscal Year 1996 Totals</b>	48,627	81,433	130,060

## Department of Community, Trade, & Economic Development

(Dollars in Thousands)

	GF-S	Other	Total
<b>Fiscal Year 1997 Totals</b>	47,328	101,183	148,511

**Comments:**

1. DCTED RECLASSIFICATION - Funding is provided for increased salary costs as a result of a Department of Personnel reclassification of various agency staff positions.
2. EXCHANGE RATE ADJUSTMENT - JAPAN - Funding is provided to offset the depreciation of the American dollar against the Japanese yen for the Department's Tokyo office.
3. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. SUNSET OF SOLID WASTE MGMT ACCOUNT - The Solid Waste Management Account tax expires July 1, 1995. A revenue adjustment is made to reflect the expiration.
7. BORDERTOWNS TRANSFER TO TREASURER - Responsibility for the transfer of funds to local jurisdictions from the Bordertowns Account is shifted from the DCTED to the Office of the State Treasurer pursuant to Chapter 159, Laws of 1995 (SB 5378). (Border Area Assistance Account Non-Appropriated)
8. DELETE OIL SPILL ACCOUNT ACTIVITIES - Due to declining revenues, the agency's oil spill training functions are discontinued. It is anticipated that individuals and organizations will be able to secure training from non-state organizations. (Oil Spill Administration Account)
9. TRANSFER EMERGENCY MANAGEMENT - Funding for the Emergency Management Program is transferred to the Military Department, pursuant to Chapter 391, Laws of 1995 (SHB 1017).
10. CONVENTION CENTER MARKETING - Funding for marketing the State Convention and Trade Center is transferred back to the Center. (State Convention Center Operations Account)
11. EFFICIENCIES AND CONSOLIDATIONS - Savings are captured from efficiencies in departmental administration, Forest Products program administration, the federal Section 8 Housing program, and from the merger of the Public Safety Service Area. The consolidation of the Local Development Assistance Service Area also results in savings. (General Fund-State, General Fund-Federal)
12. TRANSF. FIRE PROTECTION (ESSB 5093) - As required by Chapter 369, Laws of 1995 (ESSB 5093), all duties and functions pertaining to fire protection are transferred to the Washington State Patrol.
13. CLEAN WASHINGTON CENTER - The remaining fund balance in the Solid Waste Management Account is appropriated to continue Clean Washington Center operations. (Solid Waste Management Account, Litter Control Account)
14. GROWTH MGMT REDUCTION - A 10 percent reduction is made to the Growth Management Division. This reduction includes a \$785,000 reduction for additional planning grants.
15. FUNDING ADJUSTMENT FOR THE BAC - Funding for the Business Assistance Center (BAC) is reduced by 11 percent.
16. FUNDING ADJUSTMENT FOR TIMBER TEAM - Pass-through funding for the Governor's Timber Team is funded equally by the General Fund-State and the Administrative Contingency Fund.
17. LITTER ACCOUNT SHORTFALL - Due to insufficient revenues in the Litter Control Account, funding is provided for the operation of the Clean Washington Center only in the first year of the biennium. The Center will report to the Governor and the Legislature on alternative funding sources for consideration in the 1996 Supplemental Budget. The funding provided in the first year is adequate to cover the required state match for the federal Recycling Technology Assistance Project and current engineering and extension activities. (Litter Control Account)
18. MOBILE HOME PARK RELOCATION ACCOUNT - The appropriation authority for this account is reduced to match available resources in the 1995-97 biennium. (Mobile Home Relocation Account)
19. REDUCE ENERGY MATCHMAKERS PROGRAM - Funding for the Energy Matchmakers program is reduced due to a decline in revenue. (Low-Income Weatherization Account, Energy Account Non-Appropriated)
20. REDUCE DIVERSIFICATION GRANTS - Funding for the Director's discretionary diversification grant program is eliminated.
21. REDUCE COMMUNITY ECON DEVEL - State funding for community economic development programs, including the Downtown Revitalization program and the Community Revitalization Team, is reduced by 40 percent.
22. DDPC STAFF REDUCTION - One support staff position employed by the Developmental Disabilities Planning Council (DDPC) is eliminated. The workload will be absorbed by remaining staff.
23. TOXICS ACCOUNT SHORTFALL - The Department's appropriation is reduced due to a shortfall in the State Toxics Account. (State Toxics Control Account)
24. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, General Fund-Federal, Public Safety and Education Account, Low-Income Weatherization Account, Drug Abuse and Violence Reduction Account, and the Washington Housing Trust Account)
25. SEPA/GMA (ESHB 1724) - Funding is provided for additional technical assistance staff for the State Environmental Protection Act/Growth Management Act (SEPA/GMA) necessary under Chapter 347, Laws of 1995 (ESHB 1724). The Growth Management Planning and Environmental Review Fund is capitalized with \$3 million from the Public Works Trust Fund.
26. THIRD RUNWAY EIS - Funding is provided to the city of Burien to prepare an environmental impact statement (EIS) to assess a third runway at Sea-Tac airport.
27. COLUMBIA INTREPRETIVE CENTER - Funding is provided for a grant to a non-profit organization to begin development of the Columbia Breaks Fire Interpretive Center.
28. COMMUNICATON CONNECTIONS PROJECT - Funding is provided to offset lost federal funds for the Community Connections project located in Walla Walla. The project is a community-based program that serves at-risk youth and families.
29. INCREASE CRIME VICTIMS OFFICE - Funding is increased by 10 percent for the Office of Crime Victims' Advocacy, which provides advocacy and support services to victims of violent crime.

## Department of Community, Trade, & Economic Development

### *Governor's Vetoes:*

The Governor vetoed section 126(3) which requires the Department to invest \$150,000 General Fund-State in the Marketplace Program.

30. REGULATORY REFORM - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 – regulatory reform). Additional staff resources are provided for technical assistance and rule revision.
31. BUILDING CODE COUNCIL - The Department of Community, Trade, and Economic Development has required the Building Code Council to pay a full share of agency indirect costs. The additional expenditure authority is required to maintain the Council's current level of activity. (Building Code Council Account)
32. MANUFACTURED HOUSING TRAINING - Funding is provided to enable the Department to implement a manufactured housing installation training program as required by Chapter 284, Laws of 1994 (2SSB 6107). (Manufactured Home Installation Training Account)
33. STATE TRADE REPRESENTATIVE - Additional funding is provided to increase the salary for the state Trade Representative and to increase the travel budget. This amount is in addition to the \$50,000 within the Department's Trade and Economic sector base budget for continuation of the Tacoma World Trade Center contract.
34. EARTHQUAKE READINESS - Funding is provided from federal emergency management reimbursement for additional earthquake readiness activities, including development of a statewide comprehensive emergency plan. Funding is also provided for local government equipment acquisition. This funding assumes a 50 percent match requirement.
35. SALMON EMERGENCY - Additional funds are provided for emergency food (\$100,000) and mortgage and rental assistance (\$400,000) programs.
36. ECEAP VENDOR RATE COLA - Funding is provided for a 1.25 percent early childhood education and assistance program (ECEAP) vendor rate cost of living adjustment (COLA).
37. RETIRED SENIOR VOLUNTEER PGM (RSVP) - The Retired Senior Volunteer Program continues to be funded at the 1994 level.
38. SPECIAL ADVOCATE PGM (HB 1687) - Funding is provided to implement Chapter 13, Laws of 1995 (HB 1687 – court-appointed special advocates).
39. OLYMPIC GAMES FEASIBILITY STUDY - Funding is provided for a feasibility study of the infrastructure, logistical, and informational needs for the region to host the summer Olympic Games.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of DCTED's budget is shown in the Transportation Budget section of this document.

\* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Economic & Revenue Forecast Council**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	816	0	816
<b>Biennialize Current Biennium Changes</b>	-2	0	-2
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Agreements	2	0	2
2. Merit Increments	4	0	4
<b>Total 1995-97 Biennium</b>	820	0	820
<b>Fiscal Year 1996 Totals</b>	410	0	410
<b>Fiscal Year 1997 Totals</b>	410	0	410

**Comments:**

1. INTERAGENCY AGREEMENTS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.

## Office of Financial Management

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	19,617	10,348	29,965
<b>Biennialize Current Biennium Changes</b>	-1,205	79	-1,126
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	52	28	80
2. Interagency Billings	-143	-77	-220
3. Compensation Changes	-3	1	-2
4. Agency Legal Services Adjustment	-5	0	-5
<b>Caseload &amp; Enrollment Changes</b>			
5. Robert Wood Johnson Grants	0	720	720
<b>Program Reductions</b>			
6. Agency Reductions	-499	-383	-882
<b>Program Enhancements</b>			
7. Continue Regulatory Reform	110	0	110
8. Americorps	300	12,322	12,622
9. Higher Education Task Force	50	0	50
10. Adult Sentencing Study	346	0	346
11. Justice Information Network	0	200	200
<b>Total 1995-97 Biennium</b>	18,620	23,238	41,858
<b>Fiscal Year 1996 Totals</b>	9,482	11,870	21,352
<b>Fiscal Year 1997 Totals</b>	9,138	11,368	20,506

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. ROBERT WOOD JOHNSON GRANTS - Appropriation authority is provided for a foundation grant to support the Governor's efforts in health care reform.
6. AGENCY REDUCTIONS - Programmatic efficiencies and reductions result in the elimination of six FTE staff years. In addition, reductions are made to goods and services and travel. (General Fund-State, Data Processing Revolving Account)
7. CONTINUE REGULATORY REFORM - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 - regulatory reform). One staff position is funded for preparation of a biennial progress report.
8. AMERICORPS - Funding is provided to continue the Washington Commission for National and Community Service (Americorps) program. A portion of the funding (\$125,000) is provided to local governments unable to meet the federal match requirements.
9. HIGHER EDUCATION TASK FORCE - Funding is provided for the Governor's task force on higher education.
10. ADULT SENTENCING STUDY - Funding is provided for OFM to contract with a private research firm to review Department of Corrections' health services administration and delivery.
11. JUSTICE INFORMATION NETWORK - Funding is provided for the Justice Information Network to prepare a feasibility study on consolidation of state and local criminal justice telecommunications systems.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of OFM's budget is shown in the Transportation Budget section of this document.

**Office of Administrative Hearings**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	12,558	12,558
<b>Biennialize Current Biennium Changes</b>	0	-36	-36
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Local Funds Adjustment	0	-23	-23
2. Compensation Changes	0	-6	-6
<b>Caseload &amp; Enrollment Changes</b>			
3. Client Service Agreements	0	2,405	2,405
4. Interagency Billings	0	19	19
<b>Program Reductions</b>			
5. Trucking Regulation Hearings	0	-425	-425
<b>Program Enhancements</b>			
6. Replacement Computers	0	40	40
<b>Total 1995-97 Biennium</b>	0	14,532	14,532
<b>Fiscal Year 1996 Totals</b>	0	7,285	7,285
<b>Fiscal Year 1997 Totals</b>	0	7,247	7,247

**Comments:**

1. LOCAL FUNDS ADJUSTMENT - Adjustment reflects a reduction to revenues anticipated from local government whistle blower hearings. (General Fund-Private/Local)
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. CLIENT SERVICE AGREEMENTS - Funding is provided for increases in workload related to the Department of Social and Health Services and the Employment Security Department due to federally-mandated hearings. (Administrative Hearings Revolving Fund)
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. TRUCKING REGULATION HEARINGS - Savings result from federal deregulation which reduces the State's responsibility to conduct administrative hearings regarding the intrastate trucking industry. (Administrative Hearings Revolving Fund)
6. REPLACEMENT COMPUTERS - Funding is provided to replace 16 computers. (Administrative Hearings Revolving Fund)

Department of Personnel

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures	404	29,934	30,338
Eliminate One-Time Spending	-404	-2,224	-2,628
Biennialize Current Biennium Changes	0	-324	-324
Inflation & Other Rate Adjustments	0	71	71
1. Internal Rents	0	-12	-12
2. Interagency Billings	0	-7	-7
3. Agency Legal Services Adjustment	0	20	20
4. DIS Shared Operator Costs	0	4	4
5. Recycling Cost Increase	0	32	32
6. Unemployment Compensation Changes	0	-272	-272
Caseload & Enrollment Changes	0	-272	-272
7. CSA Opting Out of Classified Status	0	-272	-272
Changes in Service Delivery	0	-136	-136
8. Combined Fund Drive Staff	0	-136	-136
9. Economize on Non-Staff Costs	0	-150	-150
10. Reduce Management/Admin Staff	0	-170	-170
11. Services More Self Supporting	0	-156	-156
Program Enhancements	0	110	110
12. Extend Partial ADA Funding	0	110	110
13. Human Resource Information System	720	1,880	2,600
14. Career Transition Center Funding	0	500	500
Total 1995-97 Biennium	720	29,100	29,820
Fiscal Year 1996 Totals	360	14,550	14,910
Fiscal Year 1997 Totals	360	14,550	14,910

Comments:

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. DIS SHARED OPERATOR COSTS - Funding is provided for Department of Information Services (DIS) costs for central operator services. (Personnel Services Revolving Fund)
5. RECYCLING COST INCREASE - Funding is provided for recycling efforts previously provided by the Department of General Administration. (Personnel Services Revolving Fund)
6. UNEMPLOYMENT COMPENSATION CHANGES - Funding is provided to cover Employment Security charges for unemployment benefits based on actual expenditures in the 1993-95 biennium. (Personnel Services Revolving Fund, Higher Education Personnel Services Account)
7. CSA OPTING OUT OF CLASSIFIED STATUS - Funding is reduced to comply with Chapter 379, Laws of 1993 (ESHB 1509) which allows higher education bargaining units to elect to opt out of the higher education personnel system. The law further stipulates that the Higher Education Personnel Services Account budget be reduced.
8. COMBINED FUND DRIVE STAFF - Funding for staffing expenses associated with the Combined Fund Drive (CFD) will be provided by the Department of Personnel. All staff will continue to be reported within the Department of Personnel's staffing levels. (Personnel Services Revolving Fund)
9. ECONOMIZE ON NON-STAFF COSTS - Savings result from efficiencies in non-staff areas such as printing, postage, data processing, and equipment maintenance. No impact on client services will result. (Personnel Services Revolving Fund)
10. REDUCE MANAGEMENT/ADMIN STAFF - Funding and one administrative staff position are eliminated. (Personnel Services Revolving Fund)
11. SERVICES MORE SELF SUPPORTING - Funding is reduced requiring the Education and Training Program, and the Executive Recruiting Program to cover a portion of staffing costs with charges to client agencies. The reduction assumes no change in fees and is estimated to have minimal impact on clients served. (Personnel Services Revolving Fund)
12. EXTEND PARTIAL ADA FUNDING - Funding is provided to extend employment of a reasonable accommodations consultant

## Department of Personnel

required to comply with the federal Americans with Disabilities Act (ADA). (Personnel Services Revolving Fund)

13. HUMAN RESOURCE INFORMATION SYSTEM - Funding is provided to establish a statewide human resource information data warehouse. This will ensure accuracy and completeness of the state's personnel information, consolidation of higher education and general government human resource data, and direct access to the data by customers. The General Fund-Federal appropriation is from Federal Emergency Management Agency reimbursement funds. (General Fund-State, General Fund-Federal, Personnel Data Revolving Fund, Personnel Services Revolving Fund)
14. CAREER TRANSITION CENTER FUNDING - Funding is provided for the career transition center which provides outplacement counseling, skills assessments, and other job seeking skills for state employees being laid off or at risk of reduction-in-force. (Personnel Services Revolving Fund)

## Deferred Compensation Committee

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	3,031	3,031
<b>Eliminate One-Time Spending</b>	0	-66	-66
<b>Biennialize Current Biennium Changes</b>	0	372	372
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	-30	-30
2. Merit Increments	0	25	25
3. Agency Legal Services Adjustment	0	-2	-2
<b>Program Reductions</b>			
4. Data Processing Savings	0	-41	-41
5. Plan 3 Implementation	0	-1,675	-1,675
<b>Total 1995-97 Biennium</b>	0	1,614	1,614
<b>Fiscal Year 1996 Totals</b>	0	1,614	1,614
<b>Fiscal Year 1997 Totals</b>	0	0	0

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. DATA PROCESSING SAVINGS - Savings result from reduced use of several electronic data processing services during the 1995-97 biennium. (Dependent Care Administrative Account, Deferred Compensation Administrative Account)
5. PLAN 3 IMPLEMENTATION - Duties and responsibilities of the Deferred Compensation Committee are transferred to the Department of Retirement Systems' Employer Retirement Benefits Board, July 1, 1996 as directed by Chapter 239, Laws of 1995 (ESHB 1206 -- retirement systems restructuring). (Dependent Care Administrative Account, Deferred Compensation Administrative Account)

**State Lottery Commission**  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures	0	477,700	477,700
Eliminate One-Time Spending	0	-8	-8
Biennialize Current Biennium Changes	0	-74	-74
Inflation & Other Rate Adjustments	0	-10,807	-10,807
1. Discount and Prize Adjustment	0	48	48
2. Interagency Billings	0	-2	-2
3. Agency Legal Services Adjustment	0	8	8
Case-load & Enrollment Changes	0	8	8
4. Incoming Mail Sort	0	-1,147	-1,147
Changes in Service Delivery	0	-1,147	-1,147
5. Reengineer Sales: 5% Reduction	0	-1,147	-1,147
<b>Total 1995-97 Biennium</b>	<b>0</b>	<b>465,718</b>	<b>465,718</b>
<b>Fiscal Year 1996 Totals</b>	<b>0</b>	<b>230,006</b>	<b>230,006</b>
<b>Fiscal Year 1997 Totals</b>	<b>0</b>	<b>235,712</b>	<b>235,712</b>

**Comments:**

1. DISCOUNT AND PRIZE ADJUSTMENT - Retailer discounts, prizes, and other costs of goods sold expenses are adjusted to reflect sales projections. Sales forecasts are reported quarterly to the Forecast Council, but costs associated with forecasts are adjusted only when the biennial budget is prepared. (State Lottery Account Non-Appropriated)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. INCOMING MAIL SORT - Funding is provided for increased costs due to incoming mail sort charges. (Lottery Administration Account)
5. REENGINEER SALES: 5% REDUCTION - Funding and staff are reduced due to efficiencies realized through the introduction of the Instant Ticket Accounting System (ITAS). (Lottery Administration Account, Lottery Account Non-Appropriated)

## Washington State Gambling Commission

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	15,258	15,258
<b>Eliminate One-Time Spending</b>	0	-166	-166
<b>Biennialize Current Biennium Changes</b>	0	404	404
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Lease Facility Increases	0	190	190
2. Interagency Billings	0	38	38
3. Agency Legal Services Adjustment	0	-13	-13
<b>Caseload &amp; Enrollment Changes</b>			
4. Training for Additional Staff	0	52	52
5. Problem Gambling Contract Increase	0	122	122
<b>Program Enhancements</b>			
6. Vehicle Replacement	0	75	75
7. Replace Outdated Office Equipment	0	51	51
8. Develop LAN & Field Agent Computers	0	300	300
9. New Equipment	0	10	10
10. Career Fair Travel and Printing	0	4	4
11. License Technician Class Study	0	4	4
12. Added Workload Compliance/Hearings	0	90	90
13. Training for Licensees	0	25	25
14. Special Investigations Training	0	66	66
15. Increase Invest. Data Access/Tools	0	47	47
16. Upgrade Human Resource Positions	0	10	10
17. Fund Problem Gambling Activities	0	86	86
18. Increase Travel for Investigations	0	60	60
19. Retrospective Rating Refund	0	14	14
<b>Total 1995-97 Biennium</b>	0	16,727	16,727
<b>Fiscal Year 1996 Totals</b>	0	8,425	8,425
<b>Fiscal Year 1997 Totals</b>	0	8,302	8,302

### Comments:

- |   |   |
|---|---|
| <p>1. LEASE FACILITY INCREASES - Funding is provided for agency-leased facilities and utility cost increases. (Gambling Non-Appropriated)</p> <p>2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>4. TRAINING FOR ADDITIONAL STAFF - Funds are provided for mandatory training of special agents. (Gambling Non-Appropriated)</p> <p>5. PROBLEM GAMBLING CONTRACT INCREASE - Funding is provided to continue contracts with the state and national councils on problem gambling. (Gambling Non-Appropriated)</p> <p>6. VEHICLE REPLACEMENT - Funding is provided for the replacement of five vehicles. (Gambling Non-Appropriated)</p> <p>7. REPLACE OUTDATED OFFICE EQUIPMENT - Funding is provided to upgrade personal computers for inclusion on the Local Area Network. (Gambling Non-Appropriated)</p> <p>8. DEVELOP LAN &amp; FIELD AGENT COMPUTERS - Funding is provided for the acquisition of six network servers, Ethernet adapters, software, cabling and other system upgrades necessary to complete the</p> | <p>Local Area Network (LAN). Funding is also provided for a LAN-based document imaging system in the second year of the biennium. (Gambling Non-Appropriated)</p> <p>9. NEW EQUIPMENT - Funding is provided for two printers, a portable computer, investigative equipment (i.e., black lights, photographic filters, and other counterfeit identification equipment), and other miscellaneous office furnishings. (Gambling Non-Appropriated)</p> <p>10. CAREER FAIR TRAVEL AND PRINTING - Funds are provided for increased travel to college career fairs in order to improve recruitment of minority candidates for employment. (Gambling Non-Appropriated)</p> <p>11. LICENSE TECHNICIAN CLASS STUDY - Funding is provided for a personnel class study of Licensing Technician positions. (Gambling Non-Appropriated)</p> <p>12. ADDED WORKLOAD COMPLIANCE/HEARINGS - An Executive Fellow position in the Compliance and Hearings Unit is funded to support licensing negotiations, rule-making, and increased workload. (Gambling Non-Appropriated)</p> <p>13. TRAINING FOR LICENSEES - Funds are provided for the development of two video presentations to support licensee training activities and additional training equipment. (Gambling Non-Appropriated)</p> |
|---|---|

## Washington State Gambling Commission

14. SPECIAL INVESTIGATIONS TRAINING - Funds are provided for staff training in the areas of investigating casino operations fraud, financial manipulation, and other law enforcement and technical skills. Funds are also provided for an upgrade of a Licensee Communications position to a Training Specialist. (Gambling Non-Appropriated)
15. INCREASE INVEST. DATA ACCESS/TOOLS - Funds are provided for increased utilization and access to external information sources, such as State Patrol's Organized Crime information, Lexus/Nexus, and other state agency and private sector information resources. In addition, as a result of caller ID, funding is provided for post office boxes and telephone lines used for undercover operations. (Gambling Non-Appropriated)
16. UPGRADE HUMAN RESOURCE POSITIONS - Funding is provided to upgrade human resource positions.
17. FUND PROBLEM GAMBLING ACTIVITIES - Funds are provided for an increased effort to assist problem and compulsive gamblers. Funding is provided to the State Council on Problem Gambling and for posters and other signage regarding problem gambling. (Gambling Non-Appropriated)
18. INCREASE TRAVEL FOR INVESTIGATIONS - Funding is provided for the Specialized Investigations Unit, which requires more frequent out-of-state destinations. (Gambling Non-Appropriated)
19. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Fund-State)

## Washington State Commission on Hispanic Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	374	0	374
<b>Biennialize Current Biennium Changes</b>	-2	0	-2
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Moving Expenses - Lease Increase	7	0	7
2. Interagency Billings	3	0	3
<b>Program Enhancements</b>			
3. Adjust Director's Salary	8	0	8
<b>Total 1995-97 Biennium</b>	390	0	390
<b>Fiscal Year 1996 Totals</b>	195	0	195
<b>Fiscal Year 1997 Totals</b>	195	0	195

**Comments:**

1. MOVING EXPENSES - LEASE INCREASE - Funding is provided for moving expenses and lease increases. The agency will collocate with other minority affairs commissions.
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. ADJUST DIRECTOR'S SALARY - Funding is provided to bring the director's salary in line with other commission director salaries.

## Washington State Commission on African-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	272	0	272
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Moving Expenses - Lease Increase	7	0	7
<b>Program Enhancements</b>			
2. Monitor Racial Disproportionality	15	0	15
<hr/> <b>Total 1995-97 Biennium</b>	294	0	294
<b>Fiscal Year 1996 Totals</b>	148	0	148
<b>Fiscal Year 1997 Totals</b>	146	0	146

**Comments:**

1. MOVING EXPENSES - LEASE INCREASE - Funding is provided for moving expenses and lease increases. The agency will collocate with other minority affairs commissions.
2. MONITOR RACIAL DISPROPORTIONALITY - In the 1993-95 biennium, the Commission received a one-time grant of \$15,000 from the Human Rights Commission to monitor racial disproportionality in the juvenile justice system. Funding is provided to continue this activity.

**Personnel Appeals Board**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	1,434	1,434
<b>Biennialize Current Biennium Changes</b>	0	130	130
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	21	21
2. Merit Increments	0	7	7
3. Compensation Changes	0	1	1
<b>Total 1995-97 Biennium</b>	0	1,593	1,593
<b>Fiscal Year 1996 Totals</b>	0	794	794
<b>Fiscal Year 1997 Totals</b>	0	799	799

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.

## Department of Retirement Systems

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	31,750	31,750
<b>Eliminate One-Time Spending</b>	0	-3,780	-3,780
<b>Biennialize Current Biennium Changes</b>	0	-250	-250
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	-251	-251
2. Compensation Changes	0	-6	-6
3. Agency Legal Services Adjustment	0	-32	-32
<b>Changes in Service Delivery</b>			
4. Savings From Enhancing Technology	0	-253	-253
<b>Program Enhancements</b>			
5. Consolidate Deferred Compensation	0	1,675	1,675
6. One-Time Plan 3 Implementation	0	1,439	1,439
7. On-Going Plan 3 Costs	0	461	461
8. Increased Data Processing Costs	0	300	300
9. Correcting TRS Accounts	0	247	247
10. Data Storage Feasibility Study	0	100	100
11. Retiree Remittance Statements	0	427	427
<b>Total 1995-97 Biennium</b>	0	31,827	31,827
<b>Fiscal Year 1996 Totals</b>	0	15,210	15,210
<b>Fiscal Year 1997 Totals</b>	0	16,617	16,617

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. SAVINGS FROM ENHANCING TECHNOLOGY - Funding and FTE staff reductions are taken to reflect efficiencies associated with the implementation of the new DRS information technology projects. The implementation of these new systems will eliminate redundant processes and will streamline and simplify others. The Department will eliminate 1.5 staff positions by July 1, 1995 and an additional 8.0 staff positions by January 1, 1997 for an average reduction of 3.5 FTE staff. Carried forward into the 1997-99 biennium, the Department will realize a net reduction of 9.5 FTE staff. (Department of Retirement Systems Expense Account)
5. CONSOLIDATE DEFERRED COMPENSATION - The duties and responsibilities of the Deferred Compensation Committee are absorbed by the Department of Retirement Systems as directed by Chapter 239, Laws of 1995 (ESHB 1206 -- retirement systems restructuring). (Deferred Compensation Administrative Account, Dependent Care Administrative Account)
6. ONE-TIME PLAN 3 IMPLEMENTATION - Funding is provided for one-time costs of implementing and administering the Plan 3 retirement system as directed by Chapter 239, Laws of 1995 (ESHB 1206). (Department of Retirement Systems Expense Account)
7. ON-GOING PLAN 3 COSTS - Funding is provided for on-going costs associated with the Plan 3 retirement system as directed by Chapter 239, Laws of 1995 (ESHB 1206). (Department of Retirement System Expense Account)
8. INCREASED DATA PROCESSING COSTS - Funding is provided for data processing services purchased from the Department of Information Services. Increased utilization is anticipated with the final implementation of the Service Credit Notification/Member Information System project, and the Disbursement System project. (Department of Retirement Systems Expense Account)
9. CORRECTING TRS ACCOUNTS - Additional funding is provided for 14 audit staff for six months to audit and correct Teachers' Retirement Systems (TRS) accounts that were found to contain errors in the course of implementing the Service Credit Notification Project. (Department of Retirement Systems Expense Account)
10. DATA STORAGE FEASIBILITY STUDY - Funding is provided to study the feasibility of converting archived information to digital format. (Department of Retirement Systems Expense Account)
11. RETIREE REMITTANCE STATEMENTS - Funding is provided to send remittance statements to retirees who directly deposit monthly pension benefits to their bank accounts. (Department of Retirement Systems Expense Account)

## State Investment Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	7,222	7,222
<b>Eliminate One-Time Spending</b>	0	-354	-354
<b>Biennialize Current Biennium Changes</b>	0	108	108
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Lease/Purchase Carry Forward	0	94	94
2. Interagency Billings	0	342	342
3. Merit Increments	0	30	30
4. Compensation Changes	0	2	2
5. Agency Legal Services Adjustment	0	-9	-9
<b>Changes in Service Delivery</b>			
6. Travel, Goods & Services Reduction	0	-68	-68
<b>Program Enhancements</b>			
7. Increase Alternative Investments	0	288	288
8. International Equities Investments	0	388	388
9. Plan 3 Implementation	0	25	25
<b>Total 1995-97 Biennium</b>	0	8,068	8,068
<b>Fiscal Year 1996 Totals</b>	0	4,043	4,043
<b>Fiscal Year 1997 Totals</b>	0	4,025	4,025

### Comments:

1. LEASE/PURCHASE CARRY FORWARD - Funding is provided to carry forward lease-purchase costs incurred in the 1993-95 biennium. (State Investment Board Expense Account)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
4. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. TRAVEL, GOODS & SERVICES REDUCTION - Travel related to monitoring real estate investments, training, and business-related alternative equity investments is reduced by 13 percent. Goods and services, such as communications, publications, and subscriptions, are reduced by 3.3 percent. The State Investment Board will focus monitoring activities on investments with the greatest risk. Information provided by investment publications and networks will be limited. (State Investment Board Expense Account)
7. INCREASE ALTERNATIVE INVESTMENTS - Funding is provided for an investment officer and support staff and one-time costs of \$18,000 for workstation furniture and equipment. (State Investment Board Expense Account)
8. INTERNATIONAL EQUITIES INVESTMENTS - Funding is provided for specialized expertise on international investments. (State Investment Board Expense Account)
9. PLAN 3 IMPLEMENTATION - Funding is provided for the implementation of the Plan 3 retirement system as directed by Chapter 239, Laws of 1995 (ESHB 1206 - retirement system restructuring). (State Investment Board Expense Account)

**Department of Revenue**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	122,088	7,621	129,709
<b>Eliminate One-Time Spending</b>	-2,478	-270	-2,748
<b>Biennialize Current Biennium Changes</b>	1,686	179	1,865
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Rent & Lease Increases	229	80	309
2. Postal Rate Increases	471	82	553
3. Maintenance Agreements	202	0	202
4. Internal Rents	124	8	132
5. Interagency Billings	675	43	718
6. Compensation Changes	2	0	2
7. WIN Kiosks	0	79	79
8. Agency Legal Services Adjustment	-99	-6	-105
<b>Caseload &amp; Enrollment Changes</b>			
9. Senior Citizen Deferral	3,384	0	3,384
10. Tire Tax	0	-126	-126
11. Air Permit Fee	0	-37	-37
<b>Changes in Service Delivery</b>			
12. Efficiency Gains	-1,000	0	-1,000
<b>Program Reductions</b>			
13. Oil Spill Account Reductions	0	-2	-2
14. State Toxics Revenue Shortfall	0	-6	-6
<b>Program Enhancements</b>			
15. WIN Program	0	100	100
16. Unclaimed Property Automation	0	187	187
17. Timber Tax Automation	0	187	187
18. Regulatory Reform	280	0	280
19. Sen Citizen Deferral Inc (SHB 1673)	103	0	103
<b>Total 1995-97 Biennium</b>	125,667	8,119	133,786
<b>Fiscal Year 1996 Totals</b>	62,528	4,060	66,588
<b>Fiscal Year 1997 Totals</b>	63,139	4,059	67,198

**Comments:**

1. RENT & LEASE INCREASES - Funding is provided for increased rent and lease costs.
2. POSTAL RATE INCREASES - Funding is provided for increased postage rates.
3. MAINTENANCE AGREEMENTS - Funding is provided for increased computer maintenance costs.
4. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
5. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
6. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
7. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (Unclaimed Personnel Property Account Non-Appropriated)
8. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
9. SENIOR CITIZEN DEFERRAL - State law requires the agency to reimburse counties for revenues deferred when qualified senior citizens utilize the Senior Citizen Deferral Tax Program. Funds are provided for the anticipated increased use of this program during the 1995-97 biennium.
10. TIRE TAX - The one dollar per tire fee collected by the Department expired in 1994. The Department's administrative expenses for the collection of the fee are eliminated. (Vehicle Tire Recycling Account)
11. AIR PERMIT FEE - The collection of air permit fees has been transferred from the Department of Revenue to the Department of Ecology. Funding for the Department of Revenue's administrative expenses associated with the collection of air permit fees is eliminated. (Air Operating Permit Account)

## Department of Revenue

### *Governor's Vetoes:*

The Governor vetoed section 139(4) which directs the Department of Revenue to study the feasibility of rewriting Titles 82 (Excise Taxes) and 84 (Property Taxes) RCW "for clarity and ease of understanding" and report its findings to the Legislature in the 1996 session.

12. EFFICIENCY GAINS - Savings occur from eliminating a total of seven staff positions, including four positions and \$400,000 from the division of Legislation and Policy.
13. OIL SPILL ACCOUNT REDUCTIONS - Reduction reflects a decline in revenues to the Oil Spill Administration Account. (Oil Spill Administration Account)
14. STATE TOXICS REVENUE SHORTFALL - A reduction in the funding levels for the State Toxics Control Account is necessary due to declining revenues. (State Toxics Control Account)
15. WIN PROGRAM - Funding is provided for participation in the Washington Information Network (WIN) kiosk program. (Unclaimed Personnel Property Account Non-Appropriated)
16. UNCLAIMED PROPERTY AUTOMATION - Funding is provided for a new computer system to manage anticipated increases in unclaimed property received from financial institutions and to manage increases in claims by individuals coming forward to reclaim their property. (Unclaimed Personal Property Account Non-Appropriated)
17. TIMBER TAX AUTOMATION - Funding is provided to reprogram the timber tax computer system to allow for on-line corrections. (Timber Tax Distribution Account)
18. REGULATORY REFORM - Funding is provided for the implementation of Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform). A cost benefit analysis regarding rule development and research on conflicting state and federal statutes will be completed.
19. SEN CITIZEN DEFERRAL INC (SHB 1673) - Funding is provided to reimburse counties for the senior citizen property tax deferral expansion granted in Chapter 329, Laws of 1995 (SHB 1673 -- Senior/Disabled Citizen Deferral Program).

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Board of Tax Appeals**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	1,336	0	1,336
<b>Eliminate One-Time Spending</b>	-48	0	-48
<b>Biennialize Current Biennium Changes</b>	-4	0	-4
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	3	0	3
2. Merit Increments	2	0	2
<b>Program Enhancements</b>			
3. Reduce Backlog	700	0	700
<b>Total 1995-97 Biennium</b>	1,989	0	1,989
<b>Fiscal Year 1996 Totals</b>	993	0	993
<b>Fiscal Year 1997 Totals</b>	996	0	996

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. REDUCE BACKLOG - Funding is provided to initiate a five-year plan to reduce the current tax appeals backlog. A three-year waiting period is expected to be reduced to eight months. By increasing the number of tax referees on contract, the oldest case at the end of fiscal year 1997 will be no more than 24 months old.

## Municipal Research Council

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,944	0	2,944
<b>Inflation &amp; Other Rate Adjustments</b>			
1. General Inflation	140	0	140
<b>Program Enhancements</b>			
2. Program Increase to Meet Demand	146	0	146
<hr/> <b>Total 1995-97 Biennium</b>	3,230	0	3,230
<b>Fiscal Year 1996 Totals</b>	1,593	0	1,593
<b>Fiscal Year 1997 Totals</b>	1,637	0	1,637

**Comments:**

1. GENERAL INFLATION - Funding is provided for inflation of costs for goods and services. The rates are 3.2 percent for fiscal year 1996 and 3.1 percent for fiscal year 1997.
2. PROGRAM INCREASE TO MEET DEMAND - Funds are provided for a 5 percent increase over the current funding level due to increased demand for services resulting from cutbacks in local government revenues, greater complexity in urban governance and urban growth.

## Office of Minority &amp; Women's Business Enterprises

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures	0	2,092	2,092
Eliminate One-Time Spending	0	-40	-40
Biennialize Current Biennium Changes	0	-6	-6
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	2	2
2. Merit Increments	0	13	13
3. Compensation Changes	0	-2	-2
4. Agency Legal Services Adjustment	0	-6	-6
<b>Program Reductions</b>			
5. Boards and Commissions	0	-2	-2
<b>Program Enhancements</b>			
6. Enhance Certification Staffing	0	70	70
<b>Total 1995-97 Biennium</b>	0	2,121	2,121
<b>Fiscal Year 1996 Totals</b>	0	1,058	1,058
<b>Fiscal Year 1997 Totals</b>	0	1,063	1,063

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. BOARDS AND COMMISSIONS - The Office of Minority and Women's Business Enterprises Advisory Committee is eliminated. (Minority and Women's Business Enterprises Account)
6. ENHANCE CERTIFICATION STAFFING - Funding is provided for 1.0 FTE staff and associated costs to reduce the backlog of certifying new and existing minority- and women-owned businesses. (Minority and Women's Business Enterprises Account)

## Department of General Administration

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	461	99,014	99,475
<b>Eliminate One-Time Spending</b>	0	-780	-780
<b>Biennialize Current Biennium Changes</b>	99	4,017	4,116
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	1	242	243
2. Interagency Billings	2	611	613
3. Agency Legal Services Adjustment	0	-24	-24
<b>Caseload &amp; Enrollment Changes</b>			
4. Continue Collocation	0	342	342
<b>Changes in Service Delivery</b>			
5. Continue Central Stores Downsize	0	-218	-218
6. Implement Stockless Ordering	0	-256	-256
<b>Program Reductions</b>			
7. Administration Reduction	0	-282	-282
8. Eliminate GOLD Program	0	-295	-295
9. Eliminate OMVS	0	-236	-236
10. Reduced Demand for Service	0	-1,032	-1,032
11. Purchasing Admin Efficiencies	0	-764	-764
<b>Program Enhancements</b>			
12. Retrospective Rating Refund	0	138	138
13. Recognize Proprietary Activity	0	-7,843	-7,843
14. Full Participation in CMS	0	1,004	1,004
15. WSSDA Retrospective Rate Refund	0	2	2
16. Adult Sentencing Increase	4	0	4
<b>Total 1995-97 Biennium</b>	567	93,640	94,207
<b>Fiscal Year 1996 Totals</b>	284	46,827	47,111
<b>Fiscal Year 1997 Totals</b>	283	46,813	47,096

### Comments:

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. CONTINUE COLLOCATION - Funding is provided for two FTE staff to incorporate collocation activities for state agencies into the operations of the Division of Property Development. (Facilities and Services Revolving Account)
5. CONTINUE CENTRAL STORES DOWNSIZE - Adjustment reflects further downsizing of the Central Stores program which was begun as required in the 1993-95 biennium. Products which are more competitively procured through a private vendor will no longer be carried by Central Stores. One market representative and one administrative manager are eliminated. (Central Stores Revolving Account Non-Appropriated)
6. IMPLEMENT STOCKLESS ORDERING - Savings result from the implementation of stockless ordering which permits certain items to be shipped directly to the agency wishing to purchase it, avoiding warehouse carrying costs. This continues a downsizing effort in Central Stores started in fiscal year 1994. (Central Stores Revolving Account Non-Appropriated)
7. ADMINISTRATION REDUCTION - Administrative services are reduced commensurate with reductions in direct program funding. The funds reduced are determined by the agency's cost allocation plan, which calculates the effect of direct program reductions on administration. (Various funds)
8. ELIMINATE GOLD PROGRAM - The Governor's Option to Landfill Disposal (GOLD) program, which encourages state agencies to purchase recycled goods and coordinates waste reduction and recycling efforts is eliminated. Funding for the program is derived from the Solid Waste Tax which expires in June 1995. (Central Stores Revolving Account Non-Appropriated)
9. ELIMINATE OMVS - The Office of Motor Vehicle Services (OMVS) is eliminated commensurate with the completion of the office's goals of implementing the Efficiency Commission's recommendations by the end of fiscal year 1995. (Motor Transport Account)

## Department of General Administration

10. **REDUCED DEMAND FOR SERVICE** - The reduction in funding authority reflects a reduced level of activity in the purchase of commercial insurance and surplus and donable foods from the federal government. (Risk Management Account Non-Appropriated, Surplus Property Purchase Revolving Account Non-Appropriated, Donable Foods Revolving Account Non-Appropriated)
11. **PURCHASING ADMIN EFFICIENCIES** - Savings reflect efficiency reductions in the Office of State Procurement's Contracts Management office. The agency is directed to reduce the purchasing administrative fee charged to client agencies to accommodate this reduction. (Central Stores Revolving Account)
12. **RETROSPECTIVE RATING REFUND** - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
13. **RECOGNIZE PROPRIETARY ACTIVITY** - Costs reported for the purchase of commercial insurance for State agencies are transferred to a non-budgeted fund in accordance with Chapter 137, Laws of 1995 (HB 1112). (Risk Management Non-Appropriated)
14. **FULL PARTICIPATION IN CMS** - Funding is provided for the cost of phasing-in the last large agencies into the Consolidated Mail Service (CMS) program. Interagency billings to these agencies will cover the cost of the increase. (Motor Transport Account Non-Appropriated)
15. **WSSDA RETROSPECTIVE RATE REFUND** - The Department of General Administration will distribute funds from the Industrial Insurance Premium Refund Account to the Washington State School Directors' Association (WSSDA) for participating in the Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
16. **ADULT SENTENCING INCREASE** - Funding is provided for studies in adult sentencing as directed by Chapter 19, Laws of 1995, 1st sp.s. (2E2SHB 2010).

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Department of Information Services

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	400	180,246	180,646
<b>Eliminate One-Time Spending</b>	-400	0	-400
<b>Biennialize Current Biennium Changes</b>	0	70	70
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	132	132
2. Interagency Billings	0	-378	-378
3. Compensation Changes	0	-18	-18
4. Agency Legal Services Adjustment	0	-2	-2
<b>Program Enhancements</b>			
5. WIN Network Maintenance	0	364	364
<b>Total 1995-97 Biennium</b>	<b>0</b>	<b>180,414</b>	<b>180,414</b>
<b>Fiscal Year 1996 Totals</b>	<b>0</b>	<b>90,200</b>	<b>90,200</b>
<b>Fiscal Year 1997 Totals</b>	<b>0</b>	<b>90,214</b>	<b>90,214</b>

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. WIN NETWORK MAINTENANCE - Funding is provided for the maintenance and support of WIN Kiosks which the agency leases. Costs will be recovered through charges to agencies utilizing the WIN Network services. (Data Processing Revolving Account)

## Office of Insurance Commissioner

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	18,342	18,342
<b>Eliminate One-Time Spending</b>	0	-336	-336
<b>Biennialize Current Biennium Changes</b>	0	-486	-486
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	34	34
2. Interagency Billings	0	30	30
3. General Inflation	0	107	107
4. Compensation Changes	0	-13	-13
5. Agency Legal Services Adjustment	0	-20	-20
<b>Changes in Service Delivery</b>			
6. Management Efficiencies	0	-387	-387
<b>Program Enhancements</b>			
7. Health Care Reform	0	1,345	1,345
8. Information Services Unit	0	523	523
9. Senior Citizen Volunteer Training	0	96	96
10. Property and Casualty Research	0	100	100
11. Regulatory Reform	0	895	895
<b>Total 1995-97 Biennium</b>	0	20,230	20,230
<b>Fiscal Year 1996 Totals</b>	0	10,231	10,231
<b>Fiscal Year 1997 Totals</b>	0	9,999	9,999

**Comments:**

- INTERNAL RENTS** - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
- INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
- GENERAL INFLATION** - Funding is provided for inflation of costs for goods and services. The rates are 3.2 percent for fiscal year 1996 and 3.1 percent for fiscal year 1997.
- COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
- AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
- MANAGEMENT EFFICIENCIES** - To increase overall agency efficiency, 3.5 positions are eliminated, a management position is reclassified downward, and expenditures for training, purchased services, and professional subscriptions are reduced. (Insurance Commissioner's Regulatory Account)
- HEALTH CARE REFORM** - Funds are provided to implement the 1995 health care reform legislation (Chapter 265, Laws of 1995 -- ESHB 1046). (Insurance Commissioner's Regulatory Account)
- INFORMATION SERVICES UNIT** - Funding for three staff is provided to develop an Information Services Unit. This unit will develop local area networks (LANs); provide staff training and technical assistance; and create the client/server databases required to implement the State's health care reform efforts. (Insurance Commissioner's Regulatory Account)
- SENIOR CITIZEN VOLUNTEER TRAINING** - Through a contracted vendor, 300 senior citizen volunteers will be trained to conduct workshops and public meetings to inform senior citizens about insurance issues. Training will educate senior citizens about the complexities of health care reform and make them less susceptible to fraudulent practices. (Insurance Commissioner's Regulatory Account)
- PROPERTY AND CASUALTY RESEARCH** - One actuarial analyst is provided to allow the agency to protect consumers from paying excessive rates for property and casualty insurance. The agency currently is able to review 69 percent of all rate and rule filings submitted by insurance carriers. This additional actuary will allow the agency to review 80 percent of the rate and rule filings submitted. (Insurance Commissioner's Regulatory Account)
- REGULATORY REFORM** - Provides funding for implementation of Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform). (Insurance Commissioner's Regulatory Account)

**State Board of Accountancy**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	0	1,212	1,212
<b>Eliminate One-Time Spending</b>	0	-4	-4
<b>Biennialize Current Biennium Changes</b>	0	18	18
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	19	19
2. Agency Legal Services Adjustment	0	-3	-3
<b>Changes in Service Delivery</b>			
3. Replacement Equipment	0	11	11
<b>Program Enhancements</b>			
4. Database Software/Data Conversion	0	40	40
<hr/> <b>Total 1995-97 Biennium</b>	<hr/> 0	<hr/> 1,293	<hr/> 1,293
<b>Fiscal Year 1996 Totals</b>	0	662	662
<b>Fiscal Year 1997 Totals</b>	0	631	631

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. REPLACEMENT EQUIPMENT - Funds are provided to purchase new computers, printers, file cabinets, software, and a data storage device. (Certified Public Accountants' Account)
4. DATABASE SOFTWARE/DATA CONVERSION - One-time funding is provided to upgrade the agency's data base to process an increasing number of records which the agency is responsible for maintaining. (Certified Public Accountants' Account)

**Governor's Vetoes:**

The Governor vetoed the proviso in section 146 which requires the Board of Accountancy to spend \$50,000 of the Certified Public Accountants' Account appropriation to coordinate with the Higher Education Coordinating Board (HECB) in studying the financial and enrollment impact of a Board proposal to increase the educational requirements for CPA certification. The proviso also prohibits the Board from implementing the proposed rule until a study of its effect on public and private higher education institutions is completed and findings are presented to the higher education and fiscal committees of the Legislature.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Forensics Investigation Council**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	0	14	14
<b>Changes in Service Delivery</b>			
1. Efficiency Reductions	0	-2	-2
<b>Total 1995-97 Biennium</b>	0	12	12
<b>Fiscal Year 1996 Totals</b>	0	6	6
<b>Fiscal Year 1997 Totals</b>	0	6	6

**Comments:**

NOTE: This agency was formerly named the Death Investigation Council.

1. EFFICIENCY REDUCTIONS - Adjustment reflects a 10 percent reduction from the essential requirements level budget.

**Washington Horse Racing Commission**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	4,772	4,772
<b>Eliminate One-Time Spending</b>	0	-368	-368
<b>Biennialize Current Biennium Changes</b>	0	330	330
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	3	3
2. Agency Legal Services Adjustment	0	-4	-4
<b>Total 1995-97 Biennium</b>	0	4,733	4,733
<b>Fiscal Year 1996 Totals</b>	0	2,356	2,356
<b>Fiscal Year 1997 Totals</b>	0	2,377	2,377

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.

**Washington State Liquor Control Board**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	110,454	110,454
<b>Eliminate One-Time Spending</b>	0	-132	-132
<b>Biennialize Current Biennium Changes</b>	0	-359	-359
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Agency-Wide Rent Increases	0	2,157	2,157
2. Industrial Insurance Increase	0	152	152
3. Increase ACCESS Rates	0	2	2
4. Back Out Bank Fees	0	-380	-380
5. Interagency Billings	0	-109	-109
6. Compensation Changes	0	-286	-286
7. Agency Legal Services Adjustment	0	-22	-22
<b>Caseload &amp; Enrollment Changes</b>			
8. Agent Increase/B&O Taxes	0	508	508
<b>Program Enhancements</b>			
9. Vendor Rate Increase	0	363	363
10. Replace Store POS System	0	722	722
11. Add Regulatory Staff	0	391	391
<b>Total 1995-97 Biennium</b>	0	113,461	113,461
<b>Fiscal Year 1996 Totals</b>	0	56,569	56,569
<b>Fiscal Year 1997 Totals</b>	0	56,892	56,892

**Comments:**

1. AGENCY-WIDE RENT INCREASES - Funding is provided for expected rental increases for the Board's 164 retail stores and 21 field offices. (Liquor Revolving Fund)
2. INDUSTRIAL INSURANCE INCREASE - Funding is provided to cover an 18 percent increase in insurance premiums. (Liquor Revolving Fund)
3. INCREASE ACCESS RATES - Funding is provided to cover a rate increase for use of the Washington State Patrol's ACCESS network used by LCB regulatory staff in performing licensing investigations. (Liquor Revolving Fund)
4. BACK OUT BANK FEES - Funds related to bank service charges are transferred from the Liquor Control Board to the State Treasurer. Legislation enacted in the previous biennium allows the Treasurer to pay bank service charges on funds deposited into the treasury. (Liquor Revolving Fund)
5. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
6. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
7. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
8. AGENT INCREASE/B&O TAXES - Funds are provided to adjust for a 2.3 percent B&O tax placed on liquor agency managers by a 1994 IRS ruling, and to cover increases in commissions due to anticipated increases in sales. (Liquor Revolving Account)
9. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997. (Liquor Revolving Account)
10. REPLACE STORE POS SYSTEM - Funding is provided to begin the lease-purchase of a Point-of-Sale (POS) system for tracking sales, tax information, and inventory to replace an obsolete system for 164 state liquor stores. (Liquor Revolving Account)
11. ADD REGULATORY STAFF - Funding is provided to add staff to the Centralized Licensing Program within the Regulatory Division. (Liquor Revolving Account)

## Utilities and Transportation Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	0	28,710	28,710
Eliminate One-Time Spending	0	-50	-50
Biennialize Current Biennium Changes	0	-58	-58
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Lease/Purchase and Federal Grant	0	38	38
2. Interagency Billings	0	-225	-225
3. Compensation Changes	0	61	61
<b>Caseload &amp; Enrollment Changes</b>			
4. Deregulation of Motor Carriers	0	-2,413	-2,413
<b>Program Reductions</b>			
5. Agency Legal Services Adjustment	0	-61	-61
<b>Total 1995-97 Biennium</b>	0	26,002	26,002
<b>Fiscal Year 1996 Totals</b>	0	12,964	12,964
<b>Fiscal Year 1997 Totals</b>	0	13,038	13,038

### Comments:

1. LEASE/PURCHASE AND FEDERAL GRANT - An adjustment is made for changes in lease-purchase contracts and federal grants. (Public Service Revolving Account-State; Public Service Revolving Account-Federal)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. DEREGULATION OF MOTOR CARRIERS - Federal legislation enacted in 1994 preempts state regulation of motor carriers, as of January 1, 1995; therefore the Commission will discontinue certain regulatory functions regarding the trucking industry. Safety inspections will be continued through a simplified registration process rather than permits. (Public Service Revolving Account- State)
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Utilities and Transportation Commission's budget is shown in the Transportation Budget section of this document.

**Board for Volunteer Firefighters**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	398	398
<b>Biennialize Current Biennium Changes</b>	0	-2	-2
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	19	19
2. Merit Increments	0	11	11
<b>Changes in Service Delivery</b>			
3. Eliminate Earnings Statements	0	-4	-4
<b>Program Enhancements</b>			
4. Increased Workload Costs	0	5	5
5. Replacement of Computers	0	6	6
6. Client Benefit Information	0	2	2
7. Reserve Officer Pensions	0	7	7
<b>Total 1995-97 Biennium</b>	0	442	442
<b>Fiscal Year 1996 Totals</b>	0	221	221
<b>Fiscal Year 1997 Totals</b>	0	221	221

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. ELIMINATE EARNINGS STATEMENTS - Savings result from eliminating the distribution of monthly earnings and benefits statements mailed to pensioners using electronic fund transfers. Pensioners may request the information by telephone. (Volunteer Firefighters' Relief and Pension Administrative Account)
4. INCREASED WORKLOAD COSTS - Funding is provided for increased workload costs related to record keeping and timely payments of client pensioner benefits, data processing, benefit warrants, envelopes, and postage. (Volunteer Firefighters' Relief and Pension Administrative Account)
5. REPLACEMENT OF COMPUTERS - Funding is provided for computer replacement. (Volunteer Firefighters' Relief and Pension Administrative Account)
6. CLIENT BENEFIT INFORMATION - Funding is provided for travel and training costs of member orientation. (Volunteer Firefighters' Relief and Pension Administrative Account)
7. RESERVE OFFICER PENSIONS - Funding is provided for new member orientation and administration associated with reserve law enforcement officers joining the Volunteer Fire Fighters' retirement system as permitted under Chapter 11, Laws of 1995 (SHB 1453). (Volunteer Fire Fighters' Relief and Pension Administrative Account)

**Military Department**

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	8,174	8,833	17,007
<b>Eliminate One-Time Spending</b>	-78	-181	-259
<b>Biennialize Current Biennium Changes</b>	-22	-30	-52
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Surface Water Tax	54	0	54
2. Interagency Billings	187	0	187
3. Agency Legal Services Adjustment	-2	0	-2
<b>Caseload &amp; Enrollment Changes</b>			
4. Maintenance of New Armories	291	0	291
<b>Changes in Service Delivery</b>			
5. Admin/Maintenance Reductions	-295	0	-295
6. Increased Cost Recoveries	0	36	36
7. Retrospective Rating Refund	0	34	34
<b>Program Enhancements</b>			
8. Environmental Cleanup	80	240	320
9. Emergency Management Transfer	6,562	38,173	44,735
<b>Total 1995-97 Biennium</b>	14,951	47,105	62,056
<b>Fiscal Year 1996 Totals</b>	7,474	23,551	31,025
<b>Fiscal Year 1997 Totals</b>	7,477	23,554	31,031

**Comments:**

1. SURFACE WATER TAX - Funding is provided to pay a Pierce County surface water tax assessment on facilities located at Camp Murray.
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. MAINTENANCE OF NEW ARMORIES - Funding is provided for additional maintenance staff for four new armories opened during the 1993-95 biennium in Grandview, Buckley, Moses Lake, and the Yakima Firing Range.
5. ADMIN/MAINTENANCE REDUCTIONS - Eliminates one administrative and four maintenance staff. The agency will re-prioritize staff and fiscal resources to cover this reduction.
6. INCREASED COST RECOVERIES - Additional revenue is anticipated from increased private use of armories. The Department charges fees sufficient to recover the additional costs for utilities and maintenance associated with the private use of these facilities. (General Fund-Private/Local)
7. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
8. ENVIRONMENTAL CLEANUP - State funds are provided to match the federal funds supporting continued environmental cleanup and compliance with the Clean Water Act and Puget Sound Water Quality Management Plan. Previously these activities were 100 percent federally funded. The Federal government is now requiring a state match in locations with joint operations. (General Fund-State, General Fund-Federal)
9. EMERGENCY MANAGEMENT TRANSFER - Pursuant to Chapter 391, Laws of 1995 (SHB 1017), the Emergency Management Program is transferred from the Department of Community, Trade, and Economic Development to the Military Department. (General Fund-State, General Fund-Federal, General Fund-Local, Enhanced 911 Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Employment Relations Commission**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	3,338	0	3,338
<b>Eliminate One-Time Spending</b>	46	0	46
<b>Biennialize Current Biennium Changes</b>	-58	0	-58
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	20	0	20
2. Merit Increments	57	0	57
3. Compensation Changes	-2	0	-2
4. Agency Legal Services Adjustment	-4	0	-4
<b>Changes in Service Delivery</b>			
5. Staff Savings	-24	0	-24
6. Partial Staff Reduction	-59	0	-59
<b>Total 1995-97 Biennium</b>	3,314	0	3,314
<b>Fiscal Year 1996 Totals</b>	1,647	0	1,647
<b>Fiscal Year 1997 Totals</b>	1,667	0	1,667

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. STAFF SAVINGS - A savings occurs from replacement of a senior level mediator with a new employee paid at a lower rate under the State Merit System.
6. PARTIAL STAFF REDUCTION - A mediator position will be shifted from full-time to part-time to achieve program savings.

## Growth Management Hearings Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,962	0	2,962
<b>Biennialize Current Biennium Changes</b>	-4	0	-4
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	5	0	5
2. Compensation Changes	2	0	2
<b>Program Reductions</b>			
3. Reduce Hearings Examiners	-300	0	-300
<b>Total 1995-97 Biennium</b>	2,665	0	2,665
<b>Fiscal Year 1996 Totals</b>	1,331	0	1,331
<b>Fiscal Year 1997 Totals</b>	1,334	0	1,334

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. REDUCE HEARINGS EXAMINERS - The budget for hearings examiners is reduced. Board members will absorb the increased workload.

State Convention and Trade Center  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures	0	20,252	20,252
Eliminate One-Time Spending	0	-1,000	-1,000
Inflation & Other Rate Adjustments	0	500	500
1. Debt Service - Parking Garage	0	500	500
2. Mandatory Labor Rate Increases	0	493	493
3. Interagency Billings	0	-113	-113
Changes in Service Delivery	0	5,400	5,400
4. Transfer Marketing from DCTED	0	5,400	5,400
Program Reductions	0	-4	-4
5. Agency Legal Services Adjustment	0	-4	-4
Program Enhancements	0	78	78
6. Non-Union COLA	0	78	78
Total 1995-97 Biennium	0	25,606	25,606
Fiscal Year 1996 Totals	0	12,720	12,720
Fiscal Year 1997 Totals	0	12,886	12,886

Comments:

- DEBT SERVICE - PARKING GARAGE - Funding is provided to cover the debt service requirements of the parking garage. Increased parking revenues eliminate the need for further support from the Hotel/Motel revenue source. (Convention Center Operations Account)
- MANDATORY LABOR RATE INCREASES - Funding is provided for existing labor contract obligations. The amount of labor contract to be negotiated by the convention center over the next year, and increase represents the forecasted increase in the ten union contracts to averages about 4 percent per year. (Convention Center Operations Account)
- INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
- TRANSFER MARKETING FROM DCTED - This item transfers the base budget for marketing the Convention and Trade Center (\$3,976,000) to the convention center from the Department of Community, Trade, and Economic Development (DCTED). The base appropriation is further increased by \$1,424,000, reflecting the current revenue forecast for the portion of the Hotel/Motel tax dedicated to marketing. (Convention Center Operations Account)
- AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
- NON-UNION COLA - Funding is provided for salary increases for non-union employees equal to that of other state employees.

**Uniform Legislation Commission**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	55	0	55
Eliminate One-Time Spending	-6	0	-6
Biennialize Current Biennium Changes	6	0	6
<b>Changes in Service Delivery</b>			
1. Transfer to Statute Law Committee	-55	0	-55
<b>Total 1995-97 Biennium</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiscal Year 1996 Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fiscal Year 1997 Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Comments:**

1. TRANSFER TO STATUTE LAW COMMITTEE - Funding for the Uniform Legislation Commission is transferred to the Statute Law Committee.

**United States Presidential Electors**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	0	0	0
<b>Caseload &amp; Enrollment Changes</b>			
1. Required Expenditures	1	0	1
<b>Changes in Service Delivery</b>			
2. Consolidate Presidential Electors	-1	0	-1
<b>Total 1995-97 Biennium</b>	0	0	0
<b>Fiscal Year 1996 Totals</b>	0	0	0
<b>Fiscal Year 1997 Totals</b>	0	0	0

**Comments:**

1. REQUIRED EXPENDITURES - Funding is provided for travel and per diem costs to ensure that Washington State electoral votes are properly filed with the National Electoral College.
2. CONSOLIDATE PRESIDENTIAL ELECTORS - The United States Presidential Electors is a state agency through which the Washington State delegation is provided travel and per diem to ensure that the Washington State electoral votes are properly filed with the National Electoral College. This activity is transferred to the Secretary of State in the interest of streamlining state government. The separate agency, U.S. Presidential Electors, will be abolished.



# Human Services

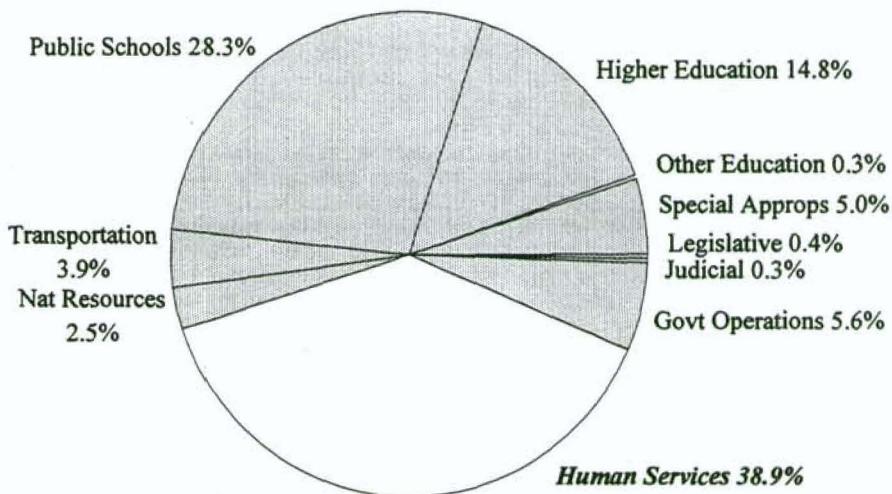
The Human Services area is separated into two sections: The Department of Social and Health Services and Other Human Services. The Department of Social and Health Services budget is displayed by program division in order to better describe the costs of particular services provided by the Department. The Other Human Services section displays budgets at the department level, and includes the Department of Corrections, the Department of Labor and Industries, the Employment Security Department, the Health Care Authority, the Department of Health, and other human services related agencies.

# Washington State 1995-97 Operating Budget

## Total Budgeted Funds

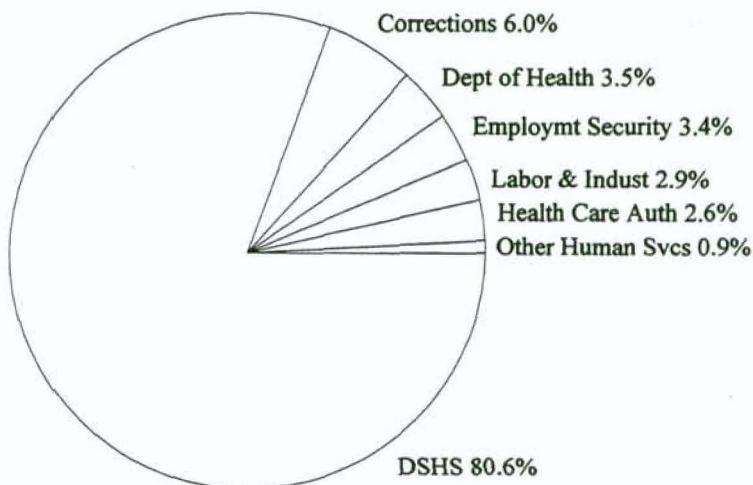
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
<b>Human Services</b>	<b>12,394,493</b>
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



### Washington State

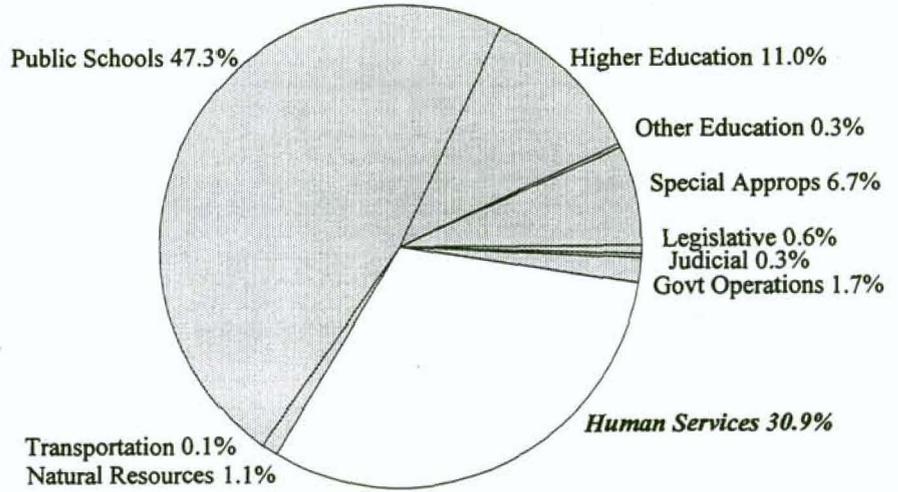
DSHS	9,993,864
Dept of Corrections	745,366
Dept of Health	437,905
Employment Security	421,194
Labor & Industries	360,069
Health Care Authority	327,717
Other Human Services	108,378
<b>Human Services</b>	<b>12,394,493</b>



### Human Services

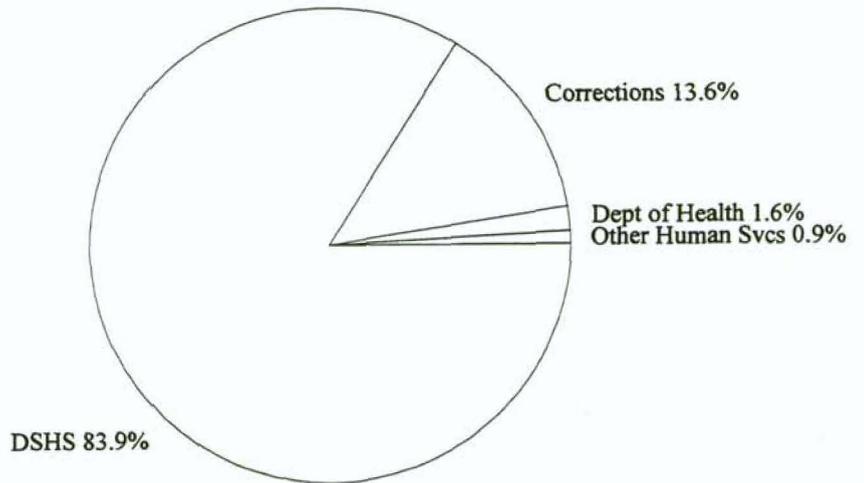
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
<b>Human Services</b>	<b>5,438,126</b>
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

DSHS	4,561,196
Dept of Corrections	740,118
Dept of Health	88,627
Other Human Services	48,185
<b>Human Services</b>	<b>5,438,126</b>



**Human Services**



# Department of Social & Health Services

## **Social Services Vendor Rate Increases**

A total of \$71.1 million, with \$40.4 million coming from the state general fund, is provided for department-wide vendor rate increases. Private individuals and agencies that contract with DSHS to provide home care, foster care, community residential care, vocational training, mental health care, and other community-based services will receive a 2 percent increase effective July 1, 1995 and an additional 2 percent increase on July 1, 1996.

## **Home-Care Worker Travel Time and Improved Health Plan Subsidies**

A total of \$5.8 million, with \$3.9 million coming from the state general fund, is provided to reimburse employees of Chore, COPES, and personal care agencies for their time spent traveling among clients' homes during the course of their workday. A total of \$15.8 million, with \$9.9 million coming from the Health Services Account is provided for enhanced Basic Health Plan premium subsidies to encourage enrollment in health care plans by home care workers with incomes under 200 percent of the federal poverty level employed through state-funded long-term care programs.

## **Children and Family Services**

Children and Family Services, including foster care, adoption support, and day care services are increased by a total of \$13.6 million from the state general fund to meet growing numbers of children and families requiring assistance. Subsidies paid to child care providers on behalf of low-income working families and other families with special needs are increased by an average of 6.6 percent. Funding is provided to recruit new foster homes and to enable all foster parents to receive training. The amount of \$1.1 million from the Violence Reduction and Drug Enforcement Fund is provided in fiscal year 1996 for community public health and safety networks to complete the planning necessary for the expenditure of \$8.4 million in federal funding for direct services to families. The amount of \$2.6 million from the state general fund is provided to implement Chapter 311, Laws of 1995 (ESSB 5885) which creates new services to families following a study and report to the Legislature by December of 1995.

The amount of \$10.1 million from the state general fund and \$1.4 million in federal funding is provided to implement Chapter 312, Laws of 1995 (E2SSB 5439 - Non-Offender At-Risk Youth) which includes: the involuntary treatment of minors for substance abuse and mental health problems; an evaluation of drug and alcohol treatment programs for minors; the placement of runaways in secure crisis residential center facilities; and strengthening truancy provisions. Appropriations are made to three DSHS programs, including Children and Family Services, Mental Health, and Alcohol and Substance Abuse. An appropriation is also made to the Superintendent of Public Instruction to implement changed truancy provisions.

## **Juvenile Rehabilitation**

A total of \$107.6 million from the state general fund is provided for the Division of Juvenile Rehabilitation to house youth in state institutions, group homes, and community alternative placements. Approximately \$28.9 million of increased federal funding will be available through the consolidated emergency assistance and Medicaid programs to offset the cost of caseload growth. From the state general fund, \$2.1 million is provided for the additional staffing to operate the new 64 bed maximum security unit opening at the Maple Lane facility in January 1996, and \$1.4 million is provided to implement Chapter 129, Laws of 1995 (Initiative-159) that is expected to cause the daily institutional population to increase by 23 persons by the end of the biennium.

### **Mental Health**

The amount of \$19 million from the state Health Services Account, \$10 million from the state general fund, and \$31 million in federal funding is provided for caseload growth in mental health services. Of this amount, \$40 million will provide services for additional children under the expansion of Medicaid eligibility to 200 percent of the federal poverty level, and \$20 million reflects growth in the regular Medicaid-eligible population. By substituting enhanced outpatient and other services, the Regional Support Networks are expected to reduce the cost of voluntary Medicaid psychiatric hospitalizations by 15 percent, for a net savings of \$1.3 million to the state general fund. The amount of \$1.9 million is saved by discontinuing the Primary Intervention Program (PIP) which provided early intervention services to children in kindergarten through the third grade.

### **Developmental Disabilities**

The amount of \$4.0 million from the state Health Services Account is provided to phase in expansion of respite care and other support services for an estimated 875 families over the course of the biennium. An additional \$5.2 million in state and federal funding is provided to continue employment and day training programs for students who graduated from high school in the 1993-95 biennium and to provide such services for an additional 750 students who will graduate during the 1995-97 biennium. The budget directs the Department of Social and Health Services to obtain \$4 million in additional federal matching funds under its existing and new "managed care" Medicaid waivers. These increased federal funds will be used to provide in-home services to an additional 500 adults and employment and day program services for 250 adults living at home.

A total of \$44.3 million in state and other funds is transferred to the Developmental Disabilities program budget from other Department of Social and Health Services programs, including \$37.5 million from the Long-Term Care Services program for chore and personal care services for adults with developmental disabilities.

### **Long-Term Care Services**

A total of \$1.6 billion in state and federal funds are provided to care for an average of 16,000 persons in nursing homes, and 26,000 persons in home and community-based settings. Nursing home payments will increase by \$111 million during the biennium. Under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908), nursing home payment rates will increase by an average of 7 percent each year, compared to the average of 9 percent per year by which they would have increased under prior law. Also under Chapter 18, Laws of 1995, 1st sp.s., improvements are initiated in the quality of long-term care provided to people in their own homes and in community residential care facilities. The amount of \$7.3 million in state and federal funding is provided to implement these improvements.

By the end of the 1995-97 biennium, approximately 1,600 people who would otherwise be in nursing homes will instead have the option of remaining in their own homes or moving to adult care homes or private assisted living apartments. Use of these options is expected to save \$28 million in state and federal funds. To assure the viability of these alternative care arrangements, community payment rates are increased, and additional funding is provided for respite care and home-delivered meals. Case managers are added to help families obtain services when patients are discharged from hospitals and nursing homes.

Chapter 18, Laws of 1995, 1st sp.s. increases personal financial responsibility for long-term care by increasing the state's ability to recover the cost of state-funded long-term care from a recipient's estate and by requiring recipients of chore services to contribute more to the cost. These changes are expected to save \$8.7 million in state and federal funds.

### **Economic Services**

The amount of \$35.9 million in state funding and \$29.0 million in federal funding is provided for increased costs and participation in the Aid to Families with Dependent Children (AFDC), General Assistance-Unemployable (GA-U), and Supplemental Security Income (SSI) grants. The GA-U program will be analyzed to determine

what changes are required to reduce the cost of the program. Implementation of these changes is expected to save \$7.6 million in the second year of the biennium. The cost of state supplements to federal SSI grants is reduced by \$6.7 million through use of an alternative calculation approved by the federal government. The Department of Social and Health Services is directed to reduce headquarters staffing levels by 10 percent which will reduce state and federal expenditures by \$2.2 million.

The legislative budget limited expenditures in the General Assistance for Pregnancy (GA-S) program to \$7.7 million, representing a \$5.2 million state general fund savings. Grants were to be prioritized using criteria established in HB 2083, which was not enacted. This budget provision was vetoed by the Governor.

### **Alcohol and Substance Abuse**

Current level funding is maintained for all drug and alcohol treatment services for indigent adults, pregnant women, and youth. In addition, funding is provided to implement Chapter 54, Laws of 1995 (SSB 5688) which creates a statewide Fetal Alcohol Syndrome Diagnostic Center and to implement the division's responsibilities under Chapter 312, Laws of 1995 (E2SSB 5439 - Non-Offender At-Risk Youth).

### **Medical Assistance**

A total of \$3.6 billion in state and federal funds is provided for the Medical Assistance program to provide medical care to approximately 750,000 persons with low incomes. While this is an increase of 100,000 persons over the 1993-95 biennium, reductions in per person medical expenditures have essentially held down the rate of expenditure growth. Caseload costs are approximately \$113 million less during the 1995-97 biennium, primarily because of reduced in-patient hospital utilization and stabilization of other health care costs. Savings of \$37.8 million state and \$8.2 million federal are expected as a result of phasing out emergency health care services provided under the Medically Indigent program and the portion of the Medically Needy program that provides health care to individuals with incomes slightly above the eligibility threshold for the AFDC program. Savings of \$26.0 million in state and federal funds are expected by continuing to expand the number of Medical Assistance recipients covered through managed care plans and by requiring the amounts paid to managed care plans to be competitively set. Savings of \$16.8 million in state and federal funds are expected by requiring competitive contracting for selected medical supplies, equipment, and other items purchased in large quantities.

The amount of \$42.6 million in the state Health Services Account and federal funding is provided to increase dental access for children by raising reimbursement rates for children's dental services from 45 percent of usual and customary charges to as much as 75 percent for selected services.

### **Vocational Rehabilitation**

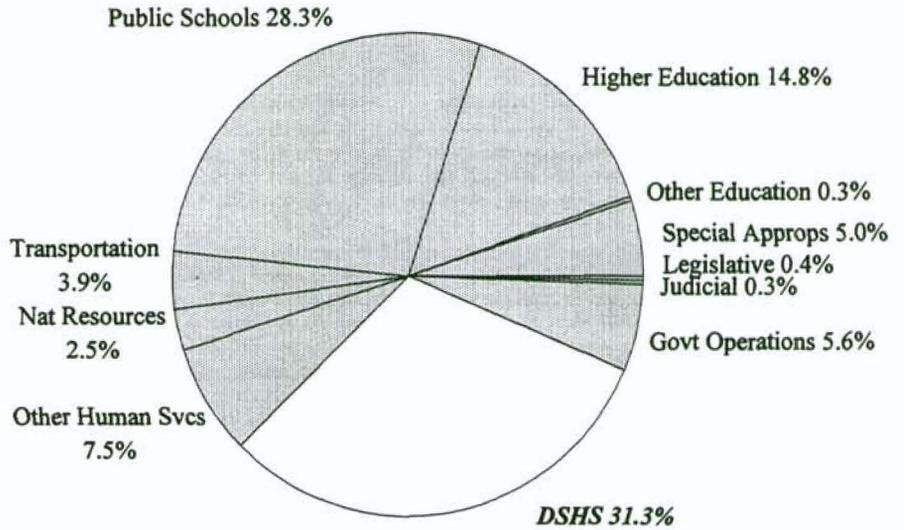
Federal funding is expected to increase by \$3.8 million due to a 3.5 percent increase in the Basic Support Grant in the 1995-97 biennium. The amount of \$1.5 million is provided for job training and placement for approximately 75 percent of the 744 students with developmental disabilities who will graduate from high school in 1995 and 1996. Funding for the remaining graduates and ongoing support is provided in the Division of Developmental Disabilities budget.

### **Child Support Services**

A decrease in the federal child support collection incentive pay is anticipated for 1995-97 due to lower than expected child support collections. Funding is provided from the state general fund to make up for the lower federal funding amount.

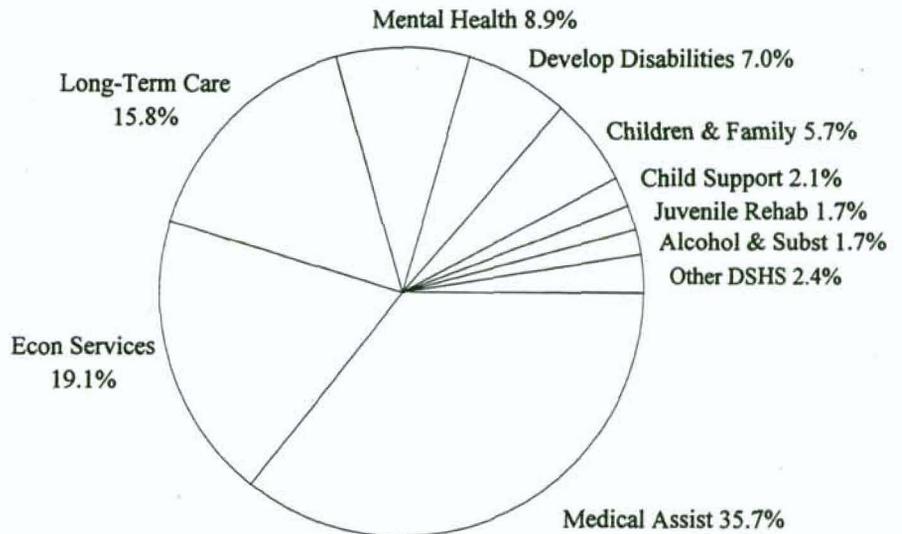
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
<b>DSHS</b>	<b>9,993,864</b>
Other Human Services	2,400,629
Natural Resources	808,962
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,506
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

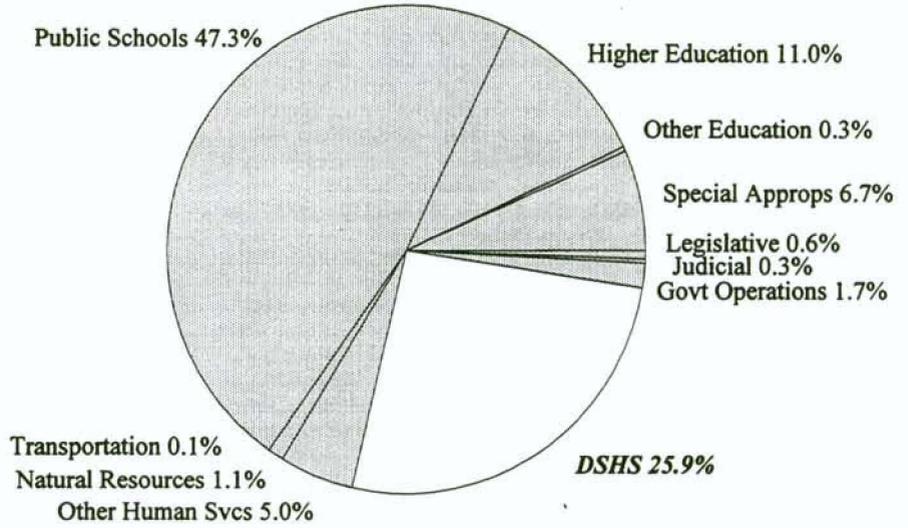
Medical Assistance	3,565,908
Economic Services	1,912,686
Long-Term Care Svcs	1,575,598
Mental Health	889,964
Develop Disabilities	698,063
Children & Family Svcs	566,332
Child Support Svcs	204,947
Juvenile Rehabilitation	170,790
Alcohol & Substance	166,204
Other DSHS	243,372
<b>DSHS</b>	<b>9,993,864</b>



**DSHS**

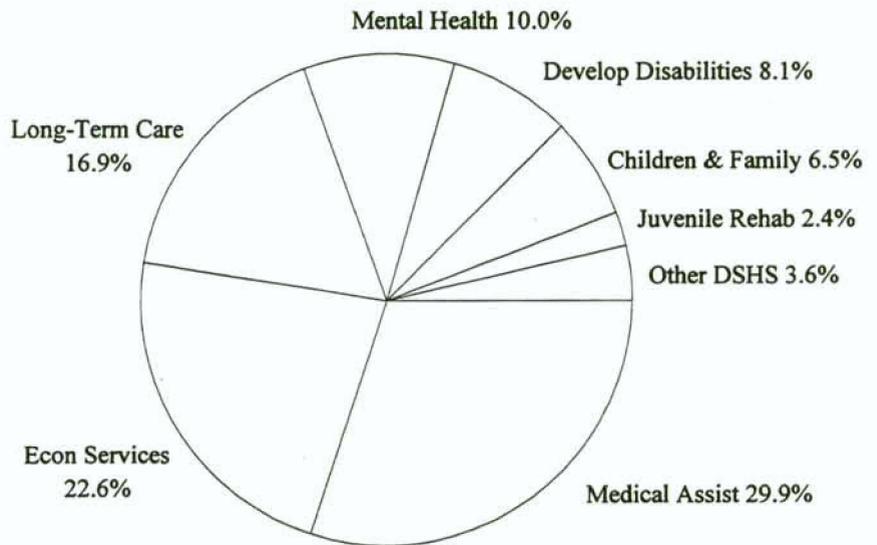
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
<b>DSHS</b>	<b>4,561,196</b>
Other Human Services	876,930
Natural Resources	201,526
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,655
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

Medical Assistance	1,362,807
Economic Services	1,032,657
Long-Term Care Svcs	772,463
Mental Health	456,545
Develop Disabilities	370,377
Children & Family Svcs	296,370
Juvenile Rehabilitation	107,581
Other DSHS	162,396
<b>DSHS</b>	<b>4,561,196</b>



**DSHS**

**Department of Social & Health Services**  
**Children & Family Services**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	282,750	219,868	502,618
<b>Eliminate One-Time Spending</b>	-462	-64	-526
<b>Biennialize Current Biennium Changes</b>	-1,050	10,556	9,506
<b>Inflation &amp; Other Rate Adjustments</b>			
1. FMAP	1,415	-1,415	0
2. Pension Rate Adjustment	-91	-37	-128
3. ISSD Adjustments	40	17	57
4. Child Care Vendor Survey	2,672	3,376	6,048
5. E-Mail & HUB Maintenance	27	12	39
6. Interagency Billings	-183	-79	-262
<b>Caseload &amp; Enrollment Changes</b>			
7. Workload	3,730	1,758	5,488
8. Caseload	7,439	1,161	8,600
<b>Changes in Service Delivery</b>			
9. Transfer	-16,624	14,144	-2,480
10. Lease-Purchase	-134	-54	-188
11. Centralize CPS Afterhours	-218	-89	-307
12. Title IV-A Refinancing	-1,830	1,830	0
13. Personnel Board FIS Savings	-18	-7	-25
<b>Program Reductions</b>			
14. Family Policy Council Adjustment	-151	-4,617	-4,768
15. Reduce Special Projects	-2,213	0	-2,213
<b>Program Enhancements</b>			
16. Title IV-B-2 Award Adjustment	0	4,393	4,393
17. CAMIS Enhancement	0	10,086	10,086
18. Permanency Planning	5,811	6,926	12,737
19. Health and Safety Initiative	1,490	609	2,099
20. Services to Families	2,575	0	2,575
21. Vendor Rate Increase	4,646	1,317	5,963
22. WIN Kiosks	4	1	5
23. Non-Offender At-Risk Youth	5,524	270	5,794
24. Employment Child Care	1,221	0	1,221
<b>Total 1995-97 Biennium</b>	296,370	269,962	566,332
<b>Fiscal Year 1996 Totals</b>	144,801	139,647	284,448
<b>Fiscal Year 1997 Totals</b>	151,569	130,315	281,884

**Comments:**

1. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995. (General Fund-State, General Fund-Federal)
2. PENSION RATE ADJUSTMENT - Reflects the change in the employer contribution rate for PERS employees to 7.26 percent, effective September 1, 1995. (General Fund-State, General Fund-Federal)
3. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
4. CHILD CARE VENDOR SURVEY - Funding is provided for the increased cost of child care vendors. Federal regulations for Title IV-A At-Risk Child Care and for the Child Care Development Block Grant require that DSHS child care providers be paid their usual and customary rate, or the rate which is at the 75th percentile in each local market, whichever is lower. This item provides for a six-month phase-in, beginning in December 1995, of the 75th percentile rates for providers for eight geographic clusters. This step sets the rates based on the providers rather than children served, for eight geographic clusters rather than six DSHS regions, and does not include therapeutic child care in its calculation. Therapeutic child care is not subject to the mandatory 75th percentile standard. Therefore, it is provided a 5 percent vendor rate increase. An increase of \$475,000 in

## Department of Social & Health Services Children & Family Services

- federal block grant earnings is used to offset some of the General Fund-State cost of this increase.
5. **E-MAIL & HUB MAINTENANCE** - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
  6. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
  7. **WORKLOAD** - Funding is provided for: (1) actual salary and benefits costs, which are about 2 percent higher than assumed in the carryforward budget; (2) additional child protective services, child welfare, adoption support, and licensing staff to keep up with projected caseload increases; and (3) six FTE staff in fiscal year 1996 and 1.8 FTE staff in fiscal year 1997 to design, train, and implement procedures expected to result in \$7.5 million of additional federal revenues in the 1995-97 biennium. The amount reflects funding already in the budget base for 5.5 FTE staff who were budgeted but not added in the 1993-95 biennium.
  8. **CASELOAD** - Funding is provided for: (1) a 2.9 percent average increase in foster care caseloads over the 1993-95 level; (2) an 11 percent average annual increase in adoption support caseloads; and (3) new federal Title IV-A earnings, which partially offset the increased state cost of caseload growth.
  9. **TRANSFER** - Five functions are transferred: (1) the Office of Language Interpreter Services and Translations (LIST) to the Administration Program; (2) components of First Steps to the Medical Assistance Program; (3) Social Services Block Grant funds transferred from Aging & Adult Services replace General Fund-State; (4) the Children's Trust Fund to the Administration Program; and (5) the Attorney General support staff to the Administration Program, as required under the 1994 change in the permanency planning law. (General Fund-State, General Fund-Federal)
  10. **LEASE-PURCHASE** - Funding is reduced to reflect savings from conversion of a \$240,000 vehicle purchase to a lease purchase. (General Fund-State, General Fund-Federal)
  11. **CENTRALIZE CPS AFTERHOURS** - Funding is reduced to reflect savings from establishment of a central Child Protective Services (CPS) after-hours intake function. Currently, each office uses varying procedures to receive, screen, and respond to referrals. The savings occur through the elimination of local FTE staff and answering services. (General Fund-State, General Fund-Federal)
  12. **TITLE IV-A REFINANCING** - General Fund-State funding is replaced by federal Title IV-A Emergency Assistance matching funds for home-based services within the Children and Family Services Program. Supplanting is permitted during the 1995-97 biennium. (General Fund-State, General Fund-Federal)
  13. **PERSONNEL BOARD FIS SAVINGS** - Funding is reduced to reflect implementation of the September 1994 Personnel Board Fiscal Impact Statement (FIS). This is a net savings resulting from salary adjustments that occurred during the reorganization of the Division of Children and Family Services Administration. (General Fund-State, General Fund-Federal)
  14. **FAMILY POLICY COUNCIL ADJUSTMENT** - A total of \$10.4 million is provided for the Community Public Health and Safety Networks. This is a net total resulting from a carryforward budget of \$10.8 million, reduced by \$4.8 million in this item, and increased by \$4.4 million in the "Title IV-B-2 Award Adjustment" item. Of the total funding, \$2.0 million from the Violence Reduction and Drug Enforcement Account is provided for: (1) \$1.1 million in fiscal year 1996 to complete planning by the community public health and safety networks; and (2) \$900,000 for DSHS, DCFS staff to the family policy council. Of this \$900,000, \$300,000 is for the Washington State Institute for Public Policy to conduct an evaluation study if private funding cannot be raised by DSHS for this purpose. (Violence Reduction and Drug Enforcement Account, General Fund-Federal)
  15. **REDUCE SPECIAL PROJECTS** - Funding is discontinued in fiscal year 1997 for two local pilot projects: (1) Continuum of Care (\$1.7 million General Fund-State); and (2) Street Youth (\$0.6 million General Fund-State). At local discretion, some or all of these services could be continued in 1996-97 through the new community public health and safety networks.
  16. **TITLE IV-B-2 AWARD ADJUSTMENT** - Federal Family Preservation and Support Act funds are expected to increase to a total of \$8.4 million in the 1995-97 biennium, from \$2.6 million in the 1993-95 biennium. These funds will be used for family preservation direct services through the Family Policy Council/Community Public Health and Safety Networks. (General Fund-Federal)
  17. **CAMIS ENHANCEMENT** - Enhanced federal match is available to fund a combination of federally-required and other modifications to the Case and Management Information System (CAMIS). A 75 percent federal match is available through September 1996; thereafter, the match drops to 50 percent. Funding is provided in fiscal year 1996 to achieve the federal match, with the savings generated in fiscal year 1997 from CAMIS enhancements resulting in no additional General Fund-State cost during the biennium. (General Fund-State, General Fund-Federal)
  18. **PERMANENCY PLANNING** - Funding is provided in the following amounts for foster care permanency planning: (1) \$5.4 million General Fund-Federal for expanding child placing agency caseloads; (2) \$1.2 million General Fund-State for contracts for supervised visitation; (3) \$0.4 million General Fund-State for recruitment of additional foster homes; (4) \$0.6 million General Fund-State to require 16 hours of foster parent training; (5) \$100,000 General Fund-State for planning costs associated with the Tribal-State Indian Child Welfare Agreement; (6) \$2.3 million General Fund-State to fund caseload growth in child care for employed foster parents; and (7) \$1.3 million General Fund-State for caseworkers phased in over the biennium. (General Fund-State, General Fund-Federal)
  19. **HEALTH AND SAFETY INITIATIVE** - Funding is provided to upgrade health and safety protection for children served through DSHS child welfare services, as follows: (1) \$72,000 General Fund-State and \$29,000 General Fund-Federal for a Child Welfare Planner; (2) \$304,000 General Fund-State and \$125,000 General Fund-Federal for Child Care Licensors; (3) \$91,000 General Fund-State and \$37,000 General Fund-Federal for a Licensing Manager; (4) \$285,000 General Fund-State and \$117,000 General Fund-Federal for Family Foster Home Licensors; and (5) \$738,000 General Fund-State and \$302,000 General Fund-Federal for Quality Assurance, Group and Contract Monitors. (General Fund-State, General Fund-Federal)
  20. **SERVICES TO FAMILIES** - The amount of \$2.6 million General Fund-State is provided to fund Chapter 311, Laws of 1995 (ESSB 5885). Of this amount, \$75,000 is provided in fiscal year 1996 for family preservation services planning and a report to the Legislature. The remaining \$2.5 million is provided in fiscal year 1997 for additional family preservation services based upon the report. (General Fund-State)
  21. **VENDOR RATE INCREASE** - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997. (General Fund-State, General Fund-Federal)
  22. **WIN KIOSKS** - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, General Fund-Federal)
  23. **NON-OFFENDER AT-RISK YOUTH** - Funding is provided to implement the Division's responsibilities under Chapter 312, Laws of 1995 (E2SSB 5439): (1) \$150,000 General Fund-State in fiscal year 1996 for planning and a report to the Legislature including family reconciliation services; (2) \$266,000 General Fund-State and \$108,000 General Fund-Federal for coordinating multi-disciplinary teams; (3) \$211,000 for family reconciliation services; (4) \$355,000 General Fund-State and \$145,000 General Fund-Federal for training and reporting duties; (5) \$42,000 General Fund-State and \$17,000 General Fund-Federal for developing new minimum licensing requirements for the new secure crisis residential center facilities; and (6) \$4.5 million General Fund-State for crisis residential centers (CRCs) in fiscal year 1997. (General Fund-State, General Fund-Federal)

**Department of Social & Health Services  
Children & Family Services**

Fund-Federal)

24. EMPLOYMENT CHILD CARE - Funding is provided for additional child care for low-income parents (employed and not receiving Aid to Families with Dependent Children (AFDC) benefits). Approximately 188 additional slots per month are funded. (General Fund-State)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Children and Family Services**

**WORKLOAD HISTORY  
By Fiscal Year**

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	Estimate		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>Foster Care</b>										
Avg # Children Served Monthly	5,591	5,872	6,143	6,441	6,734	6,723	6,665	6,734	6,900	6,981
% Change from prior year		5.0%	4.6%	4.9%	4.5%	-0.2%	-0.9%	1.0%	2.5%	1.2%
<b>Child Care</b>										
Avg # Children Served Monthly	8,789	8,906	9,945	12,330	14,251	15,009	14,345	14,855	14,698	14,752
% Change from prior year		1.3%	11.7%	24.0%	15.6%	5.3%	-4.4%	3.6%	-1.1%	0.4%
<b>Child Protective Services</b>										
Avg Cases Referred Monthly	1,779	3,331	3,644	4,301	5,819	5,699	5,750	6,108	6,475	6,841
% Change from prior year		87.2%	9.4%	18.0%	35.3%	-2.1%	0.9%	6.2%	6.0%	5.7%
<b>Adoption Support</b>										
Avg # Served Monthly	1,105	1,162	1,351	1,598	1,901	2,361	2,843	3,146	3,494	3,840
% Change from prior year		5.2%	16.3%	18.3%	19.0%	24.2%	20.4%	10.7%	11.1%	9.9%

Data Sources:

FY88 through FY94: LEAP workload data base.

CPS openings for FY88 through FY93 and all data for FY94 through FY97: DSHS Office of Research and Data Analysis.

FY95 Foster Care, Child Care, and Adoption Support estimates: DSHS Forecasting.

**Department of Social & Health Services**  
**Juvenile Rehabilitation**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	135,966	11,166	147,132
<b>Eliminate One-Time Spending</b>	-3,440	-300	-3,740
<b>Biennialize Current Biennium Changes</b>	6,128	14,594	20,722
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Utility Increase	109	0	109
2. Pension Rate Adjustment	-72	0	-72
3. ISSD Adjustments	7	0	7
4. Title IV-A Emergency Asst.	-27,781	28,928	1,147
5. E-Mail & HUB Maintenance	2	0	2
6. Vendor Rate Increase	1,379	222	1,601
7. Parent Pay	3,412	1,116	4,528
8. CSAT Grant End	0	-1,177	-1,177
9. Pharmaceutical Increase	30	0	30
10. Increased Licensing Requirements	40	0	40
11. Interagency Billings	-155	0	-155
<b>Caseload &amp; Enrollment Changes</b>			
12. Workload	-3,066	1,425	-1,641
13. FMAP	165	-165	0
<b>Changes in Service Delivery</b>			
14. Transfer	-8,920	8,500	-420
15. Expand Basic Training Camp Program	290	-1,100	-810
<b>Program Enhancements</b>			
16. Client Registry Feasibility	-10	0	-10
17. I-159 Impact	1,350	0	1,350
18. Maple Lane Maximum Security Unit	2,147	0	2,147
<b>Total 1995-97 Biennium</b>	107,581	63,209	170,790
<b>Fiscal Year 1996 Totals</b>	51,666	31,268	82,934
<b>Fiscal Year 1997 Totals</b>	55,915	31,941	87,856

**Comments:**

1. **UTILITY INCREASE** - Funding is provided for utility increases in excess of standard inflation, primarily due to increases in garbage rates resulting from closure of landfills serving Maple Lane, Green Hill, and Naselle.
2. **PENSION RATE ADJUSTMENT** - Reflects the change in the employer contribution rate for PERS employees to 7.26 percent, effective September 1, 1995. (General Fund-State, General Fund-Federal)
3. **ISSD ADJUSTMENTS** - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
4. **TITLE IV-A EMERGENCY ASST.** - Approximately \$28 million of increased federal funding will be available through the Consolidated Emergency Assistance and Medicaid Programs to offset the cost of caseload growth in the Juvenile Rehabilitation Program.
5. **E-MAIL & HUB MAINTENANCE** - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
6. **VENDOR RATE INCREASE** - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
7. **PARENT PAY** - Funding is provided to offset lower than projected revenue from parent payments. Revenues are lower than projected because: collections are by administrative rather than court order; 25 percent of residents are not subject to collection because they are age 18 and over; and there is a lag in actual collections.
8. **CSAT GRANT END** - State Violence Reduction and Drug Enforcement Account funding is provided to replace a four-year federal Center for Substance Abuse Treatment (CSAT) grant which will expire in August 1995. The federal grant pays for day treatment programs in two institutions, the group home-based aftercare program in Ellensburg, and chemical dependency coordinators in Regions 4-6.
9. **PHARMACEUTICAL INCREASE** - Funding is provided to implement rulings by the state boards of nursing and pharmacy requiring Juvenile Rehabilitation institutions to implement a "blister pack" method for dispensing medications, which increases the cost of prescription medications an estimated 35 percent.

## Department of Social & Health Services Juvenile Rehabilitation

10. INCREASED LICENSING REQUIREMENTS - Funding is provided to accommodate new state administrative codes requiring that sprinkler systems and fire alarms be inspected and certified annually.
11. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
12. WORKLOAD - When combined with funding increases in the carryforward budget, this provides for the 19 percent increase in state institutional and parole caseloads anticipated under current law. This item also includes \$1 million for increased caseloads in the Special Sex Offender Disposition Alternatives (SSODA) Program, and \$200,000 for Option B community sentencing growth. Part of the caseload growth is funded from the Violence Reduction and Drug Enforcement (VRDE) Account.
13. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995.
14. TRANSFER - Funding is transferred for the following: (1) language interpreter services and the juvenile rehabilitation Assistant Secretary to the DSHS Administration and Support Services Program; (2) the database and hotline for verifying eligibility for gun purchase to the DSHS Mental Health Division; and (3) a switch of \$8.5 million General Fund-State and federal Social Services Block Grant funds between the Juvenile Rehabilitation and the Long-Term Care Program budgets.
15. EXPAND BASIC TRAINING CAMP PROGRAM - Chapter 40, Laws of 1995 (SSB 5234) expands eligibility for the Juvenile Offender Basic Training Camp Program to include all juvenile offenders with a disposition of less than 78 weeks, other than those convicted of a violent or sex offense. Juveniles who successfully complete the "boot camp" program will earn early release and enter an average of 22 weeks of intensive parole supervision. The savings from reduced lengths of institutional stay will exceed the increased costs of the intensive parole. The boot camp is expected to be a contracted rather than state-operated program.
16. CLIENT REGISTRY FEASIBILITY - Funding is eliminated for the feasibility study for Department-wide expansion of the client registry system.
17. I-159 IMPACT - Funding is provided for implementation of Initiative 159 (Hard Time for Armed Crime) that is expected to result in a seven person increase in the average daily institutional population in fiscal year 1996, and in a 23 person increase in average daily population in fiscal year 1997.
18. MAPLE LANE MAXIMUM SECURITY UNIT - Funds the additional staffing needed to operate the new 64-bed maximum security unit which is due to open at the Maple Lane facility in January 1996.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Juvenile Rehabilitation**

**WORKLOAD HISTORY  
By Fiscal Year**

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	Estimate		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>Community Residential *</b>										
Avg Daily Population/Month	204	198	209	238	254	314	352	352	431	431
% Change from prior year		-2.9%	5.6%	13.9%	6.7%	23.6%	12.1%	0.0%	22.4%	0.0%
<b>Institutions</b>										
Avg Daily Population/Month	540	543	588	646	683	718	753	914	927	998
% Change from prior year		0.6%	8.3%	9.9%	5.7%	5.1%	4.9%	21.4%	1.4%	7.7%

\* Includes State and Contracted Group Homes, and Contracted County Commitment Beds.

Data Sources:

FY88 through FY94: LEAP workload data base. FY95 through FY97 estimates: DSHS.

County Commitment Beds for FY88 through FY95: DSHS Juvenile Rehabilitation Administrator

**Department of Social & Health Services**  
**Mental Health**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	387,470	322,004	709,474
<b>Eliminate One-Time Spending</b>	2,638	-532	2,106
<b>Biennialize Current Biennium Changes</b>	43,314	56,876	100,190
<b>Inflation &amp; Other Rate Adjustments</b>			
1. FMAP	8,123	-3,975	4,148
2. Travel	1	0	1
3. Utility Increase	344	84	428
4. ISSD Adjustments	17	0	17
5. Vendor Rate Increase	8,160	4,997	13,157
6. Workers Compensation Changes	0	1,019	1,019
7. Interagency Billings	-223	-148	-371
8. Compensation Changes	-92	-1	-93
<b>Caseload &amp; Enrollment Changes</b>			
9. Workload	48	44	92
10. Caseload	230	47,755	47,985
11. Transfer	58	0	58
12. New/Replacement Equipment	200	48	248
13. E-Mail & HUB Maintenance	13	0	13
14. Special Commitment Center Caseload	1,048	0	1,048
15. Legal Offenders Unit	4,934	0	4,934
16. Community Transportation Costs	2,200	2,200	4,400
17. Child Study and Treatment Center	104	105	209
18. Psychiatric Residency Programs	40	10	50
19. Federal Grant	0	3,400	3,400
<b>Changes in Service Delivery</b>			
20. USDA Commodities	156	40	196
21. Inpatient Management Savings	-1,338	-1,357	-2,695
<b>Program Reductions</b>			
22. Discontinue PIP Program	-1,900	0	-1,900
<b>Program Enhancements</b>			
23. Non-Offender At-Risk Youth	1,000	850	1,850
<b>Total 1995-97 Biennium</b>	456,545	433,419	889,964
<b>Fiscal Year 1996 Totals</b>	224,838	213,368	438,206
<b>Fiscal Year 1997 Totals</b>	231,707	220,051	451,758

**Comments:**

1. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995.
2. TRAVEL - Funding is provided for increased travel costs.
3. UTILITY INCREASE - Funding is provided for projected increases in the cost of electricity, natural gas, garbage, and fire services at Western State Hospital, based on actual increases from fiscal year 1993 to fiscal year 1994.
4. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
5. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
6. WORKERS COMPENSATION CHANGES - Funding is provided for the January 1, 1995 17.4 percent increase in Labor & Industries rates for state institutional workers that is expected to cost the state mental hospitals an additional \$1.27 million in the 1995-97 biennium. In all other cases, additional funding is not provided to cover such increases. However, because Eastern State Hospital has earned a \$747,000 industrial insurance refund as a result of successful efforts to reduce injuries and time-loss, that refund, and the accompanying federal matching funds, are appropriated to help offset the cost of the rate increase.

## Department of Social & Health Services

### Mental Health

7. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
8. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
9. WORKLOAD - Funding is provided to implement the Violence Prevention Act of 1994 (Chapter 7, Laws of 1994, 1st sp.s. - E2SHB 2319) requirement that the Mental Health Division maintain a phone system through which law enforcement officials can access client information regarding their eligibility to possess a firearm.
10. CASELOAD - Funding is provided for caseload growth in four areas:
  - (1) psychiatric evaluations for increased numbers of indigent defendants, as required by RCW 10.77, are expected to cost an additional \$91,000 (\$62,000 General Fund-State);
  - (2) utilization of voluntary psychiatric inpatient services by regular Medicaid patients is expected to cost an additional \$20.4 million. This assumes that utilization of such services grows at the same rate as the medicaid-eligible population, and that hospital payment rates increase by 4.3 percent each year, as provided in the hospital lawsuit settlement;
  - (3) voluntary inpatient mental health services for children eligible under the expansion of Medicaid eligibility to 200 percent of the federal poverty level are expected to cost a total of \$19.3 million; and
  - (4) outpatient mental health services for children under the expansion of Medicaid to 200 percent of the federal poverty level are expected to cost \$19 million.
11. TRANSFER - Funding is transferred as follows: (1) 12 FTE staff for return-to-work efforts will be funded with an industrial insurance up-front discount; (2) language interpreter services will be transferred to the DSHS Administration and Support Services Program; and (3) gun licensing data base checks will be transferred from the Juvenile Rehabilitation budget.
12. NEW/REPLACEMENT EQUIPMENT - Funding is provided for equipment that reflects the 1993-95 hospital equipment allotments with an inflationary increase of 5 percent per year.
13. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
14. SPECIAL COMMITMENT CENTER CASELOAD - The developmental disabilities naive offender population at the Special Commitment Center is to be relocated during the 1995-97 biennium, in order to make room for nine additional sexual predator beds. This step provides staffing for these nine additional beds, and also includes \$335,000 for increased legal fees incurred by the counties.
15. LEGAL OFFENDERS UNIT - Funding is provided for: (1) \$1.4 million to continue the 21 FTE staff added to the legal offenders units at Western State Hospital in the spring of 1994 to improve security; and (2) \$3.6 million to open and staff an additional treatment ward at Western State in response to steady growth in the legal offender population, and increasing lengths of stay on the treatment wards prior to conditional release.
16. COMMUNITY TRANSPORTATION COSTS - Funding is provided for the increased cost of transportation to medically-necessary appointments. Transportation costs are expected to increase by an average of 11 percent each year in the 1995-97 biennium, which is approximately the rate of increase in the eligible population. The 14 percent reduction to \$8.23 per trip achieved during fiscal year 1995 is expected to be maintained throughout the biennium.
17. CHILD STUDY AND TREATMENT CENTER - Funding is provided for the one-on-one patient monitoring needed as a result of the increasing disability of children served in the Child Study and Treatment Center.
18. PSYCHIATRIC RESIDENCY PROGRAMS - Funding is provided for increased enrollment in the psychiatric residency program operated jointly by Eastern State Hospital, the University of Washington, and Spokane's Sacred Heart Medical Center.
19. FEDERAL GRANT - The agency and King County have been awarded a federal grant to improve services to homeless persons with mental illness in Seattle. The project is expected to last through 1998. (General Fund-Federal)
20. USDA COMMODITIES - Funding is provided to purchase food supplies previously supplied through the U.S. Department of Agriculture commodities distribution program, which has been discontinued. The funding level reflects the cost of purchasing these supplies at the market value.
21. INPATIENT MANAGEMENT SAVINGS - The agency estimates that Regional Support Networks (RSNs) can reduce voluntary inpatient psychiatric hospitalizations by 15 percent by investing approximately 80 percent of what would otherwise be spent on inpatient care on enhanced outpatient, crisis response, and utilization management services. The budget assumes that the 20 percent of net savings is divided equally between bonus payments to RSNs which accomplish the planned level of savings, and the state general fund.
22. DISCONTINUE PIP PROGRAM - Funding is discontinued for the Primary Intervention Program (PIP), which provides school-based early intervention services to children in grades K-3 in 29 school districts. Communities wishing to continue these projects can do so through Readiness-to-Learn grants, the Community Public Health and Safety Networks, or the Regional Support Networks.
23. NON-OFFENDER AT-RISK YOUTH - Funding is provided for implementation of Chapter 312, Laws of 1995 (E2SSB 5439). Anticipated costs include: reviewing the appropriateness of continued treatment after 60 days of care for children admitted to inpatient treatment by their parents; an evaluation of the appropriateness and effectiveness of treatment for a random sample of children; and a small increase in the utilization of outpatient services by Medicaid-eligible children. Increased Medicaid inpatient utilization resulting from parental commitments is expected to be offset by the bill's requirement that children be assessed as requiring at least 90 days of out-of-home care, rather than 30, before family income is deemed to no longer be available to them for purposes of Medicaid eligibility.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services**  
**Mental Health**

**WORKLOAD HISTORY**  
By Fiscal Year

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>Estimate</u>		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>Institutions *</b>										
Avg Daily Population/Month	1,634	1,664	1,720	1,728	1,709	1,622	1,428	1,335	1,383	1,353
% Change from prior year		1.8%	3.4%	0.5%	-1.1%	-5.1%	-12.0%	-6.5%	3.6%	-2.2%

\* Includes Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), and Child Study and Treatment Center. Prior to FY95, also includes Program Offering Rehabilitation and Training in Adult Living (PORTAL).

Data Sources:

FY88 through FY94: LEAP workload data base. FY95 through FY97 estimates: DSHS.  
FY96 and FY97 estimates: Legislative Fiscal Committees.

**Department of Social & Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	335,560	303,930	639,490
<b>Eliminate One-Time Spending</b>	-5,838	-8,496	-14,334
<b>Biennialize Current Biennium Changes</b>	2,694	-6,762	-4,068
<b>Inflation &amp; Other Rate Adjustments</b>			
1. FMAP	9,205	-9,205	0
2. Utility Increase	98	99	197
3. Pension Rate Adjustment	-276	-251	-527
4. ISSD Adjustments	17	5	22
5. Lease-Purchase	12	53	65
6. E-Mail & HUB Maintenance	4	1	5
7. Vendor Rate Increase	6,569	4,317	10,886
8. FICA/FUTA Costs	1,079	621	1,700
9. FTE Funding	1,253	1,003	2,256
10. Targeted Case Management Earnings	400	-400	0
11. ICF/MR Rate Increase	399	403	802
12. Clozaril Costs	84	85	169
13. IMR Tax	-847	-901	-1,748
14. Interagency Billings	-254	-169	-423
15. Compensation Changes	-2	-2	-4
16. Increased Waiver Earnings	-5,711	5,711	0
<b>Caseload &amp; Enrollment Changes</b>			
17. Caseload	1,644	3,618	5,262
18. Transfer	24,056	20,197	44,253
19. New/Replacement Equipment	107	89	196
20. Residential Under-Expenditure	-2,308	-2,243	-4,551
<b>Changes in Service Delivery</b>			
21. USDA Commodities	136	137	273
22. Birth-to-Six Project	0	7,878	7,878
23. Boards and Commissions Reduction	-3	-2	-5
<b>Program Enhancements</b>			
24. 1993-95 High School Grads	590	0	590
25. 1995-97 High School Grads	1,447	176	1,623
26. Managed Care Initiative	262	3,794	4,056
27. Family Support Expansion	0	4,000	4,000
<b>Total 1995-97 Biennium</b>	370,377	327,686	698,063
<b>Fiscal Year 1996 Totals</b>	182,996	160,360	343,356
<b>Fiscal Year 1997 Totals</b>	187,381	167,326	354,707

**Comments:**

1. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995.
2. UTILITY INCREASE - Increases in excess of standard inflation include an 8.9 percent electrical surcharge at Fircrest; 40-50 percent sewer, garbage rate, and fire protection increases at Yakima Valley; and a 9 percent natural gas rate increase at Lakeland.
3. PENSION RATE ADJUSTMENT - Reflects the change in the employer contribution rate for PERS employees to 7.26 percent, effective September 1, 1995. (General Fund-State, General Fund-Federal)
4. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
5. LEASE-PURCHASE - Funding is provided for the incremental increase in lease-purchase expenditures.
6. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)

## Department of Social & Health Services

### Developmental Disabilities

7. **VENDOR RATE INCREASE** - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
8. **FICA/FUTA COSTS** - Funding is provided to implement an IRS ruling requiring DSHS to begin withholding FICA/FUTA from payments to individual family support and attendant care providers effective July 1, 1995.
9. **FTE FUNDING** - Funding is provided for actual salary and benefits costs at the State Operated Living Alternative's (SOLA's) field services, headquarters, and the Residential Habilitation Centers (RHCs). These costs per FTE staff have exceeded budgeted levels due to unbudgeted unemployment compensation increases and over-estimated savings from 1993-95 staff reductions.
10. **TARGETED CASE MANAGEMENT EARNINGS** - The 1993-95 biennial budget assumed approximately \$5.2 million per biennium of increased federal earnings from the Medicaid Targeted Case Management Program. State funding is provided to offset an 8 percent shortfall in this target.
11. **ICF/MR RATE INCREASE** - Funding is provided to cover an anticipated 2.9 percent annual increase in community-based Intermediate Care Facilities for the Mentally Retarded (ICF/MR).
12. **CLOZARIL COSTS** - Funding is provided for the projected cost of the drug for 36 residents in the 1995-97 biennium. Additional funds for this purpose are transferred from the Medical Assistance Program in item #18, below.
13. **IMR TAX** - Funded needed to cover 1995-97 Institute for the Mentally Retarded (IMR) tax costs is provided at the effective tax rate of 6.36 percent.
14. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
15. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
16. **INCREASED WAIVER EARNINGS** - Increased federal funds earned by claiming county pre-vocational services under the Medicaid home and community-based services waiver will be used to offset some of the costs of the Medicaid personal care caseload growth funded in the "Caseload" item.
17. **CASELOAD** - Provides: (1) \$130,000 for day program services for Frances Haddon Morgan Center residents who will graduate from public school during the 1995-97 biennium; and (2) \$5.1 million for growth in children's personal care services. The budget assumes that enrollment in children's personal care grows by approximately 15 percent each year, commensurate with the projected growth in the total number of children on Medicaid. As provided in RCW 74.09.520, the agency is directed to manage the program to assure that total expenditures do not exceed appropriated levels.
18. **TRANSFER** - Funding is transferred among DSHS programs for the following: (1) \$1.7 million from the Medical Assistance Administration for tube-feeding and clozaril costs in the Developmental Disabilities institutions; (2) language interpreter services to the DSHS Administration and Support Program; (3) 15 FTE staff funded from a non-appropriated discount on Labor & Industries premiums will be used to assist injured workers in returning to work; and (4) \$37.5 million is transferred from the Aging & Adult Services Program for chore and personal care services for adults with developmental disabilities. The amount of \$0.5 million is provided for growth in the number of adults receiving personal care, based on the projected 1995-97 growth in the age groups presently using such services.
19. **NEW/REPLACEMENT EQUIPMENT** - Funding is provided for equipment in the Residential Habilitation Centers and community-based programs.
20. **RESIDENTIAL UNDER-EXPENDITURE** - Funding is reduced to reflect actual expenditures for community residential services.
21. **USDA COMMODITIES** - State funding is provided to purchase food supplies previously supplied through the U.S. Department of Agriculture (USDA) commodities distribution program, which has been discontinued.
22. **BIRTH-TO-SIX PROJECT** - The federally-funded Birth-to-Six Project is being transferred from the DSHS Administration Division to the Division of Developmental Disabilities.
23. **BOARDS AND COMMISSIONS REDUCTION** - The Telecommunications Relay Service Program Advisory Committee is eliminated beginning July 1995. (General Fund-State, General Fund-Federal)
24. **1993-95 HIGH SCHOOL GRADS** - Funding is provided to continue employment and day program services for the estimated 500 high-school graduates who were phased into county DDD and DVR Programs during the 1993-95 biennium. (\$3.6 million total, including the carryforward budget.)
25. **1995-97 HIGH SCHOOL GRADS** - Funding is provided for employment and day training programs for an estimated 744 young persons with developmental disabilities who will graduate from public school during the 1995-97 biennium. An additional \$1.5 million of state and federal funds are provided for this same purpose in the Division of Vocational Rehabilitation budget. Services are to be phased-in during the first year following high school graduation.
26. **MANAGED CARE INITIATIVE** - The agency is directed to improve utilization of current funding, and \$4 million of additional state and federal funds is provided for residential, in-home, and day program services for 900 adults who would otherwise be unserved. First priority for such services is for adults living with elderly parents nearing an age when they can no longer care for their son or daughter. The Initiative has three major components:
 

First, the agency is directed to provide 24-hour out-of-home care to 150 additional adults within current funding levels. This is to be accomplished through strategies such as: (1) serving persons in larger residential groupings, in conjunction with the \$4 million appropriation for the development of safe and affordable housing in the 1995-97 Capital Budget; (2) reducing service levels to people who are ready to live more independently, and using the time and resources saved to serve additional persons; and (3) revising and improving the way in which administrative expenses are reimbursed under the intensive tenant support reimbursement system.

Second, funds are provided for enrollment in adult personal care programs to increase by 3.5 percent each year of the biennium. This will result in 495 more adults with developmental disabilities receiving such services by the end of the 1995-97 biennium than if the program were to grow proportional to state population. As part of the initiative, the agency is directed to manage program eligibility, service levels, and costs to assure that growth does not exceed the budgeted level, and to obtain federal managed care waivers as needed to obtain greater flexibility and efficiency in the manner services are delivered.

Third, the agency is directed to obtain federal matching funds, under its existing home- and community-based services waiver and, to the extent needed, under a new managed care waiver, to offset the cost of employment and day program services for some of the persons presently living in adult family homes or their parents' home. Half of these increased federal earnings are to be used to offset the state cost of the personal care caseload growth in component 2, above, and the other half are to be used to provide employment and day program services for 250 adults living at home with their families.
27. **FAMILY SUPPORT EXPANSION** - Health Services Account funding is provided for expansion of respite care and other support services for families caring for a developmentally disabled son or daughter at home. Family support services will be extended to at least 125 unserved families with the greatest needs for service in fiscal year 1996, and to at least 875 families in fiscal year 1997. Priorities for the distribution of fiscal year 1997 funds are to be developed in consultation with families.

**Department of Social & Health Services  
Developmental Disabilities**

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

***Governor's Vetoes:***

The Governor vetoed sections 205(d) and 205(e). Section 205(d) required DSHS to work with providers and advocacy organizations to plan and implement strategies for increasing the efficiency of community residential services. As a result of the efforts, DSHS was to serve an additional 150 persons in out-of-home community residential placements, with a priority given to persons residing with elderly parents or relatives. Section 205(e) directed DSHS, in the event that Medicaid Personal Care expenditures or average costs exceeded allotted levels, to adjust eligibility standards or service levels to bring expenditures back to allotted levels. If over-expenditures were offset by under-expenditures elsewhere in the program's General Fund-State appropriation, the adjustments were not required.

**Department of Social and Health Services  
Developmental Disabilities**

**WORKLOAD HISTORY  
By Fiscal Year**

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	Estimate		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>Institutions</b>										
Monthly Bed Population	1,798	1,795	1,758	1,616	1,534	1,477	1,412	1,322	1,347	1,347
% Change from prior year		-0.2%	-2.1%	-8.1%	-5.1%	-3.7%	-4.4%	-6.4%	1.9%	0.0%
<b>Community Residential Programs *</b>										
Month End Contracted Beds	2,798	2,768	2,848	3,112	3,187	3,283	3,340	3,406	3,451	3,526
% Change from prior year		-1.1%	2.9%	9.3%	2.4%	3.0%	1.7%	2.0%	1.3%	2.2%
<b>Employment and Day Programs</b>										
# in County Programs	5,405	5,751	6,064	6,528	6,133	6,531	6,789	7,049	7,330	7,863
% Change from prior year		6.4%	5.4%	7.7%	-6.1%	6.5%	4.0%	3.8%	4.0%	7.3%
<b>Family Support **</b>										
# Clients Served	883	933	1,043	1,347	1,486	1,674	2,071	2,204	2,399	3,260
% Change from prior year		5.7%	11.8%	29.1%	10.3%	12.7%	23.7%	6.4%	8.8%	35.9%
<b>Adult Personal Care ***</b>										
# Clients Served									3,585	3,787
% Change from prior year										5.6%

\* Includes Alternate Living (clients served), Group Homes, IMRs, Tenant Support (clients served), and State Operated Living Alternative (SOLA) for FY91 through FY95.

\*\* Family Support includes Children's Personal Care for FY90 through FY97.

\*\*\* Adult Personal Care includes Medicaid Personal Care, Chore Services, and Copes. Prior to FY96, clients in developmental disabilities clients enrolled in these programs were counted in the Long Term Care program.

Data Sources:

FY88 through FY94: LEAP workload data base. FY95 through FY97 estimates: DSHS.

**Department of Social & Health Services**  
**Long-Term Care Services**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	629,180	729,188	1,358,368
<b>Eliminate One-Time Spending</b>	-716	-748	-1,464
<b>Biennialize Current Biennium Changes</b>	40,000	8,624	48,624
<b>Inflation &amp; Other Rate Adjustments</b>			
1. FMAP	19,182	-19,182	0
2. ISSD Adjustments	11	11	22
3. E-Mail & HUB Maintenance	6	6	12
4. Vendor Rate Increase	6,492	4,636	11,128
5. 1995 Supplemental Carryforward	6,400	8,960	15,360
6. Patient Contribution Increase	-5,897	-6,009	-11,906
7. Rate Rebasing	77,661	79,260	156,921
8. Nursing Home Payment System	-19,302	-19,561	-38,863
9. Current Funding Increase	16,487	16,643	33,130
10. Estate Recovery	753	1,196	1,949
11. Local Funds Maximization	0	-2,004	-2,004
12. Transportation Hours	3,945	1,875	5,820
13. Interagency Billings	-55	-45	-100
14. Compensation Changes	-25	-20	-45
<b>Caseload &amp; Enrollment Changes</b>			
15. Workload	838	901	1,739
16. Caseload	21,993	22,017	44,010
<b>Changes in Service Delivery</b>			
17. Transfer	-4,965	-47,368	-52,333
18. Improved Technology Efficiencies	-3	-3	-6
19. Personnel Board FIS Savings	-61	-107	-168
20. Federal Grant	0	-360	-360
21. Resident Assessments	1,626	1,649	3,275
22. Quality of Care Improvements	3,639	3,650	7,289
23. Increased Community Care Options	10,237	32,483	42,720
24. Increased Case Management	3,526	3,451	6,977
25. Personal Financial Responsibility	-7,786	-961	-8,747
26. Reduced Nursing Home Use	-30,920	-31,225	-62,145
27. LTC System Analysis	217	217	434
<b>Program Enhancements</b>			
28. Life Care Pilot Projects Planning	0	131	131
29. Home-Care Workers BHP Coverage	0	15,830	15,830
<b>Total 1995-97 Biennium</b>	<b>772,463</b>	<b>803,135</b>	<b>1,575,598</b>
<b>Fiscal Year 1996 Totals</b>	<b>378,972</b>	<b>394,798</b>	<b>773,770</b>
<b>Fiscal Year 1997 Totals</b>	<b>393,491</b>	<b>408,337</b>	<b>801,828</b>

**Comments:**

1. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995.
2. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
3. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
4. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
5. 1995 SUPPLEMENTAL CARRYFORWARD - Funding is provided to reflect nursing home funding adjustments made in the 1995 Supplemental Budget. This item is discussed within the broader

## Department of Social & Health Services

### Long-Term Care Services

- context of the nursing home rate projections discussed in the "Rate Rebasing" item.
6. **PATIENT CONTRIBUTION INCREASE** - Funding is reduced to reflect increased nursing home client contributions, which are expected to average \$599.52 in fiscal year 1996 (a 2 percent increase over fiscal year 1995 projections), and \$619 in fiscal year 1997 (a 3.2 percent increase over fiscal year 1996).
  7. **RATE REBASING** - Funding is provided for the 9 percent average annual increase in nursing home payment rates which would have occurred under state law prior to passage of Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908).
  8. **NURSING HOME PAYMENT SYSTEM** - Funding is reduced to reflect changes in the way nursing home payment rates will be established in the 1995-97 biennium under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908). As a result of these changes, nursing home payment rates will increase by an average of 7.1 percent each year in the 1995-97 biennium, rather than by the average of 9.1 percent each year by which they would have increased under previous law.
  9. **CURRENT FUNDING INCREASE** - Funding is provided for nursing home rate increases during the course of the year in response to staffing changes and capital improvements required by state or federal regulation changes, or substantial increases in patient acuity. Based on historical experience, these increases would grow by 10 percent each year, to \$1.76 per patient day in fiscal year 1996, and \$1.94 per patient day in fiscal year 1997. However, as part of the reimbursement system changes enacted in Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908), the amount of funding available for such increases is reduced by approximately 50 percent in the "Nursing Home Payment System" item.
  10. **ESTATE RECOVERY** - Funding is provided to offset lower than anticipated estate recovery collections. A federal court has ruled that the new estate recovery provisions which went into effect July 1, 1994 can only apply to Medicaid costs incurred after that date, rather than also to costs incurred before then. As a result, these new provisions are expected to result in only \$3 million of additional recoveries in the 1995-97 biennium, rather than \$4.9 million as assumed in the 1994 Supplemental Budget.
  11. **LOCAL FUNDS MAXIMIZATION** - Local funding is reduced to reflect the amount of local funds that will be collected during the biennium.
  12. **TRANSPORTATION HOURS** - Funding is provided for home care agencies to comply with the recent Department of Labor and Industries determination that home care workers must be paid for the time spent travelling between clients' homes during the course of their workday.
  13. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
  14. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
  15. **WORKLOAD** - Funding is provided for additional field staff to meet the forecasted community workload increase. One staff is assumed for every 115 additional clients, based on September 1994 actuals.
  16. **CASELOAD** - Funding is provided for approximately 4.5 percent growth in the number of persons receiving state-funded long-term care services, based on the projected 1995-97 growth in the age groups currently using such services. All of the projected growth is expected to occur in home- and community-based rather than in nursing home services. With this growth, the Medicaid personal care and Community Options Program Entry System (COPEs) programs are expected to serve an average of 2,100 additional persons in their own homes, adult family homes, assisted living facilities, and boarding homes by fiscal year 1997.
  17. **TRANSFER** - Funding is transferred among DSHS programs as follows: (1) Funding is reduced by \$52 million for chore and personal care services for persons with developmental disabilities which will instead be funded through the Division of Developmental Disabilities; (2) \$174,000 is transferred to Medical Assistance for transportation services for adult day health clients; and (3) \$112,000 for language interpreter services is transferred to the DSHS Administration and Support Services Program.
  18. **IMPROVED TECHNOLOGY EFFICIENCIES** - Funding is provided to reflect savings through the conversion of the DSHS headquarter's phone system, improvements to the data communications facility, and the acquisition of network resource management software.
  19. **PERSONNEL BOARD FIS SAVINGS** - Funding is reduced to reflect implementation of the September 1994 Personnel Board Fiscal Impact Statement (FIS). Savings result from merging two divisions within Aging & Adult Services.
  20. **FEDERAL GRANT** - Funding is reduced to reflect the end of the federal Alzheimer Grant in June 1996.
  21. **RESIDENT ASSESSMENTS** - Funding is provided to implement new federal Health Care Financing Administration requirements which are expected to increase the time required to complete full resident assessments by 22 percent, and quarterly updates by 50 percent. This will increase the nursing home rate to cover the cost of implementing these new requirements.
  22. **QUALITY OF CARE IMPROVEMENTS** - Funding is provided to implement the following improvements in the quality of long-term care provided to people in their own homes and in community residential care facilities: (1) \$3.5 million to provide initial and follow-up training for community care providers, and any specialized training required by residential staff who are performing delegated nursing tasks; (2) \$1.7 million to provide training and oversight by nurses for caregivers who are providing delegated nursing tasks to adult care home and assisted living facility residents; (3) \$1.1 million to provide annual and special monitoring of adult care homes and assisted living facilities; (4) \$0.2 million to expand the long-term care ombudsman program by 15 percent in fiscal year 1996, and by 30 percent in fiscal year 1997, with a particular emphasis upon recruiting and training ombuds to work with adult care homes and assisted living facilities; and (5) \$0.25 million to operate a toll-free hotline for complaints and inquiries regarding community long-term care contractors.
  23. **INCREASED COMMUNITY CARE OPTIONS** - Funding is provided for the following increases in community long-term care, anticipated under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908): (1) \$28.6 million (\$14.5 million General Fund-State) for creation of new assisted living, adult care home, and in-home care options for 1,610 people who would otherwise be served in nursing homes; (2) increased payment rates for assisted living and congregate care facilities, at a cost of \$4.9 million (\$2.4 million General Fund-State); (3) \$1 million General Fund-State for Area Agencies on Aging to expand respite care, home-delivered meals, case management, and other locally-identified priorities; and (4) \$8.0 million in increased federal funding from transferring chore services recipients to the Medicaid home- and community-based services waiver.
  24. **INCREASED CASE MANAGEMENT** - Funding is provided for Area Agencies on Aging to add case managers to assist elderly and disabled individuals in obtaining and managing the array of services needed for them to continue living in their own homes. DSHS is to add staff to help individuals who are ready for discharge from hospitals and nursing homes to identify and obtain services which will enable them to return to as independent a life as possible. Funding is also provided for development and operation of a system for linking applicants with vacancies in adult care homes.
  25. **PERSONAL FINANCIAL RESPONSIBILITY** - Funding is reduced to reflect three changes in the way long-term care recipients contribute to the cost of their care under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908). To enable more people to continue maintaining their own homes, the amount of income exempted from contribution toward the cost of care is increased from \$474 per month to \$614 per month for single individuals living at home. This change is expected to cost \$5.4 million in the 1995-97 biennium (\$2.7 million General Fund-State).

## Department of Social & Health Services Long-Term Care Services

### *Governor's Vetoes:*

The Governor vetoed sections 205(2) and 205(3). Section 205(2) directed DSHS, in the event that Medicaid Personal Care expenditures or average costs exceeded allotted levels, to adjust eligibility standards or service levels to bring expenditures back to allotted levels. If over-expenditures were offset by under-expenditures elsewhere in the Program's General Fund-State appropriation, the adjustments were not required. Section 205(3) directed DSHS, in the event that Community Options Program Entry System (COPES) expenditures or average costs exceeded allotted levels, to adjust eligibility standards, service levels, and/or the terms of the Medicaid waiver to bring expenditures back to allotted levels. If over-expenditures were offset by under-expenditures elsewhere in the program's General Fund-State appropriation, the adjustments were not required.

which will be offset by savings in two areas. First, chore services recipients will be required to contribute more toward the cost of their care, which is expected to result in \$6.8 million General Fund-State of savings from contributions and reduced program utilization. Second, increased efforts to recover state payments from the estates of deceased long-term care recipients are expected to save \$7.3 million in the 1995-97 biennium (\$3.6 million General Fund-State).

26. REDUCED NURSING HOME USE - Funding is reduced to reflect an average of 515 fewer people choosing state-funded nursing home care in fiscal year 1996, and 1,265 fewer people choosing such care in fiscal year 1997, as a result of expanded community care options under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908).
27. LTC SYSTEM ANALYSIS - Funding is provided for implementation of an automated system to track client service needs and impairment levels.
28. LIFE CARE PILOT PROJECTS PLANNING - The Washington Health Care Policy Board has been awarded a Robert Wood Johnson Foundation grant, which can be matched by federal Medicaid funds. DSHS is the authorized Medicaid agency and must receive the federal funds.
29. HOME-CARE WORKERS BHP COVERAGE - Funding is provided for health care coverage through the Basic Health Plan (BHP) for home-care workers in state-contracted community long-term care programs whose family incomes are below 200 percent of the federal poverty level, at a cost of \$10 per month to themselves or their employer. It is assumed that 8,000 home-care workers will take advantage of this reduced-cost BHP enrollment benefit by the end of the 1995-97 biennium. (Health Services Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services**  
**Long Term Care**

**WORKLOAD HISTORY**

By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	FY94	Estimate		
								FY95	FY96	FY97
<b>Nursing Homes *</b>										
# FTE Clients	16,576	16,694	16,937	17,190	17,342	17,437	17,160	16,639	16,370	15,620
% Change from prior year		0.7%	1.5%	1.5%	0.9%	0.5%	-1.6%	-3.0%	-1.6%	-4.6%
<b>Community Care **</b>										
# Clients Served	17,287	17,763	18,754	19,959	21,243	22,031	22,256	22,838	20,557	22,357
% Change from prior year		2.8%	5.6%	6.4%	6.4%	3.7%	1.0%	2.6%	-10.0%	8.8%

\* Workloads are based on Month of Service.

\*\* Includes Chore Services, COPES, Adult Residential, and Personal Care (FY90 through FY95).

Data Sources:

FY88 through FY94: LEAP workload data base. FY95 through FY97 estimates: DSHS.

FY96 and FY97 data do not include developmental disabilities clients, while all previous years do. FY96 and FY97

data do not include mental health clients who will be served through the Long Term Care program with funds transferred from the Mental Health Program budget.

**Department of Social & Health Services**  
**Economic Services**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	920,156	865,912	1,786,068
<b>Eliminate One-Time Spending</b>	5,760	-17,722	-11,962
<b>Biennialize Current Biennium Changes</b>	32,282	-10,820	21,462
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Pension Rate Adjustment	-128	-110	-238
2. ISSD Adjustments	60	46	106
3. SSI Admin Fees	4,003	0	4,003
4. Interagency Billings	-266	-218	-484
5. Compensation Changes	1	1	2
<b>Caseload &amp; Enrollment Changes</b>			
6. Workload	5,288	3,987	9,275
7. Caseload	30,612	25,006	55,618
8. Transfer	-1,988	-6,678	-8,666
9. FMAP	23,220	-23,220	0
10. Voter Registration	425	332	757
11. New/Replacement Equipment	1,283	992	2,275
12. Child Care Vendor Survey	8,863	9,590	18,453
13. E-Mail & HUB Maintenance	53	51	104
14. Welfare Reform (E2SHB 2798)	0	790	790
15. Support Enforcement Collections	18,752	26,668	45,420
16. Personnel Board FIS Savings	-17	-22	-39
<b>Changes in Service Delivery</b>			
17. Improved Technology Efficiencies	-12	-13	-25
18. Child Support Contempt Proceedings	-477	-540	-1,017
19. Transfer Disabled AFDC to SSI	-1,794	-1,367	-3,161
20. BHP Enrollment	0	750	750
21. SB 5652 Welfare Fraud	-165	-167	-332
<b>Program Reductions</b>			
22. Use Alternative SSI Payment Lid	-6,651	0	-6,651
23. Restrict GA-S	-5,200	0	-5,200
24. Reduce Administrative FTEs	-1,118	-1,108	-2,226
25. GA-U Eligibility Changes	-7,580	0	-7,580
<b>Program Enhancements</b>			
26. Family Planning Efforts	-59	-60	-119
27. ACES Project	1,869	2,350	4,219
28. AFDC Client Study	59	39	98
29. Vendor Rate Increase	105	551	656
30. WIN Kiosks	4	4	8
31. ACES Delay	3,984	3,773	7,757
32. ACES Transition Plan	1,333	1,232	2,565
<b>Total 1995-97 Biennium</b>	1,032,657	880,029	1,912,686
<b>Fiscal Year 1996 Totals</b>	517,188	441,624	958,812
<b>Fiscal Year 1997 Totals</b>	515,469	438,405	953,874

## Department of Social & Health Services

### Economic Services

#### Comments:

1. PENSION RATE ADJUSTMENT - Reflects the change in the employer contribution rate for PERS employees to 7.26 percent, effective September 1, 1995. (General Fund-State, General Fund-Federal)
2. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
3. SSI ADMIN FEES - Funding is provided for an increase in the user fee for the federal government to administer the Supplemental Security Income (SSI) state supplementary payment program. The fee started in October 1993 at \$1.67 per client per month and will increase to \$5.00 per client per month on October 1, 1995.
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
6. WORKLOAD - Funding is provided for increased workload associated with forecasted caseload changes in Aid to Families with Dependent Children (AFDC), Consolidated Emergency Assistance Program for Family grants (CEAP), Food Stamps, Refugee Assistance, SSI eligibility for medical assistance, child care, and General Assistance-Unemployable (GA-U) programs. (General Fund-State, General Fund-Federal)
7. CASELOAD - Funding is provided for increased caseload forecasted for cash assistance programs. This includes, relative to the 1993-95 biennium, an expected increase of 3,296 cases in AFDC-R (one-parent program), 1,337 cases in GA-U, and 13,759 cases in SSI. (General Fund-State, General Fund-Federal)
8. TRANSFER - Funding is reduced due to transfers, including the Office of Language Interpreter Services and Translations (LIST) and the Automated Client Eligibility System (ACES) mailroom to the Administration Program. Also includes the transfer of 19.8 FTE staff to the Medical Assistance Program for family planning and assistance activities and for eligibility for children under the expansion to 200 percent of Federal Poverty Level. (General Fund-State, General Fund-Federal, Health Services Account)
9. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995. (General Fund-State, General Fund-Federal)
10. VOTER REGISTRATION - Funding is provided for the increased workload associated with the requirement, effective January 1, 1995, that Community Service Offices provide initial voter registration and transfer registration services. Clients will be given this opportunity at the time of application, eligibility review/recertification, or when making an address change. (General Fund-State, General Fund-Federal)
11. NEW/REPLACEMENT EQUIPMENT - Funding is provided for replacement equipment in the 1995-97 biennium. Also included is the replacement of 11 telephone systems in the Community Service Offices that were identified as being over 15 years old. (General Fund-State, General Fund-Federal)
12. CHILD CARE VENDOR SURVEY - Funding is provided for the vendor rate increase to the 75th percentile of the 1994 market survey based on day care providers grouped into eight geographic areas. Federal law mandates that child care be paid at the 75th percentile of the market rate, as determined by a survey completed every two years. (General Fund-State, General Fund-Federal)
13. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
14. WELFARE REFORM (E2SHB 2798) - Federal funding authority is increased to the level necessary to match the state funding provided by the 1994 Legislature in Chapter 299, Laws of 1994 (E2SHB 2798 -- Welfare Reform).
15. SUPPORT ENFORCEMENT COLLECTIONS - Child Support collections are projected to be lower than originally estimated for the 1995-97 biennium. Funding is provided for the resulting increased state and federal liability for payments to public assistance recipients. (General Fund-State, General Fund-Federal)
16. PERSONNEL BOARD FIS SAVINGS - Funding is reduced to reflect savings for the September 1994 Personnel Board Fiscal Impact Statement (FIS). (General Fund-State, General Fund-Federal)
17. IMPROVED TECHNOLOGY EFFICIENCIES - Funding is provided for the conversion of the DSHS headquarter's phone system, improvements to the data communications facility, and the acquisition of network resource management software. (General Fund-State, General Fund-Federal)
18. CHILD SUPPORT CONTEMPT PROCEEDINGS - Funding is reduced to reflect increased efforts by the Division of Child Support to collect support from those individuals who are self-employed or employed "under the table". This effort will impact the total child support collections. It is estimated that 21.2 percent of these collections will offset Aid to Families with Dependent Children (AFDC) grant expenditures. (General Fund State, General Fund-Federal)
19. TRANSFER DISABLED AFDC TO SSI - Funding is reduced to reflect implementation of requirements under Chapter 299, Laws of 1994 (E2SHB 2798) to facilitate the enrollment of disabled AFDC recipients in the federal Supplemental Security Income (SSI) program for disabled persons. The savings take into account the impact of capping total SSI payments (see "Use Alternative SSI Payment Lid" item).
20. BHP ENROLLMENT - Funding is provided for administrative costs associated with enrolling low-income persons in the Basic Health Plan (BHP) at Women, Infants, and Children (WIC) sites and in Community Service Offices. (Health Services Account)
21. SB 5652 WELFARE FRAUD - Funding is reduced to reflect savings resulting from at least six months of public assistance ineligibility for any person convicted of obtaining public assistance in a fraudulent manner as specified in Chapter 379, Laws of 1995 (SB 5652). Under current law, the penalty for public assistance fraud is a 10 percent reduction in AFDC cash grants. The savings associated with Chapter 379, Laws of 1995 (SB 5652) assume necessary federal waivers are obtained and implementation occurs January 1, 1996.
22. USE ALTERNATIVE SSI PAYMENT LID - Funding is reduced to reflect capping total expenditures for the state supplement to Supplementary Security Income (SSI) grants at calendar year 1994 levels. As the SSI caseload grows, this has the effect of reducing the state supplement for each SSI recipient by an average of \$3.19 per month. (General Fund-State)
23. RESTRICT GA-S - The legislative budget limited expenditures in the General Assistance for Pregnancy (GA-S) Program to \$7.7 million, representing a \$5.2 million state general fund savings. Grants were to be prioritized using criteria established in SHB 2083, which was not enacted. This budget provision was vetoed by the Governor.
24. REDUCE ADMINISTRATIVE FTES - Funding is reduced to reflect lowering the number of FTE staff in Headquarters by 10 percent.
25. GA-U ELIGIBILITY CHANGES - Funding is reduced to reflect changes made to improve the effectiveness and reduce the costs of the General Assistance-Unemployable (GA-U) Program. Specific changes will be determined by a study to analyze eligibility criteria, client

## Department of Social & Health Services Economic Services

### *Governor's Vetoes:*

characteristics, and length-of-stay data. Study recommendations will be implemented effective July 1, 1996.

26. **FAMILY PLANNING EFFORTS** - Funding is reduced to reflect savings due to continuation and expansion of family planning training for all new Community Service Office (CSO) staff and the family planning outreach/marketing campaign. (General Fund-State, General Fund-Federal)
27. **ACES PROJECT** - Funding is provided for: 1) state and federal government changes in policy that occurred after April 1994. Automated Client Eligibility System (ACES) staff will need to incorporate these changes following statewide availability of ACES; 2) higher workload in fiscal year 1996 than fiscal year 1997; 3) correction in state/federal split of funding; 4) communication line charges and maintenance contract on equipment; 5) floor space rent for the mainframe computer; and 6) additional reporting requirements during transition to ACES. (General Fund-State, General Fund-Federal)
28. **AFDC CLIENT STUDY** - Funding is provided for data collection and analyses of a random sample of AFDC clients' education and work history. This on-going data collection supports effective targeting in the AFDC employment and education programs. (General Fund-State, General Fund-Federal)
29. **VENDOR RATE INCREASE** - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997. (General Fund-State, General Fund-Federal).
30. **WIN KIOSKS** - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, General Fund-Federal)
31. **ACES DELAY** - Funding is provided due to a delay in the ACES schedule. Expenditures from the 1993-95 biennium are shifted to the 1995-97 biennium. Also included is \$418,000 General Fund-State for additional staff time necessitated by the schedule delays and a shift of \$1 million from federal to state funds due to the loss of enhanced federal match.
32. **ACES TRANSITION PLAN** - Funding is provided for the first phase of the transition of the Automated Client Eligibility System (ACES) to a more flexible, open architecture intended to complement reform strategies for reducing AFDC caseloads. This includes: (1) modeling of the Economic Services Administration core business processes and data; (2) guidelines and standards for developing and building more flexible computer architectures; (3) a "data warehouse" providing common access to a variety of information related to AFDC recipients; (4) a detailed plan to transition from the ACES mainframe architecture to modular software components; and 5) development of a working prototype of a client/provider services management system for use in client assessment and outcomes evaluations. (General Fund-State, General Fund-Federal)

The Governor vetoed section 207(1)(c) which limited expenditures for the General Assistance for Pregnant Women to \$7.7 million General Fund-State, enabling a savings of \$5.2 million General Fund-State.

The Governor vetoed sections 207(2)(i) and (iii) which required DSHS to reinstate the Systematic Alien Verification for Entitlements (SAVE) program and post notices at community service offices to the effect that illegal aliens would be reported to the U.S. Immigration and Naturalization Service and that the SAVE program is in use in the office.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services  
Economic Services**

**WORKLOAD HISTORY  
By Fiscal Year**

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>Estimate</u>		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>SSI State Supplement</b>										
# Cases Received	47,748	49,712	52,457	56,818	62,532	69,332	76,518	83,026	89,983	97,078
% Change from prior year		4.1%	5.5%	8.3%	10.1%	10.9%	10.4%	8.5%	8.4%	7.9%
<b>General Assistance - Unemployable</b>										
# Cases Served	14,057	12,927	13,651	13,993	15,251	15,585	16,494	17,224	17,868	16,383
% Change from prior year		-8.0%	5.6%	2.5%	9.0%	2.2%	5.8%	4.4%	3.7%	-8.3%
<b>General Assistance - Pregnant Women</b>										
# Cases Served	1,252	1,439	1,607	1,847	1,955	1,842	1,736	1,725	1,746	1,748
% Change from prior year		14.9%	11.7%	14.9%	5.8%	-5.8%	-5.8%	-0.6%	1.2%	0.1%
<b>AFDC - Employable</b>										
# Cases Served	7,031	7,611	8,309	10,070	13,784	15,778	16,210	16,357	16,514	16,158
% Change from prior year		8.2%	9.2%	21.2%	36.9%	14.5%	2.7%	0.9%	1.0%	-2.2%
<b>AFDC - Regular</b>										
# Cases Served	68,298	69,780	72,098	75,880	81,189	84,542	86,545	88,057	90,181	91,013
% Change from prior year		2.2%	3.3%	5.2%	7.0%	4.1%	2.4%	1.7%	2.4%	0.9%

Data Sources:

FY88 through FY94: LEAP workload data base. FY95 through FY97 estimates: DSHS and OFM.

**Department of Social & Health Services**  
**Alcohol & Substance Abuse**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	14,288	135,340	149,628
<b>Eliminate One-Time Spending</b>	-124	0	-124
<b>Biennialize Current Biennium Changes</b>	-47	7,889	7,842
<b>Inflation &amp; Other Rate Adjustments</b>			
1. FMAP	264	-264	0
2. ISSD Adjustments	6	0	6
3. Interagency Billings	-5	-11	-16
<b>Caseload &amp; Enrollment Changes</b>			
4. Transfer	-4	0	-4
5. New/Replacement Equipment	152	0	152
6. E-Mail & HUB Maintenance	4	0	4
7. Title XIX Match	0	1,541	1,541
8. Pioneer North Maintenance	334	0	334
9. Unanticipated Receipts	0	554	554
10. Video Conferencing	-2	0	-2
<b>Program Enhancements</b>			
11. Vendor Rate Increase	1,517	3,566	5,083
12. WIN Kiosks	0	1	1
13. Non-Offender At-Risk Youth	552	253	805
14. Fetal Alcohol Syndrome Initiative	0	400	400
<b>Total 1995-97 Biennium</b>	16,935	149,269	166,204
<b>Fiscal Year 1996 Totals</b>	8,199	74,010	82,209
<b>Fiscal Year 1997 Totals</b>	8,736	75,259	83,995

**Comments:**

1. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995. (General Fund-State, General Fund-Federal)
2. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
4. TRANSFER - Funding is transferred among programs to more accurately reflect where services are performed and costs incurred.
5. NEW/REPLACEMENT EQUIPMENT - Funding is provided to replace office equipment, furniture, personal computers, and other items for the Division.
6. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
7. TITLE XIX MATCH - Federal appropriation authority is provided for increases in Title XIX match.
8. PIONEER NORTH MAINTENANCE - Funding is provided for one FTE staff on-site to provide maintenance and inventory control and to prevent building deterioration at the Northern State Multi-Service Center.
9. UNANTICIPATED RECEIPTS - Funding is carried forward from federal unanticipated receipts received in the 1993-95 biennium.
10. VIDEO CONFERENCING - Funding is reduced to reflect the Division's projected savings through the use of Video Conferencing during the 1995-97 biennium.
11. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
12. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-Federal)
13. NON-OFFENDER AT-RISK YOUTH - Funding is provided for the Division's responsibilities under Chapter 312, Laws of 1995 (E2SSB 5439 - non-offender at-risk youth). (General Fund-State, General Fund-Federal)
14. FETAL ALCOHOL SYNDROME INITIATIVE - Funding is provided to implement Chapter 54, Laws of 1995 (SSB 5688) which creates a statewide Fetal Alcohol Syndrome (FAS) diagnostic center to provide training, technical assistance, and data analysis to assist local medical and psychological teams in selected locations across the state and to promote consistency in diagnosis, protocol, and patient outcome assessment. (Health Services Account-State)

**Department of Social and Health Services  
Alcohol and Substance Abuse**

**WORKLOAD HISTORY  
By Fiscal Year**

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>Estimate</u>		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>ADATSA - Outpatient Treatment *</b>										
Avg Monthly Admissions	n/a	n/a	n/a	n/a	n/a	n/a	277	277	277	277
<b>ADATSA - Assessment</b>										
# Assessments	1,317	1,277	1,164	1,289	1,194	1,186	1,142	1,156	1,156	1,156
% Change from prior year		-3.0%	-8.8%	10.7%	-7.4%	-0.7%	-3.7%	1.2%	0.0%	0.0%
<b>ADATSA - Residential</b>										
Avg Monthly Admissions	n/a	n/a	580	571	552	505	506	524	485	485
% Change from prior year				-1.6%	-3.3%	-8.5%	0.2%	3.6%	-7.4%	0.0%

*Notes:*

The Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) was established in 1987.

Workloads in ADATSA services are limited to openings available.

\* Data for Outpatient Treatment was converted from number of cases to number of admissions beginning in FY94. Number of admissions is unavailable prior to FY94.

Data Sources:

FY88 through FY94: LEAP workload data base.

**Department of Social & Health Services**  
**Medical Assistance Payments**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	1,200,948	2,211,638	3,412,586
<b>Eliminate One-Time Spending</b>	-636	-3,288	-3,924
<b>Biennialize Current Biennium Changes</b>	73,188	79,708	152,896
<b>Inflation &amp; Other Rate Adjustments</b>			
1. ISSD Adjustments	6	12	18
2. Changes in Medicare	4,471	3,312	7,783
3. Maternity Fee Increase	0	3,294	3,294
4. Child Health Fee Increase	0	3,842	3,842
5. Hospital Rate Adjustment	32,927	33,066	65,993
6. Rebase Hospital Rates	11,557	11,643	23,200
7. Per Capita and Utilization	-91,664	-218,892	-310,556
8. IGT/DSHP Limit	99,810	-231,284	-131,474
9. Interagency Billings	-46	-37	-83
10. Compensation Changes	-11	-29	-40
11. Federal Funds Disallowance	0	-4,492	-4,492
<b>Caseload &amp; Enrollment Changes</b>			
12. Workload	99	3,345	3,444
13. Caseload	37,353	214,185	251,538
14. Transfer	688	-10,342	-9,654
15. FMAP	93,575	-93,575	0
16. EPSDT	0	12,857	12,857
17. E-Mail & HUB Maintenance	4	4	8
18. Managed Care Evaluation	808	754	1,562
19. MMIS Reprourement	167	500	667
20. Children to 200 Percent of FPL	-2,271	43,666	41,395
21. Admin FFP - Other Entities	0	11,810	11,810
22. Disability Determination Svcs	0	2,510	2,510
<b>Changes in Service Delivery</b>			
23. Long-Term Care System Reform	-3,007	-2,993	-6,000
24. HIV Intervention Insurance	-998	-1,002	-2,000
25. First Steps Child Care	346	0	346
26. Selective Contracting	-8,580	-8,246	-16,826
27. Managed Care - Health Reform	-6,208	-11,463	-17,671
28. Pharmacy Adjudication	-2,460	-2,204	-4,664
29. Disproportionate Share Revision	-41,493	100,060	58,567
30. SSI Managed Care	-4,175	-4,133	-8,308
31. Hospital Selective Contracting	-1,177	-1,274	-2,451
32. SB 5652 Welfare Fraud	-615	-618	-1,233
<b>Program Reductions</b>			
33. Medically Indigent Hospital Care	-28,772	0	-28,772
34. Boards and Commissions Reduction	-4	-4	-8
35. GA-U Eligibility Changes	-2,904	0	-2,904
36. Phase Out AFDC MN Program	-9,016	-8,155	-17,171
<b>Program Enhancements</b>			
37. Family Planning Efforts	-630	5,319	4,689
38. Vendor Rate Increase	11,526	11,051	22,577
39. Dental Access - Children	0	42,556	42,556
40. WIN Kiosks	1	0	1
41. Emergency Care Pool - Uninsured	0	10,000	10,000
<b>Total 1995-97 Biennium</b>	1,362,807	2,203,101	3,565,908

**Department of Social & Health Services**  
**Medical Assistance Payments**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>Fiscal Year 1996 Totals</b>	670,792	1,034,405	1,705,197
<b>Fiscal Year 1997 Totals</b>	692,015	1,168,696	1,860,711

**Comments:**

1. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
2. CHANGES IN MEDICARE - Funding is provided for changes in the Medicare premium costs reimbursed through the Medical Assistance Program. (General Fund-State, General Fund-Federal)
3. MATERNITY FEE INCREASE - Funding is provided for a 5 percent increase in fees effective July 1, 1995, paid to providers of maternity services. (General Fund-Federal, Health Services Account)
4. CHILD HEALTH FEE INCREASE - Funding is provided for a 5 percent increase in fees effective July 1, 1995, paid to providers of Child Health services. (General Fund-Federal, Health Services Account-State)
5. HOSPITAL RATE ADJUSTMENT - Funding is provided to meet the requirements of the 1991 settlement of the Prospective Payment System-2 lawsuit. This step provides for inflation adjustments for hospital inpatient services (both Diagnostic-Related Group (DRG) and non-DRG rates) and outpatient services. (General Fund-State, General Fund-Federal)
6. REBASE HOSPITAL RATES - Funding is provided to rebase hospital rates effective July 1, 1996 to meet the requirements of the settlement resulting from the Prospective Payment System-2 hospital lawsuit. (General Fund-State, General Fund-Federal)
7. PER CAPITA AND UTILIZATION - Funding is reduced to reflect the carryforward of reductions in per person medical expenditures and utilization of services first acknowledged in the 1995 Supplemental Budget, particularly in the area of inpatient services. (General Fund-State, General Fund-Federal, General Fund-Local, Health Services Account-State)
8. IGT/DSHP LIMIT - State funding is provided to replace local funds that the state received before implementation of a federal cap on the amount of refinancing the state can do through the Intergovernmental Transfer/Disproportionate Share Hospital Program (IGT/DSHP). (General Fund-State, General Fund-Federal, General Fund-Local)
9. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
10. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
11. FEDERAL FUNDS DISALLOWANCE - Federal funding is reduced to reflect notification by the federal government that pre-natal services provided to undocumented alien women are not eligible for federal matching funds. (General Fund-Federal)
12. WORKLOAD - Funding and staffing is provided for an estimated 9 percent annual increase in Social Security Act disability determinations due to increasing caseloads. Disability determinations are funded entirely by the federal government. A portion of this workload is due to an increase in medically needy claims. Fewer FTE staff are required to handle the workload increase due to the transition of many individuals to managed care. (General Fund-State, General Fund-Federal)
13. CASELOAD - Funding is provided for the November 1994 forecasted increase in the number of persons eligible for medical assistance. The estimated number of persons eligible for medical assistance services increases from 641,401 in fiscal year 1995 to 733,813 in fiscal year 1996 to 780,216 in fiscal year 1997. (General Fund-State, General Fund-Federal, Health Services Account-State)
14. TRANSFER - Funding is transferred among programs in order to capture medical services costs in the correct budgets:
  - (a) Mental Health services for children covered under the Medicaid expansion to 200 percent of the federal poverty level are transferred to DSHS-Mental Health.
  - (b) Basic formula and supplies used for tube feeding and Clozaril for clients living in Division of Developmental Disabilities (DDD) Residential Habilitation Centers are transferred to DDD because they are purchased through a mandatory state contract and not with Medicaid coupons.
  - (c) Some family planning and Medicaid eligibility determinations of children to 200 percent of poverty are transferred from Economic Services to the Medical Assistance Administration. The family planning transfer corrects an erroneous appropriation to Economic Services during the 1993-95 biennium. The process for determining eligibility for the children's Medicaid expansion to 200 percent of poverty is placed in Medical Assistance.
  - (d) The First Steps administration for the Clearinghouse is transferred from Children's Services to Medical Assistance Administration.
  - (e) Funding for the Office of Language Interpreter Services and Translations (LIST) is transferred to the Administration Program. (General Fund-State, General Fund-Federal, Health Services Account-State)
15. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995. (General Fund-State, General Fund-Federal)
16. EPSDT - Funding is provided for the increased cost for Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) screening for an estimated 50 percent of all Medicaid eligible children. (General Fund-Federal, Health Services Account-State)
17. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
18. MANAGED CARE EVALUATION - Funding is provided to accommodate the increase in managed care plans needing review. Federal rules require that all managed care plans be reviewed by an external quality review organization. (General Fund-State, General Fund-Federal)
19. MMIS REPROCUREMENT - Funding is provided for the Medicaid Management Information System (MMIS) contract renewal scheduled by September 1997. Restores staffing deleted in an earlier step to the current biennium level. (General Fund-State, General Fund-Federal)
20. CHILDREN TO 200 PERCENT OF FPL - Funding is provided for the increase in caseload resulting from the Medicaid eligibility expansion of children in families with income up to 200 percent of the federal poverty level (FPL). Average monthly caseloads are estimated to be 106,828 for fiscal year 1996 and 124,887 for fiscal year 1997.

## Department of Social & Health Services

### Medical Assistance Payments

- This includes children enrolled in both the Health Care Authority, Basic Health Plan Plus, and Medical Assistance - Healthy Options programs. Eligibility and claims processing staff are also added to accommodate the caseload increase. (General Fund-State, General Fund-Federal, Health Services Account-State)
21. ADMIN FFP - OTHER ENTITIES - This item reflects Federal Title XIX (federal family planning (FFP)) funding that the DSHS Medical Assistance Program receives as the state Medicaid agency for other agencies (for example, Department of Health, Superintendent of Public Instruction). (General Fund-Federal)
  22. DISABILITY DETERMINATION SVCS - Additional federal funds will be earned by Disability Determination Services. (General Fund-Federal)
  23. LONG-TERM CARE SYSTEM REFORM - Funding is reduced to reflect savings in medical services achieved as a result of reforms implemented in the Long-Term Care system under Chapter 18, Laws of 1995, 1st sp.s. (E2SHB 1908 - long term care). (General Fund-State, General Fund-Federal)
  24. HIV INTERVENTION INSURANCE - Funding is reduced to reflect savings in Medical Assistance Program expenditures due to the implementation of the HIV Intervention Insurance program in the Department of Health. HIV/AIDS individuals will be kept on third party insurance longer, which will keep otherwise eligible clients from using Medicaid services sooner. (General Fund-State, General Fund-Federal)
  25. FIRST STEPS CHILD CARE - The First Steps Child Care program is transferred from the Department of Health to the Medical Assistance Program.
  26. SELECTIVE CONTRACTING - Funding is reduced to reflect savings resulting from purchasing various medical equipment, supplies and services through selective contracting. Discounts from contractors will result from high volume purchases. A competitive contract procurement process will be used. Managed care plans will also be allowed to purchase services through these contracts. The contracting process will be phased in, with all contracts in place by July 1, 1996. (General Fund-State, General Fund-Federal)
  27. MANAGED CARE - HEALTH REFORM - Funding is reduced to reflect Medical Assistance savings achieved through expansion of the managed care program, Healthy Options. As more clients move into managed care, additional cost control measures such as competitive bidding for contracts, using actuaries for rate setting, and expanding fully-capitated managed care for other medical assistance groups can be implemented to reduce costs. (General Fund-State, General Fund-Federal, Health Services Account-State)
  28. PHARMACY ADJUDICATION - Funding is reduced to reflect savings achieved by implementing an integrated statewide real-time pharmacy Point-of-Sale (POS) claims adjudication service that includes Prospective Drug Utilization Review (ProDUR). Under this system, clients can expect better patient outcomes due to: 1) ready access to drug history information of patients, 2) providers and clients getting more efficient service through on-line eligibility verification, and 3) detection and reduction of inappropriate drug usage and related hospitalizations. (General Fund-State, General Fund-Federal)
  29. DISPROPORTIONATE SHARE REVISION - Due to regulations in the federal Omnibus Budget Reconciliation Act of 1993, the state's ability to refinance General Fund-State expenditures with local funds through the Intergovernmental Transfer/Disproportionate Share Hospital (IGT/DSH) program is significantly reduced in the 1995-97 biennium. Part of this loss is mitigated by expanding re-financing to additional medical programs. This saves General Fund-State expenditures and also reduces the state's Initiative 601 expenditure limit. The IGT/DSH program allows the state's largest public hospitals (Harborview Medical Center and University of Washington Medical Center) to make intergovernmental transfers to the state. The state then returns an equal amount to the hospital through a disproportionate share payment. The disproportionate share payment is federally matched freeing up local funds equal to the amount of the federal portion of the disproportionate share payment. (General Fund-State, General Fund-Federal, General Fund-Local)
  30. SSI MANAGED CARE - Funding is reduced to reflect implementation of a managed care program for Supplemental Security Income (SSI) eligible clients, who are non-Medicare aged or disabled. Medical Assistance will use a Primary Care Case Management (PCCM) model for these clients using managed care plans to administer and coordinate services. The PCCM approach will enable plans to provide quality services to a high cost, high needs population. It will also allow plans to not bear full financial risk. Improved access, continuity, and appropriateness of care will result in a reduction of costs for providing care to this population. (General Fund-State, General Fund-Federal)
  31. HOSPITAL SELECTIVE CONTRACTING - Funding is reduced to reflect savings from implementation of selective contracts for inpatient services with hospitals in Pierce and eastern King counties. (General Fund-State, General Fund-Federal)
  32. SB 5652 WELFARE FRAUD - Funding is reduced to reflect savings resulting from at least six months of public assistance ineligibility for any person convicted of obtaining public assistance in a fraudulent manner as specified in Chapter 379, Laws of 1995 (SB 5652). Under current law, the penalty for public assistance fraud is a 10 percent reduction in Aid to Families with Dependent Children (AFDC) cash grants. The savings associated with Chapter 379, Laws of 1995 (SB 5652) assume necessary federal waivers are obtained and implementation occurs January 1, 1996.
  33. MEDICALLY INDIGENT HOSPITAL CARE - Funding is reduced to reflect new limitations placed on the Medically Indigent program in fiscal year 1996, and then elimination of the program in fiscal year 1997. Currently, eligibility requires individuals to incur medical expenses equal to the income and/or resources in excess of the AFDC payment standard and meet a yearly emergency medical expense requirement of \$1,500. In fiscal year 1996, coverage for Medically Indigent clients is limited to emergency transportation, hospital, and related inpatient physician services. Reimbursement of non-hospital services with the exception of emergency transportation is eliminated. In addition, emergency room and emergency room physician services will be provided for a maximum of three months in any twelve-month period and the required yearly medical expense is increased to \$2,000. The impact of eliminating the Medically Indigent program will be offset by providing Basic Health Plan (BHP) coverage. BHP premiums are made more affordable, starting with a \$10 monthly premium to all Washington residents in households with incomes up to 125 percent of the federal poverty level. (General Fund-State)
  34. BOARDS AND COMMISSIONS REDUCTION - The Prescription Drug Advisory Board is eliminated. (General Fund-State, General Fund-Federal)
  35. GA-U ELIGIBILITY CHANGES - Funding is reduced to reflect changes made to improve the effectiveness and reduce the costs of the General Assistance-Unemployable (GA-U) program. Specific changes will be determined by a study to analyze eligibility criteria, client characteristics, and length-of-stay data. Study recommendations will be implemented effective July 1, 1996. (General Fund-State)
  36. PHASE OUT AFDC MN PROGRAM - Funding is reduced to reflect phasing out the portion of the Medically Needy (MN) program providing health care to near eligible individuals (i.e., individuals with incomes slightly above the AFDC grant payment level). Individuals displaced by the phase out are expected to seek health insurance provided through the Basic Health Plan.
  37. FAMILY PLANNING EFFORTS - Family Planning Efforts include: (1) the continued training of local office staff; (2) the continued joint Outreach/Marketing Campaign linked with Department of Health and the Superintendent of Public Instruction; and (3) the expansion of family planning services only available for an additional 12 months to all women for whom Medicaid eligibility is determined. These activities result in net General Fund-State savings due to a reduced number of births funded through Medicaid. (General Fund-State, General Fund-Federal)
  38. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.

## Department of Social & Health Services Medical Assistance Payments

### *Governor's Vetoes:*

The Governor vetoed section 201(3) which prohibited the Department of Social and Health Services from requiring special authorization of certain prescription drugs and medications for non-medical reasons by the Medical Assistance Administration before the prescriptions can be filled and the cost reimbursed by the state.

39. DENTAL ACCESS - CHILDREN - Funding is provided to increase dental access for children and to comply with federal requirements, by raising reimbursement rates for children's dental services from the current 45 percent of usual and customary charges to 75 percent. In addition, \$5 million in discretionary funding is provided to create local, community-based dental solutions to improve dental access for children. Currently, access to dental care for Medicaid eligible children in Washington is limited, with only 27 percent of Medicaid-eligible children able to access dental care during fiscal year 1993. (General Fund-Federal, Health Services Account-State)
40. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State)
41. EMERGENCY CARE POOL - UNINSURED - Funding is provided for emergency health care in fiscal year 1997 for low income persons who do not obtain Basic Health Plan coverage. The Department will develop a funding formula to compensate hospitals and health care providers based on their share of uncompensated care. (Health Services Account-State)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social and Health Services**  
**Medical Assistance**

**WORKLOAD HISTORY**  
By Fiscal Year

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	Estimate		
								<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<b>State General Assistance</b>										
# Persons/Month	14,801	15,762	13,780	13,885	12,230	10,200	10,049	10,398	10,681	8,809
% Change from prior year		6.5%	-12.6%	0.8%	-11.9%	-16.6%	-1.5%	3.5%	2.7%	-17.5%
<b>Categorically Needy *</b>										
# Persons/Month	326,887	341,292	362,162	407,208	473,377	521,192	560,759	641,402	733,813	780,216
% Change from prior year		4.4%	6.1%	12.4%	16.2%	10.1%	7.6%	14.4%	14.4%	6.3%
<b>Medically Needy</b>										
# Persons/Month	14,924	16,195	15,005	15,779	17,612	18,208	17,144	13,724	12,293	11,049
% Change from prior year		8.5%	-7.3%	5.2%	11.6%	3.4%	-5.8%	-19.9%	-10.4%	-10.1%
<b>State Medically Indigent **</b>										
# Persons/Month	2,034	2,083	2,419	2,758	2,473	2,647	2,632	2,617	2,007	0
% Change from prior year		2.4%	16.1%	14.0%	-10.3%	7.0%	-0.6%	-0.6%	-23.3%	-100%

\* *Categorically Needy includes children enrolled in the State-Only Children's Health Program.*

\*\* *Estimate for FY96 reflects new limitations placed on the program by the 1995 Legislature. The program is eliminated in FY97.*

Data Sources:

*FY88 through FY94: LEAP workload data base.*

*FY95 through FY97 estimates: November 1994 forecast.*

**Department of Social & Health Services**  
**Vocational Rehabilitation**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	15,670	73,036	88,706
<b>Eliminate One-Time Spending</b>	-720	-4,122	-4,842
<b>Biennialize Current Biennium Changes</b>	598	2,339	2,937
<b>Inflation &amp; Other Rate Adjustments</b>			
1. ISSD Adjustments	6	25	31
2. E-Mail & HUB Maintenance	0	2	2
3. Interagency Billings	-16	-37	-53
<b>Caseload &amp; Enrollment Changes</b>			
4. Transfer	-40	-115	-155
5. Client Day Training Transfer	-276	0	-276
6. Fund Shift & Add. State Match	0	3,754	3,754
<b>Changes in Service Delivery</b>			
7. Voter Registration	16	58	74
<b>Program Enhancements</b>			
8. Vendor Rate Increase	39	0	39
9. 1995-97 High School Grads	310	1,144	1,454
<b>Total 1995-97 Biennium</b>	15,587	76,084	91,671
<b>Fiscal Year 1996 Totals</b>	7,741	38,334	46,075
<b>Fiscal Year 1997 Totals</b>	7,846	37,750	45,596

**Comments:**

1. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
2. E-MAIL & HUB MAINTENANCE - Funding is provided for access through Information System Services Division (ISSD) to software updates and maintenance services from manufacturers when needed. (General Fund-State, General Fund-Federal)
3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
4. TRANSFER - Expenditures for language interpreter services are transferred to the central DSHS administration budget.
5. CLIENT DAY TRAINING TRANSFER - Funding is reduced to reflect discontinuation of new funding provided in the 1993-95 biennium for vocational services for young persons with developmental disabilities who left high school in 1993 and 1994, since those time-limited services have been completed. Funding is provided in the "1995-97 High School Grads" item for students graduating in 1995 and 1996.
6. FUND SHIFT & ADD. STATE MATCH - Federal funding is provided to reflect an anticipated approximately 3.5 percent increase in the federal Basic Support Grant in the 1995-97 biennium. The state and local match necessary for collecting these federal funds will be earned through cooperative agreements with mental health Regional Support Networks, county developmental disabilities programs, and/or school districts.
7. VOTER REGISTRATION - Funding is provided for implementation of the National Voter Registration Act of 1993 (Public Law 103-31) passed by the U.S. Congress and the state Voter Registration bill (Chapter 57, Laws of 1994 -- SSB 6188) passed in the 1994 legislative session, requiring state agencies to provide increased opportunity for voter registration for persons with disabilities.
8. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
9. 1995-97 HIGH SCHOOL GRADS - Funding is provided for the Division of Vocational Rehabilitation, in cooperation with county developmental disabilities programs and local school districts, to provide job training and placement to approximately 75 percent of the 744 students with developmental disabilities who will graduate from high school in 1995 and 1996. Funding for the other 25 percent of graduates, and ongoing support for all who require it, is provided in the Division of Developmental Disabilities budget.

**Department of Social & Health Services**  
**Administration & Supporting Services**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	45,588	40,748	86,336
<b>Eliminate One-Time Spending</b>	-1,078	-138	-1,216
<b>Biennialize Current Biennium Changes</b>	6,082	2,830	8,912
<b>Inflation &amp; Other Rate Adjustments</b>			
1. ISSD Adjustments	49	31	80
2. Interagency Billings	-89	-73	-162
3. Compensation Changes	-33	-22	-55
<b>Caseload &amp; Enrollment Changes</b>			
4. New/Replacement Equipment	640	409	1,049
5. Birth-to-Six Project Termination	0	-2,056	-2,056
<b>Changes in Service Delivery</b>			
6. Administration Reduction	-2,067	-1,653	-3,720
<b>Program Reductions</b>			
7. Elim. Sex Minority Initiative Funds	-100	0	-100
<b>Program Enhancements</b>			
8. Transfer	2,372	1,394	3,766
9. WIN Kiosks	3	3	6
10. Fund Regulatory Reform Activities	500	300	800
<b>Total 1995-97 Biennium</b>	51,867	41,773	93,640
<b>Fiscal Year 1996 Totals</b>	25,933	20,887	46,820
<b>Fiscal Year 1997 Totals</b>	25,934	20,886	46,820

**Comments:**

1. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. NEW/REPLACEMENT EQUIPMENT - Funding is provided for lease purchase of new and replacement equipment.
5. BIRTH-TO-SIX PROJECT TERMINATION - Funding is reduced to reflect termination of the Birth-to-Six Project at the end of the 1993-95 biennium. It will be replaced by a new federal grant, the Washington State Infant Toddler Early Intervention program in DSHS Developmental Disabilities.
6. ADMINISTRATION REDUCTION - Funding is reduced to reflect a 10 percent reduction in staffing for the 1995-97 biennium for all administrative activities except in the Office of Financial Recovery and the Finance Division.
7. ELIM. SEX MINORITY INITIATIVE FUNDS - Funding for one position and related benefits and publication costs for the quarterly Sexual Minority Initiative Report is eliminated. The Department shall not expend any funding for staffing or publication of the sexual minority initiative. (General Fund-State)
8. TRANSFER - Program transfers throughout the Administration and Support Division include: Automated Client Eligibility System (ACES) Mailroom workload; Assistant Secretary of Juvenile Rehabilitation; the Language Interpreter Services and Translation (LIST) program; program changes in the Office of Financial Recovery; and Return-to-Work FTE staff.
9. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, General Fund-Federal)
10. FUND REGULATORY REFORM ACTIVITIES - Funding is provided to assist with rule development and compliance as required under Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform). (General Fund-State, General Fund Federal)

**Department of Social & Health Services**  
**Child Support Services**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	41,334	172,200	213,534
<b>Biennialize Current Biennium Changes</b>	-12,742	-1,748	-14,490
<b>Inflation &amp; Other Rate Adjustments</b>			
1. ISSD Adjustments	27	53	80
2. Interagency Billings	-73	-149	-222
<b>Caseload &amp; Enrollment Changes</b>			
3. Transfer	-110	-208	-318
4. New/Replacement Equipment	531	1,031	1,562
5. Incentive Pay	5,804	-5,804	0
<b>Changes in Service Delivery</b>			
6. Improved Technology Efficiencies	-2	-3	-5
7. Transfer AG to Prosecuting Attorney	1,122	2,178	3,300
<b>Program Enhancements</b>			
8. Child Support Contempt Proceedings	334	1,166	1,500
9. WIN Kiosks	2	4	6
<b>Total 1995-97 Biennium</b>	<b>36,227</b>	<b>168,720</b>	<b>204,947</b>
<b>Fiscal Year 1996 Totals</b>	<b>18,058</b>	<b>83,363</b>	<b>101,421</b>
<b>Fiscal Year 1997 Totals</b>	<b>18,169</b>	<b>85,357</b>	<b>103,526</b>

**Comments:**

- The Legislative current services budget saves \$1.6 million General Fund-State and \$4.6 million total funds due to a reduction in carryforward costs resulting from fewer support enforcement workers being hired during the 1993-95 biennium than were budgeted for.
- ISSD ADJUSTMENTS** - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
  - INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
  - TRANSFER** - Funding is reduced to reflect transferring the Office of Language Interpreter Services and Translations (LIST) to the Administration Program. (General Fund-State, General Fund-Federal, General Fund-Local)
  - NEW/REPLACEMENT EQUIPMENT** - Funding is provided for lease purchase of computer equipment. (General Fund-State, General Fund-Federal)
  - INCENTIVE PAY** - A decrease in the federal child support collection incentive pay is forecasted for the 1995-97 biennium due to lower than expected child support collections. General Fund-State funding is provided to cover the shortfall in federal funds. (General Fund-State, General Fund-Local)
  - IMPROVED TECHNOLOGY EFFICIENCIES** - Savings result from the conversion of the DSHS headquarter's phone system, improvements to the data communications facility, and the acquisition of network resource management software. (General Fund-State, General Fund-Federal)
  - TRANSFER AG TO PROSECUTING ATTORNEY** - Funding is transferred for local county Prosecuting Attorneys to perform increased child support legal services. A corresponding decrease in funding for

- the Office of Attorney General is reflected in the Payments to Other Agencies Program. (General Fund-State, General Fund-Federal)
- CHILD SUPPORT CONTEMPT PROCEEDINGS** - Funding is provided to expand efforts to collect support from those individuals who are self employed or employed "under the table". Funding is provided to county prosecutors to effectively double the capacity to handle these contempt cases. (General Fund-State, General Fund-Federal, General Fund-Local)
  - WIN KIOSKS** - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (Unclaimed Personnel Property Account, Non-Appropriated)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Department of Social & Health Services**  
**Payments to Other Agencies**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	31,226	11,902	43,128
<b>Biennialize Current Biennium Changes</b>	5,570	5,160	10,730
<b>Inflation &amp; Other Rate Adjustments</b>			
1. ISSD Adjustments	1	0	1
2. Internal Rents	340	154	494
3. Interagency Billings	6,260	1,793	8,053
4. Agency Legal Services Adjustment	-819	-234	-1,053
<b>Caseload &amp; Enrollment Changes</b>			
5. Transfer	452	114	566
<b>Changes in Service Delivery</b>			
6. Transfer AG to Prosecuting Attorney	-1,458	-2,832	-4,290
<b>Program Enhancements</b>			
7. Limited English Proficiency	208	224	432
<b>Total 1995-97 Biennium</b>	41,780	16,281	58,061
<b>Fiscal Year 1996 Totals</b>	21,112	8,569	29,681
<b>Fiscal Year 1997 Totals</b>	20,668	7,712	28,380

**Comments:**

1. ISSD ADJUSTMENTS - Adjusts for the cost of Information System Services Division (ISSD) services due to equipment, software maintenance, and DIS rate reduction. (General Fund-State, General Fund-Federal)
2. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994.
3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. TRANSFER - Funding is provided for Permanency Planning Assistant Attorneys General for the Division of Children and Family Services. (General Fund-State, General Fund-Federal)
6. TRANSFER AG TO PROSECUTING ATTORNEY - Funding is reduced by transferring Attorney General services for child support legal services to local county Prosecuting Attorneys. (General Fund-State, General Fund-Federal)
7. LIMITED ENGLISH PROFICIENCY - Funding is provided for Limited English Proficiency services.

# Other Human Services

## **Department of Corrections**

An additional \$61.3 million from the state general fund is provided for the Department of Corrections. Increases are primarily due to the growth in the prison population and the cost to open new prison beds at the Airway Heights Correctional Center and the Kitsap work release facility. The amount of \$4.7 million is provided to fund the net increase in adult sentencing that results from 1995 legislation under Chapter 129 (Initiative-159 – Hard Time for Armed Crime), Chapter 19 Laws of 1995, 1st sp.s. (2E2SHB 2010 – Omnibus Corrections Act), and Chapter 108 (SHB 1549 – Drug Offender Treatment Alternative). Other increases include expansion of job opportunities for offenders, population increases for community supervision, and community supervision of misdemeanants. Savings of \$18.4 million are achieved through various measures, including: administrative reductions; education efficiencies; reductions in custody staffing resulting from an analysis of the best use of facilities; lower medical costs due to cost containment; an inmate copayment for medical services; drug testing efficiencies; reduced recreational services; tower staffing reductions; delaying staff increases; and decreasing the frequency of offender contacts with community corrections officers.

## **Health Care Authority, Basic Health Plan**

A total of \$242 million from the state Health Services Account is provided for: increased enrollment in the Basic Health Plan; expanded benefits; and improved state premium subsidies resulting from the implementation of Chapter 265, Laws of 1995 (ESHB 1046 – Health Care Reform Amendment) and Chapter 266, Laws of 1995 (ESSB 5386 – Basic Health Plan). Subsidized Basic Health Plan enrollment is expanded to a total of 200,000 low-income adults by the end of the 1995-97 biennium, including 100,000 employer-sponsored enrollees. The premium subsidy is increased for persons with income between 125 percent and 199 percent of the federal poverty level.

## **Washington Health Care Policy Board**

Under Chapter 265, Laws of 1995 (ESHB 1046) the funding and responsibilities of the Health Services Commission are transferred to the Washington Health Care Policy Board.

## **Department of Health**

A \$56.5 million increase in federal funding provides for several public health care enhancements through the state Department of Health, including: \$41.4 million for an additional 40,000 clients per month in the federal Women-Infant-Children (WIC) program; \$4.0 million for 10,750 additional screenings each year for breast and cervical cancer; \$5.6 million to continue a variety of grants; \$1.6 million for the Maternal Child Health Block Grant program; \$1.5 million to comply with the Safe Drinking Water Act; \$1.1 million to continue and expand the Hanford Health Information Network; and \$1.3 million for the rural health network.

The amount of \$10.0 million is provided for the Public Health Improvement Plan, including \$4.8 million for distribution to local health departments. Funding is from the Public Health Services Account and the Health Services Account. Savings in the amount of \$2.9 million are achieved for these two accounts by eliminating teen counter message advertising and reducing health services information system funding. The amount of \$4.2 million is provided from the Health Professions Account for increased workload associated with health profession disciplinary actions. The amount of \$1.1 million is provided from the state general fund to implement the Tribal Shellfish Health Issues agreement negotiated as part of the tribal shellfish court decision of May 1994.

**Department of Labor and Industries**

Enhancement funding of \$10.2 million from the Medical Aid and Accident Funds is provided for: chemically-related illness research; installation of a document imaging system in the field offices; a data system that provides external access to claims information; enhancements to the data system for employer accounts; and additional staff for the rule revision and technical assistance required under Chapter 403, Laws of 1995 (ESHB 1010 -- Regulatory Reform). At the same time, a total of \$7.1 million in savings to the Medical Aid and Accident Funds is achieved through 2.5 percent efficiency improvements in management, insurance, research, and compliance services. The amount of \$1.4 million is provided from the Electrical License Account for additional electrical inspectors.

## Washington Health Care Policy Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	0	0
<b>Program Enhancements</b>			
1. Life Care Pilot Projects Planning	0	110	110
2. Agency Operations	0	4,229	4,229
<b>Total 1995-97 Biennium</b>	0	4,339	4,339
<b>Fiscal Year 1996 Totals</b>	0	2,169	2,169
<b>Fiscal Year 1997 Totals</b>	0	2,170	2,170

**Comments:**

1. LIFE CARE PILOT PROJECTS PLANNING - Funds staff and development of a plan for the implementation of pilot projects to provide information for a long-term care integration plan. This activity is funded jointly by a Robert Wood Johnson Foundation Grant, and Medicaid Funding. Medicaid funding is included in the Department of Social and Health Services (DSHS) Long-Term Care budget. (General Fund-Private/Local)
2. AGENCY OPERATIONS - Funds the responsibilities transferred from the Health Services Commission to the Washington Health Care Policy Board as identified in Chapter 265, Laws of 1995 (ESHB 1046).

## Washington State Health Care Authority

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	27,418	169,612	197,030
<b>Eliminate One-Time Spending</b>	-20,608	0	-20,608
<b>Biennialize Current Biennium Changes</b>	-4	31,847	31,843
<b>Inflation &amp; Other Rate Adjustments</b>			
1. BHP Inflation	0	10,020	10,020
2. Community Clinics Inflation	0	590	590
3. Internal Rents	0	10	10
4. Interagency Billings	0	105	105
5. Agency Legal Services Adjustment	0	-13	-13
<b>Caseload &amp; Enrollment Changes</b>			
6. Lower Enrollment	0	-38,832	-38,832
7. New K-12 Enrollees	0	1,268	1,268
<b>Changes in Service Delivery</b>			
8. Data Processing Support	0	1,556	1,556
9. Medicaid Earnings for BHP Admin	0	-1,200	-1,200
10. Implement Savings	0	1,019	1,019
11. Brokers' Commission - BHP	0	1,026	1,026
<b>Program Enhancements</b>			
12. BHP Change in Subsidy Level	0	23,463	23,463
13. Consolidated State Purchasing Agent	0	598	598
14. Uniform Medical Plan Continuation	0	282	282
15. Enrollment Growth	0	113,638	113,638
16. WIN Kiosks	0	35	35
17. Expanded Benefits	0	15,449	15,449
18. Long-Term Care Workers - BHP	0	-9,562	-9,562
<b>Total 1995-97 Biennium</b>	<b>6,806</b>	<b>320,911</b>	<b>327,717</b>
<b>Fiscal Year 1996 Totals</b>	<b>3,403</b>	<b>114,081</b>	<b>117,484</b>
<b>Fiscal Year 1997 Totals</b>	<b>3,403</b>	<b>206,830</b>	<b>210,233</b>

### Comments:

- |   |  |
|---|--|
| <p>1. BHP INFLATION - Funds medical inflation for the Basic Health Plan (BHP) at 7 percent per year.</p> <p>2. COMMUNITY CLINICS INFLATION - Funds a 5 percent inflation increase effective July 1, 1995 for contracts with community and migrant health clinics. (Health Services Account)</p> <p>3. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).</p> <p>4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>6. LOWER ENROLLMENT - Enrollment growth in the Basic Health Plan (BHP) has been slower than predicted. Enrollment for June 30, 1995 is revised from 57,192 adults down to 48,353 adults.</p> <p>7. NEW K-12 ENROLLEES - Funding is provided for the administration of benefits for up to an additional 10,000 K-12 employees. The Office of Financial Management shall prorate the</p> | <p>allotment of these funds based on the actual number of K-12 subscribers. (Health Care Authority Administration Account)</p> <p>8. DATA PROCESSING SUPPORT - Funds a change in the way agencies reimburse Public Employees Benefits Board (PEBB) costs, as well as related costs for data processing support. Prior to July 1, 1995, state agencies, higher education institutions, and the Department of Retirement Systems (DRS) paid sixty cents per subscriber per month directly to the Department of Personnel for the costs related to HCA's PEBB eligibility system. The HCA covers costs for self-pay retirees, COBRAs, political subdivisions, and school districts currently in the PEBB system. Beginning July 1, 1995, funding is provided to eliminate the charge to state agencies, higher education institutions, and DRS. (Health Care Authority Administration Account)</p> <p>9. MEDICAID EARNINGS FOR BHP ADMIN - Represents funding for Basic Health Plan (BHP) administration reimbursed by Title XIX, Medicaid. (Health Services Account)</p> <p>10. IMPLEMENT SAVINGS - Funding is provided to implement health care cost-containment strategies, including managed competition, employee premium co-payments, point-of-service cost sharing increases, or revising the actuarial value of the benefits package, as approved by the Public Employees Benefit Board. (Health Care Authority Administration Account)</p> |
|---|--|

## Washington State Health Care Authority

11. **BROKERS' COMMISSION - BHP - Chapter 265, Laws of 1995** (ESHB 1046) provides for commissions for insurance brokers and agents who sell the Basic Health Plan (BHP) to persons or groups not previously enrolled. The commissions are paid upon initial sale only - no commissions will be paid for renewals.
12. **BHP CHANGE IN SUBSIDY LEVEL - Enrollment** has not reached anticipated levels due to the unaffordability of premium costs to the enrollee. Additional state funding improves the premium subsidy schedule on a sliding scale basis for enrollees with incomes between 125 and 199 percent of federal poverty. This limits health care premium costs to not more than 5 percent of income. (Health Services Account)
13. **CONSOLIDATED STATE PURCHASING AGENT - The Health Care Authority (HCA)** is designated as the Consolidated State Purchasing Agent (CSPA) for purchasing health services on behalf of the state. Increased activities of the CSPA include: consolidation of different employee groups into a statewide community-rated risk pool; use of uniform eligibility processes; and integrating purchasing to promote efficient methods of financing and service coordination. (Health Services Account)
14. **UNIFORM MEDICAL PLAN CONTINUATION - Funds** are provided for activities related to the continuation of the Uniform Medical Plan (UMP). The following activities are required: (1) rebasing the Diagnosis Related Groups (DRG) system; (2) re-establishing "per case" hospital contracts; (3) rebidding of the Third Party Administrator (TPA) contract; and (4) expansion of the Preferred Provider Network to border areas outside of Washington State to handle the increased demands of K-12 retirees. (Health Care Authority Administration Account)
15. **ENROLLMENT GROWTH - Funds** anticipated enrollment growth in the Basic Health Plan as a result of expanded marketing and increased subsidies. Average monthly adult enrollment is expected to be 68,937 in fiscal year 1996 and 154,165 in fiscal year 1997. (Health Services Account)
16. **WIN KIOSKS - Funding** is provided for participation in the Washington Information Network (WIN) kiosk system. (Health Care Authority Administration Account-State, Health Services Account-State)
17. **EXPANDED BENEFITS - Funding** is provided for the addition of chemical dependency, mental health, and organ transplant services to the Basic Health Plan. (Health Services Account)
18. **LONG-TERM CARE WORKERS - BHP - Funding** is provided to enroll home care workers employed through state-funded long-term care programs in the Basic Health Plan (BHP). A \$10 monthly premium payment by workers with incomes below 200 percent of the federal poverty level is required. The remainder of the premium is paid by the Health Services Account and matching General Fund-Federal dollars appropriated to the Department of Social and Health Services, Aging and Adult Services Program. Funds for BHP coverage are to be paid as part of vendor reimbursements to home care workers. It is assumed that 8,000 home care workers will choose to enroll in the BHP by the end of the biennium and that this enrollment will be part of the 100,000 slots provided for individuals under Chapter 265, Laws of 1995 (ESHB 1046). (Health Services Account, Basic Health Plan Trust Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Human Rights Commission**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	3,832	1,406	5,238
<b>Eliminate One-Time Spending</b>	-162	0	-162
<b>Biennialize Current Biennium Changes</b>	-8	84	76
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	50	18	68
2. Merit Increments	38	8	46
3. Compensation Changes	-2	0	-2
4. Agency Legal Services Adjustment	-11	-4	-15
<b>Program Enhancements</b>			
5. Dispute Resolution Unit	80	234	314
<b>Total 1995-97 Biennium</b>	3,817	1,746	5,563
<b>Fiscal Year 1996 Totals</b>	1,905	872	2,777
<b>Fiscal Year 1997 Totals</b>	1,912	874	2,786

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. DISPUTE RESOLUTION UNIT - Funding is provided to expand the Dispute Resolution Unit in order to process and respond to an increased caseload of inquiries and complaints of discrimination. Expansion of the unit will decrease the agency's caseload inventory from 1,300 to 1,000 and decrease the average time between filing a complaint and assignment of an investigator from 12 months to 10 months. (General Fund-Federal)

**Board of Industrial Insurance Appeals**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	19,968	19,968
<b>Eliminate One-Time Spending</b>	0	-280	-280
<b>Biennialize Current Biennium Changes</b>	0	-8	-8
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	11	11
2. Agency Legal Services Adjustment	0	-2	-2
<b>Caseload &amp; Enrollment Changes</b>			
3. WISHA Crime Victim Reimbursement	0	-56	-56
<b>Total 1995-97 Biennium</b>	0	19,633	19,633
<b>Fiscal Year 1996 Totals</b>	0	9,817	9,817
<b>Fiscal Year 1997 Totals</b>	0	9,816	9,816

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. WISHA CRIME VICTIM REIMBURSEMENT - A revenue adjustment is made to accurately reflect the projected reimbursement from the Department of Labor and Industries for the cost of resolving appeals filed under the Washington Industrial Safety and Health Act (WISHA) and the Innocent Victims of Crime Act.

## Washington State Criminal Justice Training Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	11,026	11,026
<b>Biennialize Current Biennium Changes</b>	0	-174	-174
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	30	30
2. Agency Legal Services Adjustment	0	-4	-4
<b>Caseload &amp; Enrollment Changes</b>			
3. Domestic Violence Reporting (WASPC)	0	78	78
4. Merit Increments	0	22	22
<b>Program Enhancements</b>			
5. Incident Based Reporting System	0	30	30
6. ESSB 5219 Domestic Violence	0	28	28
<b>Total 1995-97 Biennium</b>	0	11,036	11,036
<b>Fiscal Year 1996 Totals</b>	0	5,512	5,512
<b>Fiscal Year 1997 Totals</b>	0	5,524	5,524

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings. (Public Safety and Education Account)
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. DOMESTIC VIOLENCE REPORTING (WASPC) - Funding is provided to the Washington Association of Sheriffs and Police Chiefs (WASPC) to modify software and hire one staff person to implement an automated reporting system for domestic violence incidents on the Washington Incidence Based Reporting system. (Public Safety and Education Account)
4. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
5. INCIDENT BASED REPORTING SYSTEM - Funding is provided to expand the Incident Based Reporting System (IBR) to comply with FBI data requirements. (Public Safety and Education Account)
6. ESSB 5219 DOMESTIC VIOLENCE - Chapter 246, Laws of 1995 (ESSB 5219), requires an additional 20 hours of domestic violence instruction within the Basic Law Enforcement Academy. (Public Safety and Education Account)

## Department of Labor & Industries

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	9,448	365,474	374,922
<b>Eliminate One-Time Spending</b>	-212	-23,044	-23,256
<b>Biennialize Current Biennium Changes</b>	184	2,798	2,982
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	-692	-692
2. Agency Legal Services Adjustment	0	-709	-709
<b>Caseload &amp; Enrollment Changes</b>			
3. FTE Adjustment	0	-1,400	-1,400
4. Information System Maintenance	0	2,000	2,000
5. Addnl Apprenticeship Coordinators	355	0	355
6. Elevator Inspectors	552	0	552
7. Equipment Adjustment	-54	-7,100	-7,154
8. Equipment Replacement	30	3,010	3,040
<b>Changes in Service Delivery</b>			
9. Legal Services - Efficiencies	0	-594	-594
10. Fraud Control to AG Office	0	-450	-450
11. Management Services - Efficiencies	0	-1,154	-1,154
12. Insurance Services - Efficiencies	0	-2,184	-2,184
13. Research/Inf. Services-Efficiencies	0	-2,056	-2,056
14. Consultation/Compliance-Efficiency	0	-1,728	-1,728
<b>Program Enhancements</b>			
15. Revenue Collection Officers	0	282	282
16. Chemically-Related Illness Research	0	1,300	1,300
17. Additional Electrical Inspectors	0	1,435	1,435
18. Final Electrical Inspections	0	592	592
19. Boiler/Pressure Vessel Inspections	0	129	129
20. Employment Standards Staff	0	110	110
21. Factory Assembled Structures Staff	262	0	262
22. New Equipment	16	2,974	2,990
23. Timely Management of Claims Appeals	0	390	390
24. Document Imaging - Field	0	3,524	3,524
25. Claims Information External Access	0	1,520	1,520
26. Employer Accts System Enhancement	0	996	996
27. Crime Victims - Prime Migration	0	279	279
28. Washington Information Network	0	39	39
29. HB 1136 Inmate Welfare Transfer	0	870	870
30. Regulatory Reform	0	2,877	2,877
<b>Total 1995-97 Biennium</b>	10,581	349,488	360,069
<b>Fiscal Year 1996 Totals</b>	5,270	174,508	179,778
<b>Fiscal Year 1997 Totals</b>	5,311	174,980	180,291

### Comments:

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. FTE ADJUSTMENT - Adjusts the 1995-97 FTE staffing level to the fiscal year 1995 estimated FTE staffing level.
4. INFORMATION SYSTEM MAINTENANCE - Provides for maintenance of the Department's information systems, including the document imaging, risk management, and rates analysis system. (Accident and Medical Aid Accounts)
5. ADDNL APPRENTICESHIP COORDINATORS - A recent US District Court decision and a similar 9th US Court of Appeals ruling found that some rules of the Washington State Apprenticeship and Training Council (WSATC) violated federal codes and were out of compliance with the state law (RCW 49.04.030). The Department is required to expand the apprenticeship programs from 30 to 70

## Department of Labor & Industries

- programs per year. Funding is provided for additional apprenticeship coordinators to handle this workload increase.
6. ELEVATOR INSPECTORS - Additional elevator inspectors are added to handle increased workload and meet the statutory requirement that all conveyances be inspected annually.
  7. EQUIPMENT ADJUSTMENT - Eliminates funding for equipment to allow for a zero-based equipment budget.
  8. EQUIPMENT REPLACEMENT - Funding is provided for replacement of obsolete equipment.
  9. LEGAL SERVICES - EFFICIENCIES - A 2.5 percent savings will be achieved without any service reduction impact. (Accident and Medical Aid Accounts)
  10. FRAUD CONTROL TO AG OFFICE - The Fraud Control Unit is transferred to the Office of the Attorney General. (Accident and Medical Aid Accounts)
  11. MANAGEMENT SERVICES - EFFICIENCIES - A 2.5 percent savings will be achieved without any service reduction impact. (Accident and Medical Aid Accounts)
  12. INSURANCE SERVICES - EFFICIENCIES - A 2.5 percent savings will be achieved without any service reduction impact. (Accident and Medical Aid Accounts)
  13. RESEARCH/INF. SERVICES-EFFICIENCIES - A 2.5 percent savings will be achieved without any service reduction impact. (Accident and Medical Aid Accounts)
  14. CONSULTATION/COMPLIANCE-EFFICIENCY - A 2.5 percent savings will be achieved without any service reduction impact. (Accident and Medical Aid Accounts)
  15. REVENUE COLLECTION OFFICERS - Funds additional revenue officers to collect premiums owed by employers. Revenues to be collected by these staff are estimated to be \$400,000 per month, or a total of \$4.8 million per year. (Accident and Medical Aid Accounts)
  16. CHEMICALLY-RELATED ILLNESS RESEARCH - Funding is provided to continue the research projects related to chemically-related illness begun in the 1993-95 biennium. The department will develop a plan, establish a scientific advisory committee, and conduct research projects related to chemically-related illnesses. (Accident and Medical Aid Accounts)
  17. ADDITIONAL ELECTRICAL INSPECTORS - Funding is provided for additional electrical inspectors to handle an estimated 10 percent increase in workload. (Electrical License Account)
  18. FINAL ELECTRICAL INSPECTIONS - Funding is provided for additional final electrical inspections to handle the anticipated 7 percent workload increase. (Electrical License Account)
  19. BOILER/PRESSURE VESSEL INSPECTIONS - Funding is provided for additional boiler and pressure vessel inspectors to handle increased workload. (Boiler and Pressure Vessel Accounts)
  20. EMPLOYMENT STANDARDS STAFF - One industrial relations agent is added due to an increased volume of complaints related to underpayment or non-payment of wages, violation of the industrial welfare rules, and failure to comply with the child labor rules in the employment of minors. (Public Works Account)
  21. FACTORY ASSEMBLED STRUCTURES STAFF - Funding is provided to replace a contract with the Washington State Energy Office, which will be terminated on June 30, 1995. This funding maintains the program at its current level.
  22. NEW EQUIPMENT - Funding is provided for new equipment and replacement equipment to maintain the 1993-95 current authorized level.
  23. TIMELY MANAGEMENT OF CLAIMS APPEALS - Funding is provided for four claims consultants to review appeals within 30 days of receipt by the Board of Industrial Insurance Appeals and to act on reassumed cases within the required time limitations. (Accident and Medical Aid Accounts)
  24. DOCUMENT IMAGING - FIELD - Funding is provided for installation of a document imaging system in the field offices. This system will allow staff to electronically access claims information shortly after it is received by the Department, allowing field offices to manage claims more effectively. (Accident and Medical Aid Accounts)
  25. CLAIMS INFORMATION EXTERNAL ACCESS - Funding is provided to contract for an on-line claims data access system which will allow employers, medical providers, legal representatives, trade unions and associations, and third party administrators to view selected portions of claims data. This enhancement also will provide retrospective rate employers to have access to claims data. (Accident and Medical Aid Accounts)
  26. EMPLOYER ACCTS SYSTEM ENHANCEMENT - Funding is provided for the Employer Accounts System Enhancement (EASE) system in order to comply with an audit exception from the Office of the State Auditor regarding allocation of employer premiums. (Accident and Medical Aid Accounts)
  27. CRIME VICTIMS - PRIME MIGRATION - Funding is provided for integration of the Crime Victims' system currently operating on the PRIME computer system with the Department's Claims Management System (LINIIS) and the Department's Medical Payment System (MIPS). (Public Safety and Education Account)
  28. WASHINGTON INFORMATION NETWORK - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (Unclaimed Personnel Property Account, Non-Appropriated)
  29. HB 1136 INMATE WELFARE TRANSFER - Appropriation authority is increased, pursuant to Chapter 234, Laws of 1995 (HB 1136 -- inmate welfare accounts) which requires that the Department of Corrections deposit no less than 25 percent of total funds collected for inmate welfare accounts into the Public Safety and Education Account for the crime victims' compensation program.
  30. REGULATORY REFORM - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform). Additional staff are provided for rules revision as well as to provide technical assistance.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

### Governor's Vetoes:

The Governor vetoed section 219(6) which prohibits L & I from spending appropriated funds to implement rules that did not comply with the Regulatory Fairness Act, or that have been determined by the Joint Administrative Rules Committee (JARC) to be outside of legislative interest.

## Indeterminate Sentence Review Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,586	0	2,586
<b>Biennialize Current Biennium Changes</b>	-5	0	-5
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	-28	0	-28
2. Agency Legal Services Adjustment	-4	0	-4
<b>Changes in Service Delivery</b>			
3. Structured Review	-264	0	-264
<b>Total 1995-97 Biennium</b>	2,285	0	2,285
<b>Fiscal Year 1996 Totals</b>	1,199	0	1,199
<b>Fiscal Year 1997 Totals</b>	1,086	0	1,086

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
3. STRUCTURED REVIEW - Structured review is a process to reduce the indeterminate inmate population without jeopardizing public safety. The Board will perform administrative and in-person case reviews of all indeterminate inmates, with the exception of Murder in the First Degree, and will continue to grant final discharges where appropriate pursuant to Chapter 140, Laws of 1993.

## Department of Veterans' Affairs

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	19,558	28,822	48,380
<b>Biennialize Current Biennium Changes</b>	-1,994	-142	-2,136
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Travel	4	0	4
2. USDA Commodities	24	0	24
3. Utility Increase	514	0	514
4. New/Replacement Equipment	37	0	37
5. Vendor Rate Increase	88	0	88
6. Interagency Billings	-59	-74	-133
7. Compensation Changes	-8	-9	-17
8. Agency Legal Services Adjustment	-5	0	-5
<b>Caseload &amp; Enrollment Changes</b>			
9. FMAP	162	-162	0
10. 1995 Supplemental Carryforward	1,906	1,300	3,206
<b>Changes in Service Delivery</b>			
11. Industrial Insurance Refund	0	25	25
12. Staff Reduction	-60	0	-60
13. Veterans' Estate Management Program	31	27	58
14. National Voter Registration Act	5	0	5
<b>Program Enhancements</b>			
15. Rural Homeless Grant	0	118	118
16. Enhance Field Services	250	0	250
<b>Total 1995-97 Biennium</b>	20,453	29,905	50,358
<b>Fiscal Year 1996 Totals</b>	10,342	14,769	25,111
<b>Fiscal Year 1997 Totals</b>	10,111	15,136	25,247

### Comments:

1. TRAVEL - Reflects the increase in mileage reimbursement rate for privately-owned vehicles from 28 cents to 29 cents per mile, effective July 1, 1995.
2. USDA COMMODITIES - The U.S. Department of Agriculture (USDA) program providing reduced prices to institutions on a variety of commodities has been discontinued. The cost of purchasing these supplies at market value will be approximately 50 percent higher.
3. UTILITY INCREASE - Provides funds to cover increased utility costs at the Soldiers' and the Veterans' Homes. Major increases occurred late in the 1993-95 biennium in medical waste removal, garbage removal, electricity, natural gas, sewage, and fire protection costs.
4. NEW/REPLACEMENT EQUIPMENT - Additional funds are provided for the acquisition of equipment necessary for Medicaid certification.
5. VENDOR RATE INCREASE - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
6. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
7. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
8. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
9. FMAP - Replaces federal with state funds to reflect the reduction in the Federal Medical Assistance Percentage (FMAP) from 51.97 percent to 50.19 percent, effective October 1, 1995.
10. 1995 SUPPLEMENTAL CARRYFORWARD - Adjusts funding to correct for lower federal Medicaid census and revenues at the Soldiers' and Veterans' Homes than were assumed in the original 1993-95 budget.
11. INDUSTRIAL INSURANCE REFUND - The agency anticipates an Industrial Insurance Refund from the Department of Labor and Industries, which will be used to fund agency safety programs.
12. STAFF REDUCTION - Reflects a 1.0 FTE staff reduction in Headquarters. Funding is provided for continued state operation of the Seattle and Spokane Field Services offices.
13. VETERANS' ESTATE MANAGEMENT PROGRAM - The Veterans' Estate Management Program collects fees for guardianship services provided to indigent veterans who have been determined financially incompetent. When the 1994 Legislature authorized this program, it was assumed clients could be charged up to 5 percent of their assets. The federal Department of Veterans' Affairs has since determined that fees can only be charged for a limited range of services on behalf of particular veterans, resulting in the need to replace fee revenues with state general funds.

## Department of Veterans' Affairs

14. NATIONAL VOTER REGISTRATION ACT - Provides funds for the additional postage and reproduction costs of performing voter registration in Field Services offices, as required by the National Voter Registration Act.
15. RURAL HOMELESS GRANT - The agency has received a federal grant from the Department of Labor to provide services to homeless veterans living along the Columbia Gorge. The grant has been awarded for the next biennium and will employ 1 FTE staff person.
16. ENHANCE FIELD SERVICES - Funding is provided for the Post Traumatic Stress Disorder program and for increased veterans' outreach contacts.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Department of Health

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	89,444	283,868	373,312
<b>Eliminate One-Time Spending</b>	-26	0	-26
<b>Biennialize Current Biennium Changes</b>	-1,534	-8,644	-10,178
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	54	197	251
2. Compensation Changes	-28	-59	-87
3. Agency Legal Services Adjustment	-27	-100	-127
<b>Caseload &amp; Enrollment Changes</b>			
4. Mammography	0	399	399
5. Air Emissions	0	195	195
6. Drinking Water System Support	0	1,484	1,484
7. Hanford Health Effects	0	1,052	1,052
8. ATSDR - Federal Grants	0	414	414
9. Septic Tank Additives	0	30	30
10. Wastewater Reuse	0	96	96
11. Increased Laboratory Testing	0	514	514
12. Maternal Child Health	0	1,622	1,622
13. Coordinate Quality Improvement Pgm	0	314	314
14. Licensing Boarding Homes	0	98	98
15. Lab Quality Assurance	0	208	208
16. Breast & Cervical Cancer Program	0	4,000	4,000
17. Indirect Earnings - Local Funds	0	500	500
18. WIC Activities	0	41,427	41,427
<b>Changes in Service Delivery</b>			
19. Credentialing Health Professionals	0	-122	-122
20. HIV Intervention Insurance	-448	0	-448
21. Reduce First Steps Child Care	-496	0	-496
<b>Program Reductions</b>			
22. Revenue Shortfall	0	-520	-520
23. Youth Violence	0	-305	-305
24. Eliminate Quality Assurance Manager	-98	-40	-138
25. Oral Fluoride Rinse Program	-10	0	-10
26. Reduce Certificate of Need	-206	0	-206
27. Retired Provider Malpractice Pgm	0	-100	-100
28. Reduce Environmental Monitoring	-350	0	-350
29. Teen Counter Message Advertising	0	-1,000	-1,000
30. Health Services Info System Funding	0	-1,890	-1,890
31. Reduce State Toxics Control Account	0	-243	-243
<b>Program Enhancements</b>			
32. Dawn Mining	0	356	356
33. Drinking Water Waivers	0	917	917
34. Increased Federal Grants	0	5,232	5,232
35. Public Health Improvement Plan	0	9,950	9,950
36. Family Planning	0	170	170
37. Denturists	0	270	270
38. Drinking Water Corrosion Control	0	566	566
39. Tuberculosis Control Program	0	206	206
40. Marine Biotoxins Analysis	0	120	120
41. Fee Increases for Laboratory Tests	0	76	76
42. Rural Health Network	0	1,306	1,306
43. Tribal Shellfish Settlement	1,064	0	1,064
44. Wkld Increase/Health Profession	0	4,168	4,168

## Department of Health

(Dollars in Thousands)

	GF-S	Other	Total
45. Hanford Health Effects Panel	0	605	605
46. WIC Voter Registration	100	0	100
47. WIN Kiosks	7	28	35
48. Fund Regulatory Reform Activities	981	814	1,795
49. Whistleblower Rules & Procedures	0	215	215
50. Public Water Systems	0	129	129
51. BHP Enrollment	0	250	250
52. Adult Family Homes	0	185	185
53. Hospital Regulations	0	145	145
54. Farmworker Housing	200	0	200
55. Wastewater Reuse	0	175	175
<b>Total 1995-97 Biennium</b>	<b>88,627</b>	<b>349,278</b>	<b>437,905</b>
<b>Fiscal Year 1996 Totals</b>	<b>44,314</b>	<b>170,535</b>	<b>214,849</b>
<b>Fiscal Year 1997 Totals</b>	<b>44,313</b>	<b>178,743</b>	<b>223,056</b>

### Comments:

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. MAMMOGRAPHY - Federal funds are provided to increase the number of inspections of mammographic facilities certified by the American College of Radiology and U.S. Food and Drug Administration to comply with the Mammographic Quality Assurance Act. (General Fund-Federal)
5. AIR EMISSIONS - Funds regulation of National Emission Standards for Hazardous Air Pollutants. Funds from the U.S. Department of Energy (DOE) are provided for increased monitoring for hazardous air pollutants at the Hanford Nuclear Facility and at other sites. (General Fund-Private/Local)
6. DRINKING WATER SYSTEM SUPPORT - Provides an increase in federal Environmental Protection Agency (EPA) funds to comply with the Safe Drinking Water Act (SDWA). The Department will increase its focus on conducting sanitary survey inspections, inspections of community and non-community water systems, compliance efforts, training and education programs to reduce non-compliance, and implementation of new SDWA rules. (General Fund-Federal)
7. HANFORD HEALTH EFFECTS - The Hanford Health Information Network provides health effects information through service centers located in the states of Washington, Oregon, and Idaho, and through the Tribal Advisory Board and two contractors. Increased federal grant funding is used to allow the Network to continue and expand services to the public. (General Fund-Federal)
8. ATSDR - FEDERAL GRANTS - The Department receives three federal grants from the Agency for Toxic Substance and Disease Registry (ATSDR). Funding is provided for increased reporting of hazardous substance emergency events; a community involvement specialist to be used in the public health assessment process for activities related to superfund hazardous waste sites; and health education activities for health professionals and communities concerned with exposure to hazardous substances in the environment. (General Fund-Federal)
9. SEPTIC TANK ADDITIVES - Provides funding for the Department of Health to develop administrative rules for the review and approval of on-site sewage system additives necessary to protect public health and ground water as required by Chapter 281, Laws of 1994 (SSB 6081). Manufacturers and wholesalers of commercial sewage system additive products will be charged fees to cover the costs of review and approval. (General Fund-Private/Local)
10. WASTEWATER REUSE - Provides funding for the Department to analyze reclaimed water projects with the Department of Ecology. Capital funds and other state funds supported the program during the 1993-95 biennium. The program is self-supporting after July 1, 1995. (General Fund-Private/Local)
11. INCREASED LABORATORY TESTING - Represents increased federal earnings due to a workload increase for chlamydia, HIV-Antibody, and HIV-Dried Blood Spot testing in the Public Health Laboratory. Funds will be used to purchase additional testing kits and other materials. (General Fund-Federal)
12. MATERNAL CHILD HEALTH - Provides for additional federal funding authority anticipated in the Maternal Child Health Block Grant program. Funds will be distributed to local health departments to address local health issues. (General Fund-Federal)
13. COORDINATE QUALITY IMPROVEMENT PGM - Additional staff are provided to review and approve Quality Improvement Program plans submitted by health care entities, other than hospitals. Review of plans is designed to prevent health care malpractice. The program is self-supporting. (General Fund-Private/Local)
14. LICENSING BOARDING HOMES - Funds part-time staff for Boarding Home Licensure to reduce a backlog in licensing, maintain an annual licensing schedule, and respond to complaints in a timely manner. The program is self-supporting and a fee increase within the fiscal growth factor is required. (General Fund-Private/Local)
15. LAB QUALITY ASSURANCE - Maintains federal funding authority at the level provided by the federal grant from the Health Care Financing Agency (HCFA). (Medical Test Account)
16. BREAST & CERVICAL CANCER PROGRAM - Provides increased federal funding for the Breast and Cervical Cancer Program. Currently, the Department annually screens approximately 6,343 women in need of services and this funding increase will enable the Department to screen an additional 10,750 women each year. (General Fund-Federal)

## Department of Health

17. **INDIRECT EARNINGS - LOCAL FUNDS** - Corrects local fund appropriation authority to incorporate additional indirect earnings from local revenue sources. (General Fund-Private/Local)
18. **WIC ACTIVITIES** - Represents the anticipated level of federal Women, Infants, and Children (WIC) funding that will be available in the 1995-97 biennium. Funds will provide food assistance to an additional 40,000 clients per month in fiscal years 1996 and 1997. Additional staff are provided to conduct fiscal monitoring of local providers. (General Fund-Federal)
19. **CREDENTIALING HEALTH PROFESSIONALS** - Reflects reductions in expenditures made to administer health professions examinations. Provisions of Chapter 198, Laws of 1995 (SSB 5308) enable specified professional licensing boards to use national and regional examinations for licensing, rather than developing their own examinations. (Health Professions Account)
20. **HIV INTERVENTION INSURANCE** - The HIV Intervention Program is modified to become more like an insurance program rather than providing reimbursement for limited medical services on a fee-for-service basis. Low income HIV/AIDS individuals will be placed on third party insurance whenever possible, prior to becoming seriously disabled. The purchase of insurance coverage delays the need for medical services covered by Medicaid. (General Fund-State)
21. **REDUCE FIRST STEPS CHILD CARE** - The Department transfers FTE staff and \$346,000 to DSHS-Medical Assistance. Funding is also reduced by 30 percent to correspond to the decreased demand for services. (General Fund-State)
22. **REVENUE SHORTFALL** - Reflects reduced funding in the Water Operator Certification Account and the Youth Tobacco Prevention Account. Revenue shortfalls are projected and expenditure reductions are made to cover the shortfalls in both accounts. (Water Works Operator Account, Youth Tobacco Prevention Account)
23. **YOUTH VIOLENCE** - Funding is eliminated for database development, compilation of outcomes data, and risk and protective factors associated with monitoring youth violence activities at the local level. (Violence Reduction/Drug Enforcement Account-State)
24. **ELIMINATE QUALITY ASSURANCE MANAGER** - One quality assurance manager is eliminated at the Public Health Laboratory. (General Fund-State, General Fund-Federal)
25. **ORAL FLUORIDE RINSE PROGRAM** - Eliminates General Fund-State support for the Oral Fluoride Rinse Program in areas where fluoride levels in the water supplies, even when augmented by a rinse program, are insufficient to be effective. (General Fund-State)
26. **REDUCE CERTIFICATE OF NEED** - The General Fund-State portion of the Certificate of Need Program is eliminated based on administrative efficiencies. (General Fund-State)
27. **RETIRED PROVIDER MALPRACTICE PGM** - Funding is reduced for the Retired Provider Malpractice Program which provides malpractice insurance for retired primary care providers who volunteer at community clinics. (Health Services Account)
28. **REDUCE ENVIRONMENTAL MONITORING** - Radiation protection activities in the Environmental Monitoring Program are reduced by three FTE staff years and \$350,000. (General Fund-State)
29. **TEEN COUNTER MESSAGE ADVERTISING** - Funding is eliminated for purchasing television and radio advertising to discourage youth smoking and substance abuse. (Public Health Services Account-State)
30. **HEALTH SERVICES INFO SYSTEM FUNDING** - The Health Services Information System responsibilities are repealed as required by Chapter 265, Laws of 1995 (ESHB 1046 - health care reform amendment). Funding is provided for the quality assurance and health care data standards provisions of Chapter 267, Laws of 1995 (ESHB 1589 - health care quality assurance). (Health Services Account-State)
31. **REDUCE STATE TOXICS CONTROL ACCOUNT** - The State Toxics Control Account is reduced to balance to estimated revenues. (State Toxics Control Account)
32. **DAWN MINING** - Funding is provided for staff to review plans and procedures for closing uranium mill sites and low-level radioactive waste disposal sites to comply with applicable state and federal regulations. (General Fund-Private/Local)
33. **DRINKING WATER WAIVERS** - Both source-specific and area-wide water monitoring programs are funded. All public water systems are required to monitor each water source for organic and inorganic contaminants. The state has authority to issue waivers to the federal monitoring requirements for systems which meet certain criteria. The program is self-supported by fees. (General Fund-Private/Local)
34. **INCREASED FEDERAL GRANTS** - Several federal grants will continue during the 1995-97 biennium. Grants include support for computer information networks, firearms injury surveillance, diabetes control, bicycle helmet safety, laboratory quality assurance, lead assessments, domoic acid, child health tracking, drowning prevention, genetic education, the cancer registry, and an epidemiological study of ulcerated colitis and Crohn's disease. (General Fund-Federal)
35. **PUBLIC HEALTH IMPROVEMENT PLAN** - Funding is provided for the Public Health Improvement Plan. Funding includes \$4.75 million to be distributed to local health departments for local health department assessment and mobilization, \$2 million for continued installation of the Information Network for Public Health Officials, \$1 million to train existing health professionals in public health core functions and assessment, \$200,000 for the American Indian Health Plan, \$1 million to implement a statewide youth suicide prevention program, and \$1 million for state level projects to support community mobilization and assessment. (Public Health Services Account, Health Services Account)
36. **FAMILY PLANNING** - Funding is provided for additional vasectomies for low-income non-Medicaid men who request the service. (Health Services Account)
37. **DENTURISTS** - Funding is provided for dentist licensing and regulation required under Initiative 607. As required, the profession is to be regulated under the Uniform Disciplinary Act and funded by fees deposited into the Health Professions Account. This program is expected to be formulated and organized in fiscal year 1995 and fully operational by July 1, 1995. (Health Professions Account)
38. **DRINKING WATER CORROSION CONTROL** - Funding is provided for additional staff to meet Safe Drinking Water Act (SDWA) requirements for reviews of corrosion control recommendations and projects prepared by water utilities. Water utilities are required to monitor for corrosion by-products in their water systems and if problems are found must prepare plans to correct the situations. (General Fund-Private/Local)
39. **TUBERCULOSIS CONTROL PROGRAM** - Funding is provided to improve testing for tuberculosis control by the Public Health Laboratory. Funding provides for additional testing kits, supplies, and other purchases to improve tuberculosis testing. The program is largely fee supported. (General Fund-Local)
40. **MARINE BIOTOXINS ANALYSIS** - Funding is provided to contract with the Indian Health Services to test subsistence shellfish for the Makah and Quileute Tribes for Paralytic Shellfish Poison and Domoic Acid biotoxins. Activities are supported from funding provided through the contract. (General Fund-Private/Local)
41. **FEE INCREASES FOR LABORATORY TESTS** - Fees charged by the public health laboratory for drinking water tests are increased by 2.5 percent and microbiology fees are raised by various amounts to cover costs. All fee increases are within the fiscal growth factor. (General Fund-Private/Local)
42. **RURAL HEALTH NETWORK** - Provides federal grant funds to assist rural communities in developing cooperative and integrated local rural health systems that are consistent with changes in the health care system. Also included is funding for one FTE staff year for the American Indian Health Care Plan. (General Fund-Federal)

## Department of Health

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

43. TRIBAL SHELLFISH SETTLEMENT - Funding is provided to implement the Tribal Shellfish Health Issues Agreement negotiated as part of the tribal shellfish court decision of May 1994. Activities include development and implementation of a cooperative tribal shellfish sanitation program, certification of shellfish growing areas, and testing of seawater and shellfish tissues for biotoxins in tribal growing areas. (General Fund-State)
44. WKLD INCREASE/HEALTH PROFESSION - Funding is provided for increased workload and backlog associated with health profession disciplinary actions. The increased expenditures are to be funded from fee increases in the seven professions experiencing the backlogs. Two of the professions, nursing assistants and hypnotherapists, will experience fee increases above the fiscal growth factor. (Health Professions Account)
45. HANFORD HEALTH EFFECTS PANEL - Provides appropriation authority for a federal grant to fund a health effects panel. The panel will develop the computer capability to provide the public with information about individual doses received from Hanford releases and will promote and participate in the public's education about the health effects associated with Hanford releases of radioactivity. (General Fund-Federal)
46. WIC VOTER REGISTRATION - Provides funding for a change in federal law. The new law requires that local agencies offer clients of the Women, Infants, and Children (WIC) Program an opportunity to register to vote. (General Fund-State)
47. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, General Fund Federal, General Fund-Private/Local, Health Professions Account, Public Health Account, Health Services Account)
48. FUND REGULATORY REFORM ACTIVITIES - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform). The Department will perform cooperative rulemaking and conduct cost benefit analyses of rules. (General Fund-State, General Fund-Private/Local, Health Professions Account)
49. WHISTLEBLOWER RULES & PROCEDURES - Funding is provided for development of rules for the whistleblower provisions of Chapter 265, Laws of 1995 (ESHB 1046 -- health reform improvement act). (Health Professions Account)
50. PUBLIC WATER SYSTEMS - Funding is provided to certify additional water system operators and to provide technical assistance as required by Chapter 376, Laws of 1995 (E2SSB 5448 -- public water systems). (Water Works Operator Account, Safe Drinking Water Account)
51. BHP ENROLLMENT - Funding is provided for administrative costs associated with enrolling low-income persons in the Basic Health Plan (BHP) at WIC sites as required by Chapter 265, Laws of 1995 (ESHB 1046 -- health care reform amendment). (Health Services Account)
52. ADULT FAMILY HOMES - Provides funding for the provisions of Chapter 260, Laws of 1995 (SSB 5799 -- regulation of adult family homes). Implementation begins January 1, 1996. (Health Professions Account)
53. HOSPITAL REGULATIONS - Provides funding for the provisions of Chapter 282, Laws of 1995 (HB 1445 -- hospital regulation and inspection). A study and rule revisions are required. (General Fund-Private/Local)
54. FARMWORKER HOUSING - Provides funding for the provisions of Chapter 220, Laws of 1995 (ESSB 5503 -- temporary worker housing). The Department is required to develop a report with recommendations concerning increased housing availability and strategies for code compliance and enforcement. (General Fund-State)
55. WASTEWATER REUSE - Provides funding for the development of new standards and criteria for water reclamation provisions of Chapter 342, Laws of 1995 (SSB 5606 -- reclaimed water use).

## Department of Corrections

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	678,794	3,822	682,616
<b>Eliminate One-Time Spending</b>	-8,856	-148	-9,004
<b>Biennialize Current Biennium Changes</b>	42,381	630	43,011
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Medical Inflation	2,041	0	2,041
2. LAMP Savings	-509	0	-509
3. Rate Increases	2,351	0	2,351
4. Interagency Billings	1,229	0	1,229
5. Agency Legal Services Adjustment	-158	0	-158
<b>Caseload &amp; Enrollment Changes</b>			
6. End of Sentence Review	313	0	313
7. Institutional Population Change	9,761	2,000	11,761
8. Community Corrections Population	15,504	0	15,504
9. Correctional Industries Staffing	132	0	132
10. Chemical Dependency Testing	377	0	377
11. Replacement Equipment	1,698	0	1,698
12. Airway Heights 512 Expansion	1,404	0	1,404
13. Kitsap Work Release	1,998	0	1,998
14. Yakima Pre-Release	524	0	524
15. Fire Protection Contracts	160	0	160
16. Health Care System Development	102	0	102
17. City Water Hookup	352	0	352
18. Marine Insurance	462	0	462
19. Reverse Emergency Travel	-464	0	-464
20. Eliminate Parking Account	0	-90	-90
<b>Changes in Service Delivery</b>			
21. Transfer to Betterment Account	-774	0	-774
22. Monroe Efficiencies	-192	0	-192
23. Administrative Reductions	-3,088	0	-3,088
24. Education Efficiencies	-1,220	0	-1,220
25. Highest and Best Use	-1,977	0	-1,977
26. Health Care Cost Containment	-500	0	-500
27. Medical Co-Payment	-330	0	-330
28. Minimum Management Efficiencies	-468	0	-468
29. Drug Testing Efficiencies	-590	0	-590
<b>Program Reductions</b>			
30. Tower/Electronic Fences	-1,501	0	-1,501
31. Delay Hiring Comm. Corr. Staff	-4,418	0	-4,418
32. Restructure Contacts	-2,634	0	-2,634
33. Recreation Program Reduction	-3,039	0	-3,039
34. Twin Rivers Sex Treatment Program	-814	814	0
35. Reduce Professional Services	-222	0	-222
36. VRDE Account Funding	0	-1,780	-1,780
<b>Program Enhancements</b>			
37. Correctional Industries Cap. Exp.	2,722	0	2,722
38. WCCW DNR Workcrews	231	0	231
39. WCCW Health Services	2,112	0	2,112
40. Vendor Rate Increase	1,189	0	1,189
41. Supervision of Misdemeanor Offender	1,098	0	1,098
42. Adult Sentencing Increases	4,726	0	4,726
43. 2SSB 5088 Sexually Violent Predator	211	0	211

**Department of Corrections**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>Total 1995-97 Biennium</b>	740,118	5,248	745,366
<b>Fiscal Year 1996 Totals</b>	366,898	2,624	369,522
<b>Fiscal Year 1997 Totals</b>	373,220	2,624	375,844

**Comments:**

1. MEDICAL INFLATION - Funding is provided for medical inflation, set at a level consistent with the DRI-McGraw Hill quarterly inflation medical inflation rates.
2. LAMP SAVINGS - The License Application Migration Project (LAMP) is a large data base conversion project being done for the Department of Licensing by the Washington State Patrol (WSP) on their WSP Data Center mainframe system. Due to costs savings projected by this conversion, the Department of Corrections, which also uses this mainframe system for the Offender Based Tracking System (OBTIS), will save mainframe time and costs which are reflected here.
3. RATE INCREASES - Funding is provided for rate increases for the Department of Information Systems; the state AFRS accounting system; and the DOC share of the State Patrol Data Center for the Offender Based Tracking System (OBTIS). The DOC share of costs have risen from 55 percent to 68 percent due to the increase in offender population.
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. END OF SENTENCE REVIEW - Funding is provided for an increase in workload associated with the end of sentence review of inmates.
7. INSTITUTIONAL POPULATION CHANGE - Funding is provided for the forecasted increase in the number of offenders in Washington's prisons including the updated November 1994 forecast. Inmate population will increase by 1,177 inmates for a total of 12,430 by the end of the 1995-97 biennium. (General Fund-State; General Fund-Federal)
8. COMMUNITY CORRECTIONS POPULATION - Funding is provided for the increasing number of offenders who will be supervised by the Division of Community Corrections. The population of active offenders is expected to grow by 6,930 inmates to a total of 56,820 active offenders by the end of the 1995-97 biennium.
9. CORRECTIONAL INDUSTRIES STAFFING - Funding is provided for an increase in staffing levels to keep up with offender population increases.
10. CHEMICAL DEPENDENCY TESTING - Funding is provided for chemical dependency testing for offenders on work training release due to population increases.
11. REPLACEMENT EQUIPMENT - Funding is provided for replacement equipment at 1993-95 levels. It is assumed that 50 percent of equipment will be purchased with cash, and 50 percent through certificates of participation (COPs).
12. AIRWAY HEIGHTS 512 EXPANSION - Funding is provided for the Airway Heights Correctional Center to open the last 512 beds in January 1997.
13. KITSAP WORK RELEASE - Funding is provided to open 40 beds at the Kitsap work release facility in October 1995.
14. YAKIMA PRE-RELEASE - Funding is provided to open the Yakima pre-release facility for four months beginning March 1997.
15. FIRE PROTECTION CONTRACTS - Funding is provided for fire protection services at Coyote Ridge Corrections Center, the Washington State Penitentiary, and the Washington Corrections Center for Women.
16. HEALTH CARE SYSTEM DEVELOPMENT - Funding is provided for the continuation of the health care data system authorized in the 1994 Legislative session.
17. CITY WATER HOOKUP - One-time funding is provided for municipal water systems connection costs at the various Monroe institutions and the Washington Corrections Center for Women.
18. MARINE INSURANCE - Funding is provided for marine vessel insurance for McNeil Island not included in the self-insurance program provided through the Department of General Administration's Division of Risk Management.
19. REVERSE EMERGENCY TRAVEL - Funding is removed for an incorrect entry made in the 1993-95 biennium for emergency travel funds.
20. ELIMINATE PARKING ACCOUNT - Funding from the State Capitol Vehicle Parking Account is eliminated. Revenues generated by the agency will be retained to offset parking fees contained in the headquarters lease.
21. TRANSFER TO BETTERMENT ACCOUNT - Costs associated with the offender store and extended family visits are transferred from the general fund to the Institutional Welfare/Betterment Account.
22. MONROE EFFICIENCIES - Funding is reduced to reflect administrative efficiencies achieved by consolidating mail room functions at the Washington State Reformatory (WSR). Custody efficiencies will be realized through consolidating external offender transportation at WSR.
23. ADMINISTRATIVE REDUCTIONS - Funding is reduced to reflect efficiencies and staff reductions throughout the agency.
24. EDUCATION EFFICIENCIES - Funding is reduced by approximately 5 percent for education programs. This reduction will be made possible by lowering the per prisoner cost of education programs through efficiencies identified by the Department.
25. HIGHEST AND BEST USE - Funding is reduced to reflect savings from two units at the McNeil Island Corrections Center, currently staffed for medium custody offenders changing to house long-term minimum offenders. Savings will also result from reduced custody staffing requirements following construction at the Washington Correction Center for Women to replace a housing unit. These changes will result in a reduction in custody staffing requirements.
26. HEALTH CARE COST CONTAINMENT - Implementation of strategies developed by the Medical Utilization and Reimbursement Management Unit of the Division of Offender Programs will generate medical cost savings. Specific strategies include implementation of an inpatient hospital bill audit program, application of reimbursement methodologies, and prior authorization of requested community-based health care services.
27. MEDICAL CO-PAYMENT - Chapter 19, Laws of 1995, 1st sp.s. (2E2SHB 2010) creates a co-payment system for offender-requested and walk-in health care visits. The intent of a \$3 co-payment is to mitigate the inappropriate use of these health care services. No offender will be refused health care services because of indigence.

## Department of Corrections

28. **MINIMUM MANAGEMENT EFFICIENCIES** - Funding is reduced to reflect savings due to Community Corrections Officers no longer being responsible for tasks such as debt collection, wage assignment, address verifications, and data entry in the Offender-Based Tracking System.
29. **DRUG TESTING EFFICIENCIES** - The use of contracted services for chemical dependency testing, coupled with determining the frequency of testing based on potential chemical dependency abuse risk assessments, will result in financial savings.
30. **TOWER/ELECTRONIC FENCES** - The number of towers staffed for specific shifts will be reduced, generating savings. The Department will continue to review the use of electronic fences, permitting additional future savings.
31. **DELAY HIRING COMM. CORR. STAFF** - Savings are generated by delaying for four months the planned increases due to the forecasted increase in the Community Corrections population.
32. **RESTRUCTURE CONTACTS** - By decreasing the frequency of contacts with Community Corrections officers, staffing will be reduced.
33. **RECREATION PROGRAM REDUCTION** - Funding is reduced for recreational services for inmates by approximately 50 percent.
34. **TWIN RIVERS SEX TREATMENT PROGRAM** - Funding for the sex offender treatment program at Twin Rivers Correctional Center is shifted from the General Fund to the Violence Reduction and Drug Enforcement Account.
35. **REDUCE PROFESSIONAL SERVICES** - Savings are realized from reducing professional services such as psychiatry and religious programs.
36. **VRDE ACCOUNT FUNDING** - Funding from the Violence Reduction and Drug Education (VRDE) Account for drug detection and treatment is reduced.
37. **CORRECTIONAL INDUSTRIES CAP. EXP.** - Additional staff and funds are provided in the Correctional Industries (CI) program to expand job opportunities for offenders. In addition to this item, funding of \$673,000 from federal Bureau of Justice Assistance (BJA) grants within the Department of Community, Trade, and Economic Development are available for this purpose.
38. **WCCW DNR WORKCREWS** - Funding is provided for Department of Natural Resources (DNR) fire suppression work crew opportunities at the Washington Correction Center for Women (WCCW).
39. **WCCW HEALTH SERVICES** - Due to litigation and medical audits relating to offender health care at the Washington Corrections Center for Women (WCCW), funding is provided to add medical staff and increase services.
40. **VENDOR RATE INCREASE** - Funding is provided for a 2 percent vendor rate increase on July 1, 1996 and a 2 percent increase on July 1, 1997.
41. **SUPERVISION OF MISDEMEANOR OFFENDER** - Funding is provided for the Department of Corrections to provide community supervision of misdemeanants including the collection of 25 percent of the cost of the supervision to be paid by the offenders.
42. **ADULT SENTENCING INCREASES** - Funding is provided for increased sentencing under: Chapter 19, Laws of 1995, 1st sp.s. (2E2SHB 2010 – Omnibus Corrections Act); Chapter 129, Laws of 1995 (Initiative 159 – Hard Time for Armed Crime); and Chapter 108, Laws of 1995 (SHB 1549 – Drug Offender Treatment Alternative).
43. **2SSB 5088 SEXUALLY VIOLENT PREDATOR** - Funding is provided to implement Chapter 216, Laws of 1995 (2SSB 5088) requiring the Department of Corrections (DOC) to provide additional information to prosecutors of the county where an offender was charged. Persons released from confinement who have previous sexually-violent convictions and have committed a recent overt act will have to be referred by DOC to prosecutors for consideration of filing a petition under RCW 71.09.030.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

# Department of Corrections

## WORKLOAD HISTORY

By Fiscal Year

	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	Estimate	
									<u>FY96</u>	<u>FY97</u>
<b>Work Release/Pre-Release</b>										
Avg Daily Pop/Month	729	674	683	781	1,021	1,068	997	1,014	1,111	1,231
% Change from prior year		-7.5%	1.3%	14.3%	30.7%	4.6%	-6.6%	1.7%	9.6%	10.8%
<b>Community Supervision</b>										
# Active Offenders	29,480	28,800	33,250	35,655	39,900	42,294	44,713	47,749	50,693	54,034
% Change from prior year		-2.3%	15.5%	7.2%	11.9%	6.0%	5.7%	6.8%	6.2%	6.6%
<b>Institutions</b>										
Avg Daily Pop/Month	5,929	6,474	6,675	7,383	8,327	9,124	9,557	10,016	10,586	10,902
% Change from prior year		9.2%	3.1%	10.6%	12.8%	9.6%	4.7%	4.8%	5.7%	3.0%
<b>Avg Cost Per Inmate *</b>										
Annual	\$21,393	\$21,098	\$23,082	\$22,358	\$21,984	\$21,984	\$22,737	\$23,698	\$24,371	\$23,928
% Change from prior year		-1.4%	9.4%	-3.1%	-1.7%	0.0%	3.4%	4.2%	2.8%	-1.8%

*Notes:*

\* Includes prison, pre-release, and work training release inmates.

Data Sources:

FY88 through FY94: LEAP workload data base.

FY95 through FY97 estimates: Department of Corrections, net adjustment reflecting all legislation passed during the 1995 session.

## Department of Services for the Blind

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	2,576	11,007	13,583
<b>Eliminate One-Time Spending</b>	-467	-1,201	-1,668
<b>Biennialize Current Biennium Changes</b>	437	1,082	1,519
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	-3	-18	-21
2. Compensation Changes	33	98	131
3. Agency Legal Services Adjustment	0	-3	-3
<b>Changes in Service Delivery</b>			
4. Voter Registration	13	14	27
<b>Program Enhancements</b>			
5. Facility Refurbishment	0	38	38
6. Increase Client Services	0	470	470
7. Training Program	0	102	102
<b>Total 1995-97 Biennium</b>	2,589	11,589	14,178
<b>Fiscal Year 1996 Totals</b>	1,466	5,788	7,254
<b>Fiscal Year 1997 Totals</b>	1,123	5,801	6,924

### Comments:

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings. develop the skills needed to successfully run a food service business. (Business Enterprises Revolving Account-Non-Appropriated)
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. VOTER REGISTRATION - Funding is provided for implementation of the National Voter Registration Act of 1993 (Public Law 103-31) and the state voter registration bill passed in the 1994 Legislative Session, requiring state agencies to provide increased opportunity for voter registration for persons with disabilities. It is assumed that 50 percent of applicants are not already registered and require assistance. (General Fund-State, General Fund-Federal).
5. FACILITY REFURBISHMENT - Provides funds from the Business Enterprises Revolving Fund to refurbish several existing Business Enterprises facilities.
6. INCREASE CLIENT SERVICES - Additional federal revenues will be matched by local non-profit organizations to provide services, such as training, transportation or drivers' services, and translation costs to persons with blindness and visual impairments. Surplus Business Enterprise Account funds, available as a result of under-expenditures in the 1993-95 biennium, and interest earnings on federal job placement bonus payments, are also used for this purpose, enabling Washington to earn up to \$120,000 per year of re-allocated federal funds for additional vocational rehabilitation services. (General Fund-Federal)
7. TRAINING PROGRAM - Provides funding for a Business Enterprises training program, which will provide all vendors with standardized, individually-oriented training with a focus on management skills. This will enable trainees to earn nationally-recognized food service management credentials, and to

## Sentencing Guidelines Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	720	0	720
<b>Biennialize Current Biennium Changes</b>	60	0	60
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	3	0	3
2. Merit Increments	1	0	1
<b>Program Enhancements</b>			
3. Adult Sentencing Increases	100	0	100
4. Init. 159 Hard Time for Armed Crime	102	0	102
<b>Total 1995-97 Biennium</b>	<b>986</b>	<b>0</b>	<b>986</b>
<b>Fiscal Year 1996 Totals</b>	<b>517</b>	<b>0</b>	<b>517</b>
<b>Fiscal Year 1997 Totals</b>	<b>469</b>	<b>0</b>	<b>469</b>

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. ADULT SENTENCING INCREASES - Funding is provided for an analysis of the drug offender sentencing alternative, per Chapter 108, Laws of 1995 (SHB 1549).
4. INIT. 159 HARD TIME FOR ARMED CRIME - Funding is provided for Initiative 159 (Hard Time for Armed Crime). The Commission will compile a yearly and cumulative judicial record on sentencing practices of individual judges compared to the standard sentencing ranges, and collect data on plea bargains and sentencing agreements.

## Department of Employment Security

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	1,817	382,940	384,757
<b>Eliminate One-Time Spending</b>	-622	-1,027	-1,649
<b>Biennialize Current Biennium Changes</b>	173	46,245	46,418
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	222	222
2. Interagency Billings	0	-62	-62
3. Agency Legal Services Adjustment	0	-44	-44
<b>Caseload &amp; Enrollment Changes</b>			
4. FTE Adjustment	0	-689	-689
5. Unemployment Ins. Staff Reduction	0	-2,956	-2,956
<b>Changes in Service Delivery</b>			
6. Timber Reauthorization Program	-300	0	-300
7. Local Contract Reduction	0	-5,300	-5,300
8. Management Efficiencies	0	-2,725	-2,725
9. Timber Team Transfer	0	-300	-300
<b>Program Reductions</b>			
10. Eliminate Washington Serves	-400	0	-400
<b>Program Enhancements</b>			
11. Re-Employment Network	0	1,514	1,514
12. Unemployment Ins Overpay Collection	0	293	293
13. Worker Profiling System	0	600	600
14. Worker Profiling Implement. Plan	0	1,170	1,170
15. WIN Kiosks	0	165	165
16. ESB 5925 Study	0	95	95
17. Regulatory Reform	0	385	385
<b>Total 1995-97 Biennium</b>	<b>668</b>	<b>420,526</b>	<b>421,194</b>
<b>Fiscal Year 1996 Totals</b>	<b>334</b>	<b>210,573</b>	<b>210,907</b>
<b>Fiscal Year 1997 Totals</b>	<b>334</b>	<b>209,953</b>	<b>210,287</b>

### Comments:

1. **INTERNAL RENTS** - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
3. **AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. **FTE ADJUSTMENT** - Funding for staff is reduced to actual 1993-95 expenditure levels. (Unemployment-Federal)
5. **UNEMPLOYMENT INS. STAFF REDUCTION** - Funding is reduced for staff providing unemployment insurance services. This reduction assumes a stable economy and that the FTE staff savings will result from a lower unemployment rate. (Unemployment Compensation Administration Account)
6. **TIMBER REAUTHORIZATION PROGRAM** - The cost of the Timber Reauthorization Program will be absorbed by the Administrative Contingency Account. The program supports the screening of applicants for additional timber unemployment benefits.
7. **LOCAL CONTRACT REDUCTION** - The Employment Security Department's participation in local Job Training Partnership Act (JTPA) contracting will be reduced by 20 percent. Job training contract funds will be provided to local organizations. (General Fund-Local)
8. **MANAGEMENT EFFICIENCIES** - FTE staff are reduced through management efficiencies. (Unemployment Compensation Administration Account)
9. **TIMBER TEAM TRANSFER** - Funding is transferred from the Administrative Contingency Fund to support the Governor's timber team.
10. **ELIMINATE WASHINGTON SERVES** - Funding is eliminated for the Washington Serves youth employment program.
11. **RE-EMPLOYMENT NETWORK** - Funding is provided for five additional co-location sites. Funding will also be provided for improvement of the quality and accessibility of Labor Market Information. (Employment and Training Trust Fund)
12. **UNEMPLOYMENT INS OVERPAY COLLECTION** - Funding is provided for the Fraud Management System which recovers overpayment of unemployment insurance benefits. The enhancement

## Department of Employment Security

will provide additional investigative staff and equipment, and is expected to generate an additional \$1 million in recovered unemployment insurance overpayments per year. (Administrative Contingency Account)

13. WORKER PROFILING SYSTEM - Funding is provided to implement the worker profiling plan as required by federal law. The Employment Security Department must establish and utilize a profiling system to identify all new claimants likely to exhaust benefits, in need of job search assistance services, and refer them to re-employment services. In addition, the Department will collect follow up information on the services received and employment outcomes of those identified claimants, and assess the effectiveness of the process and services. (Employment Services Administrative Account)
14. WORKER PROFILING IMPLEMENT. PLAN - Funding is provided for the worker profiling implementation plan as required by the United States Department of Labor, under Public Law 103-152. Funding for this program is provided by the federal government. (Unemployment Compensation Administration Account)
15. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system.
16. ESB 5925 STUDY - Funding is provided for a study of unemployment insurance rates, pursuant to Chapter 4, Laws of 1995 (ESB 5925 -- unemployment insurance contribution rates).
17. REGULATORY REFORM - Funding is provided for rule review under implementation of Chapter 403, Laws of 1995 (ESHB 1010 -- regulatory reform).

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.



# Natural Resources

## **Plan for Elimination of the State Energy Office**

The Washington State Energy Office is partially funded for the first fiscal year of the biennium. During that time, the Public Policy Institute is directed to review options regarding the distribution of energy-related functions to other entities and develop an implementation plan for closure of the State Energy Office.

## **Merger Efficiencies**

A total savings of \$1.5 million, \$923,000 from the state general fund has been identified by the Department of Fish and Wildlife. The savings reflect additional efficiencies resulting from the merger of the two separate agencies. These efficiencies occur in administrative and management areas and are achieved by eliminating duplicative services, co-locating facilities, and greater use of automated systems.

## **Sunset of the Puget Sound Water Quality Authority**

Under the sunset review statute, the Puget Sound Water Quality Authority expires on June 30, 1995 and has one year to close operations unless reauthorized by the Legislature. The 1995 Legislature did not reauthorize the Authority; therefore, the budget provides \$1.3 million from the state general fund and \$2.4 million in total funds to the Department of Ecology for the transition of the Authority's duties and closure of its office during the first year of the biennium. By fiscal year 1997, the Department of Ecology will be the lead agency in coordinating the implementation of the Puget Sound Plan.

## **Department of Ecology**

The Department of Ecology's budget is reduced by a total of \$19.5 million, of which \$4.6 million is savings to the state general fund. The reductions result from administrative and management efficiencies, decreased general fund support to the shorelands and solid waste programs, and shortfalls in dedicated revenues.

The Department is provided an additional \$1.6 million from a variety of fund sources to implement legislation regarding regulatory reform, growth management, toxic cleanup standards, and wastewater reuse.

## **State Parks**

The amount of \$3.5 million from the Parks Renewal and Stewardship Account is provided to improve the ability of park users to make reservations. Park revenues are expected to increase by 30 percent as a result of this system. Amounts of \$1.3 million from the state general fund and \$1.7 million from the Parks Renewal and Stewardship Account are provided to operate new or expanded parks and trail systems, expand volunteer programs, and purchase equipment. Among park expansions is a 200 person group camp at Wenatchee Confluence State Park and three newly acquired trail systems: Iron Horse Trail on Mount Washington; Rails to Trails - Chehalis to South Bend; and East Pasco to Fish Lake.

**Department of Fish and Wildlife**

Amounts of \$1.0 million from the state general fund and \$200,000 from the Recreational Fish Enhancement Account are provided to implement Chapter 372, Laws of 1995 (2SSB 5157) which requires the Department of Fish and Wildlife to mark all hatchery Coho. Hatchery fish marking will allow a selective harvest of hatchery fish in 1997. An additional \$250,000 is provided to supplement the warm-water fishing program.

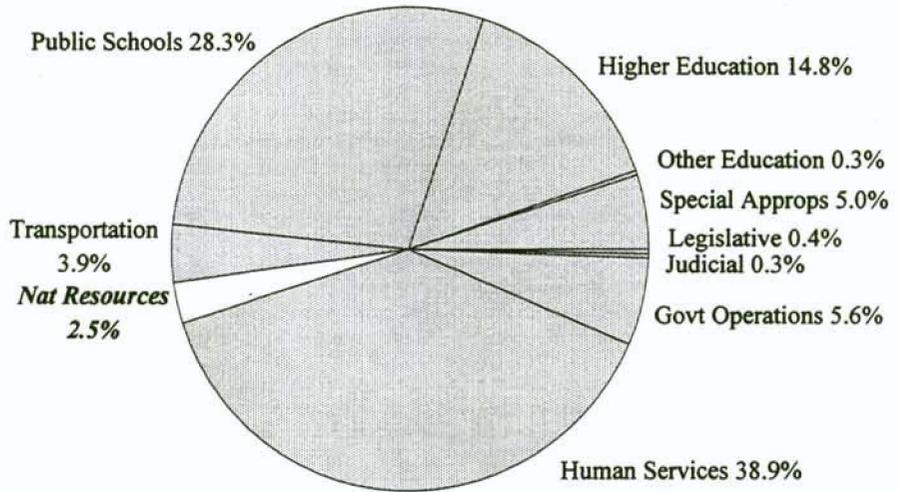
The amount of \$1.8 million in federal Habitat Partnership funding is provided to increase technical assistance to landowners and local governments. The additional resources are directed towards helping local governments integrate fish and wildlife habitat planning with Growth Management Act planning.

**Department of Natural Resources**

A total of \$13.0 million is provided from several funding sources to expand the Jobs in the Environment program. Funding will be used to address watersheds identified by the Watershed Coordinating Council. Restoration work is to include stream cleaning, forest road improvement, culvert repair, and removal of fish barriers. The Department will give employment priority to displaced natural resources workers.

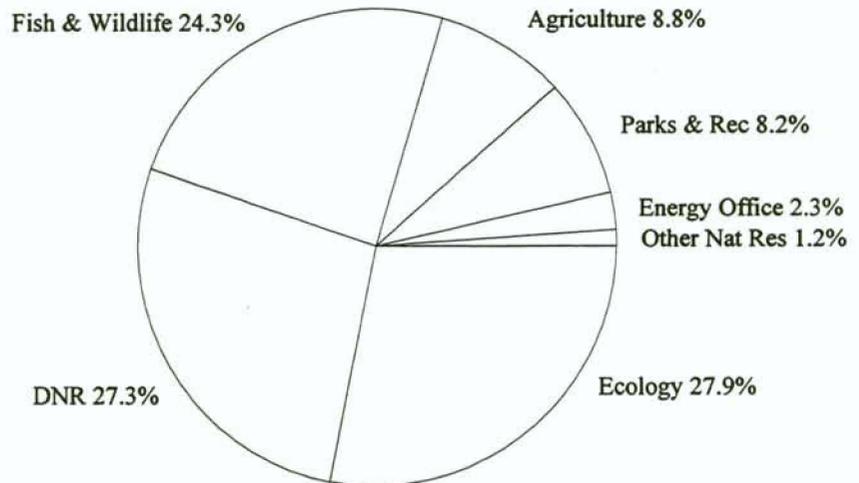
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
<b>Natural Resources</b>	<b>808,952</b>
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

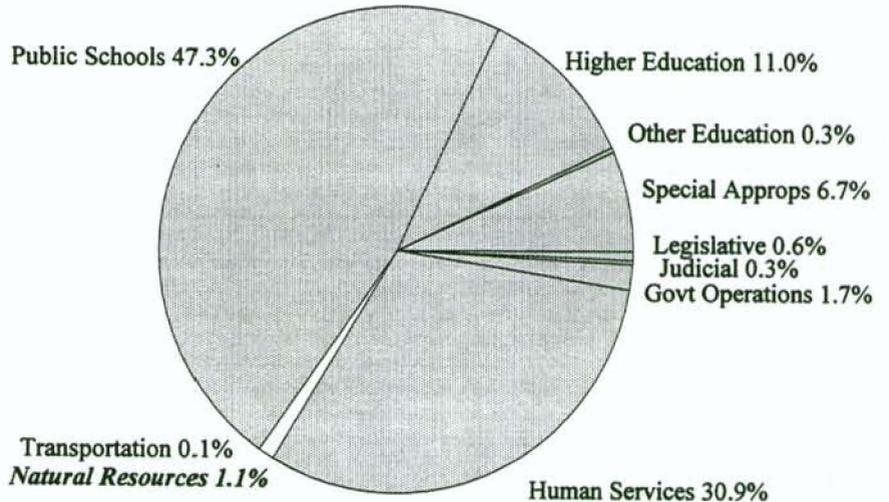
Dept of Ecology	225,920
Dept of Natural Resources	220,454
Dept of Fish & Wildlife	196,937
Dept of Agriculture	70,813
Parks & Recreation	66,253
State Energy Office	18,543
Other Natural Resources	10,032
<b>Natural Resources</b>	<b>808,952</b>



**Natural Resources**

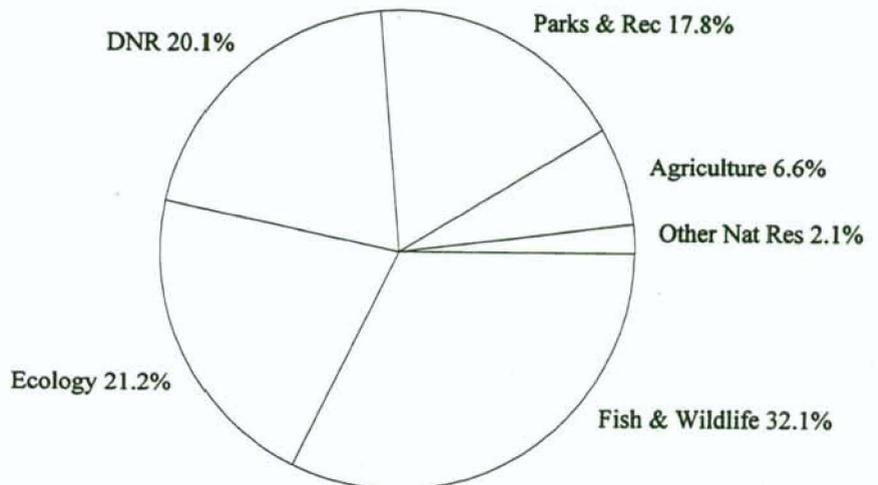
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
<b>Natural Resources</b>	<b>201,516</b>
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

Dept of Fish & Wildlife	64,719
Dept of Ecology	42,764
Dept of Natural Resources	40,599
Parks & Recreation	35,897
Dept of Agriculture	13,362
Other Natural Resources	4,175
<b>Natural Resources</b>	<b>201,516</b>



**Natural Resources**

## Washington State Energy Office

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	1,484	44,872	46,356
<b>Biennialize Current Biennium Changes</b>	-4	-788	-792
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	-5	-5
2. Compensation Changes	0	1	1
<b>Caseload &amp; Enrollment Changes</b>			
3. Continuation of 1993-95 Contracts	0	1,238	1,238
4. EESA Contract Reduction	0	-68	-68
5. Reduce Oil Grant for DOT	0	-3,894	-3,894
6. Closure of Trojan Nuclear Plant	0	-1,234	-1,234
7. Reduce Oil Overcharge Admin Costs	-148	0	-148
8. BPA Reduction In Tech Asst Funding	0	-4,310	-4,310
9. CTR Tech Asst in Whatcom County	0	290	290
<b>Program Reductions</b>			
10. Agency Legal Services Adjustment	0	-11	-11
11. Eliminate Office & Transfer Duties	-824	-18,056	-18,880
<b>Total 1995-97 Biennium</b>	508	18,035	18,543
<b>Fiscal Year 1996 Totals</b>	508	14,461	14,969
<b>Fiscal Year 1997 Totals</b>	0	3,574	3,574

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. CONTINUATION OF 1993-95 CONTRACTS - A net increase in funding is provided to continue contracts as follows: (1) an increase of \$1,310,000 in private/local funding for contracts the Energy Office signs with governmental and private entities; and (2) a decrease of \$72,000 in the Building Code Account to reflect lower forecasted revenue. (General Fund-Private/Local, Building Code Council Account)
4. EESA CONTRACT REDUCTION - Funding is reduced from the Energy Efficiency Services Account (EESA) budget for contracts in the Public Sector Conservation program. The program assists state agencies and school districts in conserving energy. The program has changed its approach from reliance on contracts for technical engineering expertise to emphasizing the behavioral component in energy conservation. (Energy Efficiency Services Account)
5. REDUCE OIL GRANT FOR DOT - Oil grants to the Department of Transportation (DOT) funded from the oil overcharge settlement are reduced, reflecting the decrease in anticipated revenue and the declining fund balance. (Energy Account)
6. CLOSURE OF TROJAN NUCLEAR PLANT - Funding for emergency preparedness activities is reduced to reflect closure of the Trojan nuclear plant. (General Fund-Private/Local)
7. REDUCE OIL OVERCHARGE ADMIN COSTS - General Fund-State money is currently used to support administrative expenses associated with oil overcharge settlements. As the oil funds decline and activities are discontinued or funded from other sources, the requirement for related administrative support from the General Fund is likewise reduced.
8. BPA REDUCTION IN TECH ASST FUNDING - Funding is reduced to reflect a change in the way the Bonneville Power Administration (BPA) awards its funding for maintaining an energy conservation infrastructure. BPA's proposed "conservation reinvention" shifts conservation from programs that are funded and managed regionally by the Energy Office to a system where utilities assume more direct responsibility for securing conservation through managing programs of their own. (General Fund-Federal)
9. CTR TECH ASST IN WHATCOM COUNTY - Funding is provided for pass through to Whatcom County for commute trip reduction (CTR) planning purposes. The Washington Clean Air Act (WCAA) of 1991 requires that each county in Washington with a population over 150,000 and each city or town within those counties containing a major employer adopt a CTR plan for all major employers. The population in Whatcom county will reach 150,000 in 1995 and will have approximately 70 major employers. The WCAA provides that a portion of the funds made available by the Act be provided to the counties in proportion to the number of major employers and major worksites. (Air Pollution Control Account)
10. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
11. ELIMINATE OFFICE & TRANSFER DUTIES - The State Energy Office (SEO) is provided funding in fiscal year 1996 only. The Institute for Public Policy, in consultation with the Office of Financial Management and the SEO, is directed to review options regarding the distribution of energy-related functions to other entities and develop an implementation plan for the closure of the State Energy Office. The plan is to be provided to the Legislature by November 1, 1995. It is assumed that the corresponding statute changes will be acted upon by the 1996 Legislature.

## Columbia River Gorge Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	562	530	1,092
<b>Biennialize Current Biennium Changes</b>	-2	-2	-4
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Non-Recurring Costs	0	-20	-20
2. Interagency Billings	5	2	7
3. Merit Increments	4	4	8
4. Agency Legal Services Adjustment	-2	0	-2
<b>Program Enhancements</b>			
5. Adjust to Oregon's Base	10	10	20
<b>Total 1995-97 Biennium</b>	<b>577</b>	<b>524</b>	<b>1,101</b>
<b>Fiscal Year 1996 Totals</b>	<b>287</b>	<b>260</b>	<b>547</b>
<b>Fiscal Year 1997 Totals</b>	<b>290</b>	<b>264</b>	<b>554</b>

**Comments:**

1. NON-RECURRING COSTS - Funding is reduced to delete non-recurring costs
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. ADJUST TO OREGON'S BASE - Funding is provided to equalize, with the State of Oregon, the base operating expenditures for the Commission. The Scenic Area Act requires equal funding of the Commission's base activities between the two states. Even though the Governor of Oregon recommended a funding increase of \$174,000, only a minor adjustment is made in this item because the Act allows each state to fund only the lowest recommended amount. (General Fund-State, General Fund-Private/Local)

**Department of Ecology**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	53,216	205,452	258,668
<b>Eliminate One-Time Spending</b>	-1,430	0	-1,430
<b>Biennialize Current Biennium Changes</b>	-6,652	4,878	-1,774
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	8	22	30
2. Compensation Changes	2	2	4
3. Washington Information Network	10	26	36
4. Ecology Building Debt Service	455	1,239	1,694
5. L & I Insurance Refund	0	-130	-130
<b>Caseload &amp; Enrollment Changes</b>			
6. Staff/Goods & Services - Federal	0	-1,676	-1,676
7. Metals Mining	0	300	300
8. Basic Data Account	0	42	42
9. Sunset Solid Waste Mgmt Account	0	-7,816	-7,816
10. Sunset Vehicle Tire Recycling Acct	0	-6,145	-6,145
<b>Changes in Service Delivery</b>			
11. Transfer Lease Costs	-317	0	-317
12. Water Division Management Support	-76	-1,189	-1,265
13. Air Quality Program Restructure	0	-672	-672
14. Puget Sound Plan Coordination	1,298	1,071	2,369
15. Efficiencies Water Quality Permits	0	-2,142	-2,142
<b>Program Reductions</b>			
16. Central Admin Staff/Goods & Svcs	-648	-214	-862
17. Text Processing Center	-360	0	-360
18. Warehouse and Regional Support	-322	-80	-402
19. Program Admin Reductions	-467	-4,437	-4,904
20. Air Program Reductions	-730	-1,200	-1,930
21. Hanford Project	0	-497	-497
22. Manchester Lab Lease and Equipment	-86	0	-86
23. Headquarters Lease	-49	-128	-177
24. Correspondence Tracking	-74	0	-74
25. PSWQ Plan Expenditures	-118	0	-118
26. Oil Spill Account Activities	0	-433	-433
27. Agency Legal Services Adjustment	-37	-103	-140
28. Revenue Shortfall Various Funds	0	-2,940	-2,940
29. Eliminate GF-S Community Assistance	-175	0	-175
30. Reduce Planning & Rule Development	-81	0	-81
31. Eliminate GF-S Solid Waste Mgmt	-654	0	-654
32. Reduce State Shorelines Program	-500	0	-500
33. Continue Welldrillers Fund Shift	-300	300	0
34. Litter Account Revenue Shortfall	0	-905	-905
35. State Toxics Revenue Shortfall	0	-4,281	-4,281
<b>Program Enhancements</b>			
36. Water Resources Data Management	0	625	625
37. Water Rights Claims Filing Period	200	0	200
38. Toxic Cleanup Task Force	0	300	300
39. Regulatory Reform	581	313	894
40. Yakima Adjudication	0	500	500
41. Growth Management Act Changes	70	145	215
42. Wastewater Reuse	0	225	225
<b>Total 1995-97 Biennium</b>	42,764	180,452	223,216

## Department of Ecology

(Dollars in Thousands)

	GF-S	Other	Total
<b>Fiscal Year 1996 Totals</b>	22,125	94,120	116,245
<b>Fiscal Year 1997 Totals</b>	20,639	86,332	106,971

**Comments:**

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</li> <li>2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.</li> <li>3. WASHINGTON INFORMATION NETWORK - Funds are provided for increased Department of Information Systems costs for the Washington Information Network kiosk system.</li> <li>4. ECOLOGY BUILDING DEBT SERVICE - Funding is provided for the Ecology building certificates of participation (COPs). COP payments began in fiscal year 1995 and were paid from savings generated through collocation in the new building. For fiscal years 1996 and 1997, the agency needs an increase in funding for the COP payments. (General Fund-Federal, Waste Reduction, Recycling and Litter Control Account, State Toxics Control Account, Air Pollution Control Account)</li> <li>5. L &amp; I INSURANCE REFUND - An adjustment is made to reflect changes in Ecology's participation in the Department of Labor and Industries' (L &amp; I's) Retrospective Rating Program.</li> <li>6. STAFF/GOODS &amp; SERVICES - FEDERAL - Federal funding for administrative expenditures is reduced. A reduction of federal expenditure authority is expected in fiscal years 1996 and 1997. In addition, the agency has underspent their 1993-95 federal authority for administrative expenditures. (General Fund-Federal)</li> <li>7. METALS MINING - Funding is provided to implement Chapter 232, Laws of 1994 (ESHB 2521 - Metals Mining and Milling). This law goes into effect July 1, 1995 and requires that a metals mining coordinator be designated in Ecology and that all metals mining operations be inspected on a quarterly basis. (Metals Mining Account)</li> <li>8. BASIC DATA ACCOUNT - Increased spending authority is provided for the Basic Data Account. Funds will be passed through to federal agencies to provide hydraulic studies of the state's rivers. (Basic Data Account)</li> <li>9. SUNSET SOLID WASTE MGMT ACCOUNT - Funding is reduced to reflect the phase out of the Solid Waste Management tax, which expires on July 1, 1995. (Solid Waste Management Account)</li> <li>10. SUNSET VEHICLE TIRE RECYCLING ACCT - Funding is reduced to reflect the phase out of the Vehicle Tire Recycling fee, which ended on October 1, 1994. Remaining funds are being used to complete the cleanup of three remaining tire dump sites which should be finished by June 30, 1995. (Vehicle Tire Recycling Account)</li> <li>11. TRANSFER LEASE COSTS - Funding for lease costs of the Puget Sound Water Quality Authority and the Conservation Commission is transferred to those agencies. Lease costs have been paid by the Department of Ecology in fiscal years 1994 and 1995. For fiscal years 1996 and 1997, the lease costs for both agencies are included in their respective budgets.</li> <li>12. WATER DIVISION MANAGEMENT SUPPORT - Funding is reduced for the Water Division. The Division was restructured, resulting in a reduction of one program manager, associated FTE staff and costs. (General Fund-State, General Fund-Federal, State Revolving Loan Fund, Water Quality Account, Flood Control Assistance Account, Freshwater Aquatic Weeds Account, State and Local Improvements Revolving Account (Referendum 26), State and</li> </ol> | <p>Local Improvements Revolving Account-Waste Disposal Facilities (Referendum 38))</p> <ol style="list-style-type: none"> <li>13. AIR QUALITY PROGRAM RESTRUCTURE - Funding is reduced to reflect consolidation of the Air Program from four to three sections and for shifting of some Air Program responsibilities. Responsibility for the asbestos regulatory program is shifted back to the Environmental Protection Agency and responsibility for the permitting of new major air pollution sources is shifted from headquarters staff out to existing staff in the regional offices. The frequency of audits of ambient air monitoring stations is also reduced. (General Fund-Federal, Grass Seed Burning Account, Air Pollution Control Account, Air Operating Permit Account)</li> <li>14. PUGET SOUND PLAN COORDINATION - The Puget Sound Water Quality Authority is not reauthorized. Funding is provided to the Department of Ecology to allow for the transition of the Authority's duties. The Department of Ecology will coordinate the implementation of the Puget Sound Plan. (General Fund-State, General Fund-Federal, Water Quality Account)</li> <li>15. EFFICIENCIES WATER QUALITY PERMITS - Funding is reduced for the Water Quality Permit program by 10 percent from the Governor's requested expenditure level. Fees collected by the Department to fund this program may be increased up to the fiscal growth factor in fiscal years 1996 and 1997. (Water Quality Permit Account)</li> <li>16. CENTRAL ADMIN STAFF/GOODS &amp; SVCS - Funding is reduced for central administrative staff and related costs. Reductions are proposed in the budget office, the information services section, library support, and clerical support to the agency's Attorneys General. (General Fund-State, State Toxics Account)</li> <li>17. TEXT PROCESSING CENTER - Funding is reduced for the text processing center, which provides the agency with word processing services.</li> <li>18. WAREHOUSE AND REGIONAL SUPPORT - Funding is reduced to reflect closure of the Tumwater warehouse at the end of the current lease period and for reduction of the regional support pool. Closure of the warehouse will require more planning on the part of programs to avoid storage of large, bulky items. Reduction of the regional support pool will eliminate some word processing positions. (General Fund-State, State Toxics Control Account)</li> <li>19. PROGRAM ADMIN REDUCTIONS - Funding is reduced for the administrative and waste programs. A reorganization of staff allows for the elimination of four positions in the special assistance/division planning staff. The waste program reorganization eliminates 6.4 FTE staff years and reduces contracts. (General Fund-State, General Fund-Federal, General Fund-Private/Local, Underground Storage Tank Account, State Toxics Control Account, Water Quality Permit Account, Air Pollution Control Account, Litter Control Account)</li> <li>20. AIR PROGRAM REDUCTIONS - Funding is reduced to reflect elimination of federal pass-through dollars to local air authorities and for elimination of start-up costs. The federal funds will go directly from the Environmental Protection Agency to the local air authorities, bypassing the Department of Ecology. The start-up costs were associated with the expanded Motor Vehicle Emission and Inspection Program. (General Fund-State, General Fund-Federal)</li> <li>21. HANFORD PROJECT - Funding is eliminated for the study related to the Hanford Health Dose Reconstruction Project. The study is scheduled to be completed by December 1995. (General Fund-Federal)</li> <li>22. MANCHESTER LAB LEASE AND EQUIPMENT - Funding is reduced to reflect eliminating the certificate of participation amount for</li> </ol> |
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## Department of Ecology

- the Manchester laboratory and reducing equipment purchases made by the laboratory. The certificate of participation on the laboratory ends in fiscal year 1996. Equipment purchases will be reduced by 20 percent.
23. HEADQUARTERS LEASE - Funding is reduced for certificate of participation costs. The costs associated with this reduction will be allocated to all agency programs. (General Fund-State, General Fund-Federal, Litter Control Account)
  24. CORRESPONDENCE TRACKING - Funding is eliminated for a clerical position in the agency's executive office which is responsible for tracking executive correspondence.
  25. PSWQ PLAN EXPENDITURES - Funding is eliminated for one FTE staff year in the Public Information and Education section of the Administration Program. This position coordinates Ecology's public outreach and involvement efforts relating to the Puget Sound Water Quality (PSWQ) Plan.
  26. OIL SPILL ACCOUNT ACTIVITIES - Funding is reduced for the oil spill program. Reductions accommodate part of a revenue shortfall in the Oil Spill Administration Account. The remainder of the revenue shortfall is accommodated through a transfer of funds from the Oil Spill Response Account. (Oil Spill Administration Account)
  27. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
  28. REVENUE SHORTFALL VARIOUS FUNDS - Funding is adjusted in a variety of funds to accommodate revenue shortfalls. These reductions in revenue may cause decreased assistance to local governments and to the public. (Flood Control Assistance Account, Local and State Improvements Revolving Account (Referendum 26), Vehicle Tire Recycling Account, Water Quality Permit Fee Account, Hazardous Waste Assistance Account, Freshwater Aquatic Weeds Account)
  29. ELIMINATE GF-S COMMUNITY ASSISTANCE - General Fund-State funding is eliminated for technical assistance to communities wishing to apply for available grant funds in the Water Quality and Shorelands programs.
  30. REDUCE PLANNING & RULE DEVELOPMENT - General Fund-State funding is reduced for activities in the Air Quality program.
  31. ELIMINATE GF-S SOLID WASTE MGMT - General Fund-State funding is eliminated for solid waste management activities.
  32. REDUCE STATE SHORELINES PROGRAM - General fund-State support is reduced for the Shorelands program.
  33. CONTINUE WELLDRILLERS FUND SHIFT - Funding for the well drilling inspection program is shifted from General Fund-State to the Reclamation Revolving Fund. The fund transfer was done for the 1993-95 biennium and reduced the Initiative 601 expenditure limit for the 1993-95 biennium, so the limit is not reduced in the 1995-97 biennium. (Reclamation Revolving Fund, General Fund-State)
  34. LITTER ACCOUNT REVENUE SHORTFALL - Funding for the Litter Control Account is reduced to accommodate a revenue shortfall. The level of support that the agency can provide to local governments in the development and implementation of local solid waste management plans is reduced. (Litter Control Account)
  35. STATE TOXICS REVENUE SHORTFALL - Funding is reduced for the State Toxics Control Account to accommodate a revenue shortfall. Toxic cleanup activities will be scaled back to reduce expenditures from the account. (State Toxics Control Account)
  36. WATER RESOURCES DATA MANAGEMENT - Funding is provided for the water resources data management program. Funding is from the Reclamation Revolving Account (\$300,000) and through sales of the data management system products to governmental and private entities (\$325,000). (General Fund-Private/Local, Reclamation Revolving Account)
  37. WATER RIGHTS CLAIMS FILING PERIOD - Funding is provided to implement SHB 1327 regarding the reopening of a water rights claim filing period. The Legislature intended the funding to lapse if SHB 1327 did not pass the Legislature. However, even though the bill did not pass, the funds will not lapse given the Governor vetoed the language requiring the lapse and redirected the funds be used to support the Water Resources program in general. For further information regarding the final status of this item see the Governor's veto message regarding section 303(2).
  38. TOXIC CLEANUP TASK FORCE - Funding is provided to implement Chapter 359, Laws of 1995 (ESHB 1810). The bill requires a review of the Model Toxics Control Act and related activities. (State Toxics Account, Local Toxics Account)
  39. REGULATORY REFORM - Funding is provided to implement regulatory reform activities in accordance with Chapter 403, Laws of 1995 (ESHB 1010). Funding is for additional rulemaking requirements. (General Fund-State, Air Operating Permit Account, Water Quality Permit Account, State Toxics Account)
  40. YAKIMA ADJUDICATION - Funding is provided for administration of the ongoing Yakima Basin adjudication of water rights. (Water Resources Administration Account)
  41. GROWTH MANAGEMENT ACT CHANGES - Funding is provided to implement the Permit Coordination Center specified in Chapter 347, Laws of 1995 (ESHB 1724 - growth management).
  42. WASTEWATER REUSE - Funding is provided for Chapter 342, Laws of 1995 (SSB 5606 - Wastewater Reuse). Activities funded include a task force, pilot projects, and rulemaking. (General Fund-Private/Local, Referendum 38, Water Quality Account, Water Quality Permit Fee Account)
- NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Department of Ecology's budget is shown in the Transportation Budget section of this document.
- \* Please see the 1995 Supplemental Operating Budget Section for additional information.

### *Governor's Vetoes:*

The Governor vetoed section 303(2) which earmarked \$200,000 to implement SHB 1327 regarding the reopening of a water rights claims filing period. The bill did not pass the Legislature. The veto action allows the \$200,000 to be spent for other purposes within the Water Resources program.

The Governor vetoed section 303(10) which authorized additional staff and \$500,000 from the Water Right Permit Processing Account for the Yakima River Basin adjudication of water rights. The veto action allows the \$500,000 to be spent for other purposes within the Water Resources program.

The Governor vetoed section 914 which prohibited the expenditure of hazardous substance tax monies for public participation grants to non-governmental entities involved in local environmental projects. Section 914 had prohibited such grants except for those assisting in the implementation of the pilot projects established in Chapter 359, Laws of 1995 (ESHB 1810). The veto action restores funding for public participation grants for all hazardous waste clean-up sites and related waste management activities.

## State Parks and Recreation Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	73,732	6,714	80,446
<b>Eliminate One-Time Spending</b>	-32,900	17,900	-15,000
<b>Biennialize Current Biennium Changes</b>	-5,428	-260	-5,688
<b>Inflation &amp; Other Rate Adjustments</b>			
1. 1993-95 Operating Impacts	1,018	89	1,107
2. Park Utilities and Expenses	231	0	231
3. Lease Purchase Payments	330	0	330
4. Interagency Billings	-263	-164	-427
5. Agency Legal Services Adjustment	-9	-5	-14
<b>Caseload &amp; Enrollment Changes</b>			
6. Revenue Adjustment	0	-158	-158
<b>Changes in Service Delivery</b>			
7. Administrative Reductions	-42	-26	-68
8. Park Renewal and Stewardship	0	900	900
<b>Program Reductions</b>			
9. Eliminate Parks Planner	-84	-50	-134
10. Eliminate Scenic Rivers Program	-158	0	-158
11. Oil Spill Account Reduction	0	-64	-64
<b>Program Enhancements</b>			
12. L & I Retrospective Rating Refund	0	10	10
13. Marine Water Trails	0	26	26
14. Return to Work Program	-30	120	90
15. Enhance Revenue Generation	-600	3,591	2,991
16. 1995-97 Operating Impacts	0	108	108
17. Expand Volunteer Programs	0	148	148
18. Snowmobile Grooming Equipment	0	550	550
19. Mt. Spokane Master Plan	100	0	100
<b>Total 1995-97 Biennium</b>	<b>35,897</b>	<b>29,429</b>	<b>65,326</b>
<b>Fiscal Year 1996 Totals</b>	<b>18,020</b>	<b>14,703</b>	<b>32,723</b>
<b>Fiscal Year 1997 Totals</b>	<b>17,877</b>	<b>14,726</b>	<b>32,603</b>

### Comments:

1. 1993-95 OPERATING IMPACTS - Funding is provided to support the operating impacts of capital projects approved in the 1993-95 biennium. (General Fund-Private/Local)
2. PARK UTILITIES AND EXPENSES - Funding is provided for the added costs of sewage, solid waste, and storm water disposal and electrical costs above the normal inflation factor. Additional mandatory park costs are also included.
3. LEASE PURCHASE PAYMENTS - Funding is provided to meet lease payments initiated in the 1993-95 biennium for the replacement of park equipment.
4. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. REVENUE ADJUSTMENT - Revenues from the sale of interpretive and recreational materials is projected to decrease in the 1995-97 biennium. Current level funding for Sno-Park activities funded with the Winter Recreation Account are reduced to match expected revenue. (Parks Improvement Account, Winter Recreation Account)
7. ADMINISTRATIVE REDUCTIONS - Funding is reduced for various administrative functions, including the transfer of some data entry functions to Correctional Industries. (General Fund-State, Trust Land Purchase Account)
8. PARK RENEWAL AND STEWARDSHIP - Chapter 211, Laws of 1995 (SHB 1342 -- parks renewal and stewardship account) transfers all parks revenue into the newly created Park Renewal and Stewardship Account. (Park Renewal and Stewardship Account)
9. ELIMINATE PARKS PLANNER - Funding is eliminated for a parks planner position, resulting in the consolidation of park planning and acquisition activities. (General Fund-State, Trust Land Purchase Account)
10. ELIMINATE SCENIC RIVERS PROGRAM - Funding for the State Scenic Rivers Program is eliminated. Local planning efforts through the Growth Management Act may accomplish many of the goals of this program.

## State Parks and Recreation Commission

11. OIL SPILL ACCOUNT REDUCTION - Due to a decline in revenues in the Oil Spill Administration Account, functions funded through this account are eliminated. (Oil Spill Administration Account)
12. L & I RETROSPECTIVE RATING REFUND - The Labor and Industries (L & I) retrospective rating refund will be used to enhance safety programs in the agency. (Industrial Insurance Premium Refund Account)
13. MARINE WATER TRAILS - The 1993 Legislature charged State Parks with the creation of a Marine Water Trails system for non-motorized watercraft in Puget Sound and the San Juan Islands. Funding is provided to operate this system. (Water Trails Program Account)
14. RETURN TO WORK PROGRAM - A worker pool is created to replace employees injured on the job. Injured workers will be employed to complete tasks within their ability. This procedure should reduce industrial insurance premiums and unemployment compensation. (Park Renewal and Stewardship Account)
15. ENHANCE REVENUE GENERATION - To enhance revenue generation the Parks Commission will implement a central reservation system, expand marketing, and enhance concession operations. The Parks Commission is directed to maintain full operation of all parks and parks facilities. (Park Renewal and Stewardship Account)
16. 1995-97 OPERATING IMPACTS - Funding is provided for the operation of the new Environmental Learning Center (ELC) at Camp Calvinwood. This facility is scheduled to be renovated in the first half of the 1995-97 biennium. A small amount of additional funding is also granted for the operation of the Brooks Memorial ELC and the Field Springs ELC. (General Fund-Private/Local)
17. EXPAND VOLUNTEER PROGRAMS - Funding is provided for one position to expand the Volunteer Program, which works with organizations such as Friends Groups, Adopt-a-Park, and coordinates the recruitment for the retired senior volunteer program (RSVP). (Park Renewal and Stewardship Account)
18. SNOWMOBILE GROOMING EQUIPMENT - Funding is provided to replace snowmobile trail grooming equipment. (Snowmobile Account)
19. MT. SPOKANE MASTER PLAN - Funding is provided for development of a Mt. Spokane master plan. This appropriation requires an equal local match.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the State Parks and Recreation Committee's budget is shown in the Transportation Budget section of this document.

## Interagency Committee for Outdoor Recreation

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	2,600	2,600
<b>Biennialize Current Biennium Changes</b>	0	-6	-6
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	0	13	13
2. Interagency Billings	0	8	8
3. Merit Increments	0	35	35
4. Agency Legal Services Adjustment	0	-1	-1
<b>Program Enhancements</b>			
5. PRISM Data System	0	570	570
<b>Total 1995-97 Biennium</b>	0	3,219	3,219
<b>Fiscal Year 1996 Totals</b>	0	1,632	1,632
<b>Fiscal Year 1997 Totals</b>	0	1,587	1,587

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. PRISM DATA SYSTEM - Funding is provided for development of an integrated, multi-user application system to manage grant projects. The system will track projects from contract initiation through completion and necessary inspections. (Outdoor Recreation Account)

## Environmental Hearings Office

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	1,356	0	1,356
<b>Biennialize Current Biennium Changes</b>	34	0	34
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	13	0	13
2. Compensation Changes	1	0	1
<b>Caseload &amp; Enrollment Changes</b>			
3. Increased Hearings	2	0	2
4. Lease, Furniture, and Contracts	11	0	11
5. Staff Termination Expenses	13	0	13
<b>Program Reductions</b>			
6. Agency Legal Services Adjustment	-2	0	-2
<b>Total 1995-97 Biennium</b>	1,428	0	1,428
<b>Fiscal Year 1996 Totals</b>	715	0	715
<b>Fiscal Year 1997 Totals</b>	713	0	713

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. INCREASED HEARINGS - Funding is provided for increased board member travel and per diem as a result of increased hearings. New civil penalties for forest practice violations have generated more appeals in this area.
4. LEASE, FURNITURE, AND CONTRACTS - Funding is provided for furniture replacement and a contract to update the digest of decisions.
5. STAFF TERMINATION EXPENSES - The term of one board member is due to expire during the course of the biennium. Funding is provided to cover sick leave buy out and other termination expenses. Funding is also provided for salary increments.
6. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.

## State Conservation Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	1,658	354	2,012
<b>Biennialize Current Biennium Changes</b>	-172	-152	-324
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	1	0	1
2. Compensation Changes	-1	0	-1
<b>Changes in Service Delivery</b>			
3. Transfer Lease Costs from Ecology	135	0	135
<b>Program Reductions</b>			
4. Agency Legal Services Adjustment	-1	0	-1
<b>Program Enhancements</b>			
5. Watershed Restoration Applications	42	0	42
<b>Total 1995-97 Biennium</b>	1,662	202	1,864
<b>Fiscal Year 1996 Totals</b>	852	101	953
<b>Fiscal Year 1997 Totals</b>	810	101	911

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. TRANSFER LEASE COSTS FROM ECOLOGY - Funding for lease costs is transferred from the Department of Ecology to the Conservation Commission. Since completion of the ecology building, the Department of Ecology has paid for the Conservation Commission's lease costs. Beginning in fiscal year 1996, the Conservation Commission will pay for its own lease costs including the costs of the certificate of participation which paid for the furniture in the office spaces occupied by Commission staff. The Department of Ecology's budget is reduced accordingly.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. WATERSHED RESTORATION APPLICATIONS - Funding is provided to implement Chapter 378, Laws of 1995 (ESSB 5616 - watershed restoration projects) which directs the Conservation Commission to coordinate the development of a consolidated application and permit process for small scale watershed restoration projects. These projects are primarily completed by volunteer organizations.

## Puget Sound Water Quality Authority

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,990	1,126	4,116
<b>Biennialize Current Biennium Changes</b>	-1,717	-597	-2,314
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	8	4	12
2. Merit Increments	6	0	6
3. Compensation Changes	-1	0	-1
<b>Changes in Service Delivery</b>			
4. Transfer Lease Costs from Ecology	181	0	181
5. Transfer to Ecology	-1,298	-1,071	-2,369
<b>Program Reductions</b>			
6. Plan Implementation Assistance	-169	538	369
<b>Total 1995-97 Biennium</b>	0	0	0
<b>Fiscal Year 1996 Totals</b>	0	0	0
<b>Fiscal Year 1997 Totals</b>	0	0	0

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. TRANSFER LEASE COSTS FROM ECOLOGY - Funding for lease costs are transferred from the Department of Ecology to the Puget Sound Water Quality Agency (PSWQA) budget. Since completion of the ecology building, the Department of Ecology has paid for PSWQA's lease. Beginning in fiscal year 1996, PSWQA would pay for its own lease costs including the costs of the certificate of participation which paid for the furniture in the office space occupied by agency staff. The Department of Ecology's budget is reduced accordingly.
5. TRANSFER TO ECOLOGY - The Puget Sound Water Quality Authority's statutory authorities expire on June 30, 1996. This item transfers the funding for the agency to the Department of Ecology for the final year that the agency exists. (General Fund-State, General Fund-Federal, Water Quality)
6. PLAN IMPLEMENTATION ASSISTANCE - General Fund-State funding is reduced by 5 percent and two FTE staff. This adjustment reduces assistance to local governments and state agencies in the implementation of the Puget Sound Water Quality Management Plan. The reduction is offset by adjustments in other dedicated funds.

**Office of Marine Safety**

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	0	4,268	4,268
<b>Biennialize Current Biennium Changes</b>	0	22	22
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	4	4
2. Merit Increments	0	12	12
3. Compensation Changes	0	1	1
<b>Caseload &amp; Enrollment Changes</b>			
4. Delete Carry Forward Equipment Bdgt	0	-253	-253
<b>Changes in Service Delivery</b>			
5. Consolidation of Oil Spills Funding	0	170	170
<b>Program Reductions</b>			
6. Staff, Goods & Services and Travel	0	-212	-212
7. Marine Oversight Board	0	-28	-28
8. Agency Legal Services Adjustment	0	-4	-4
9. Revenue Shortfall	0	-300	-300
10. State Toxics Revenue Shortfall	0	-24	-24
<b>Program Enhancements</b>			
11. New Equipment & Contracts	0	126	126
<b>Total 1995-97 Biennium</b>	0	3,782	3,782
<b>Fiscal Year 1996 Totals</b>	0	1,847	1,847
<b>Fiscal Year 1997 Totals</b>	0	1,935	1,935

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. DELETE CARRY FORWARD EQUIPMENT BDGT - Funding is removed for all equipment and contracts from the base budget. Funding for essential equipment is restored in the "New Equipment and Contracts" item.
5. CONSOLIDATION OF OIL SPILLS FUNDING - Funding is consolidated from the Oil Spill Administration Account. Funds from the University of Washington's budget have been transferred to the Office of Marine Safety (and reduced by \$20,000). The funds will be used to execute a contract with the University of Washington's SeaGrant program to develop and implement an education program designed to address oil spills from commercial vessels. (Oil Spill Administration Account)
6. STAFF, GOODS & SERVICES AND TRAVEL - Funding is reduced to reflect consolidation of two administrative positions, a special assistant and the Program Director for Administrative Services, eliminating one FTE staff year and associated costs. In addition, this item provides for a reduction of purchased services expenditures of \$79,700. (Oil Spill Administration Account)
7. MARINE OVERSIGHT BOARD - Funding is eliminated for the Marine Oversight Board. (Oil Spill Administration Account)
8. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
9. REVENUE SHORTFALL - Funding is reduced from the Oil Spill Administration Account. Revenue in the account is consistently lower than forecasted amounts, necessitating spending reductions. The spending reduction is about half of the total revenue shortfall. A transfer is made from the Oil Spill Response Account to accommodate the remainder of the revenue shortfall. (Oil Spill Administration Account)
10. STATE TOXICS REVENUE SHORTFALL - The projected revenues for the State Toxics Control Account are insufficient to meet anticipated expenditures. Consequently, expenditures are reduced in order to balance the fund. (State Toxics Control Account)
11. NEW EQUIPMENT & CONTRACTS - Funding is provided for specific equipment and contracts, including: equipment for enhancements to the Marine Information System (MIS) (\$10,000); contracts to develop enhancements of the MIS (\$51,000); and contracts for expert advice and updates to the vessel screening matrix (\$65,000). (Oil Spill Administration Account)

## Office of Marine Safety

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Office of Marine Safety's budget is shown in the Transportation Budget section of this document.

\* Please see the 1995 Supplemental Operating Budget Section for additional information.

### *Governor's Vetoes:*

The Governor vetoed section 308 which provides biennial funding to the Office of Marine Safety (OMS) as a separate independent agency. The Governor vetoed this section since funding for OMS was also provided in the Transportation Budget, Chapter 14, Laws of 1995, 2nd sp.s. (2ESHB 2080). The Transportation Budget contains statutory language that merges OMS into the Department of Ecology (DOE) on January 1, 1996. In accordance with that merger, the Transportation Budget provides funding for OMS from July 1, 1995 through December 31, 1995 and funding for DOE to sustain the merged oil spill prevention program for the remainder of the biennium (see Transportation Budget section).

## Department of Fish and Wildlife

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	65,752	142,902	208,654
<b>Eliminate One-Time Spending</b>	-890	0	-890
<b>Biennialize Current Biennium Changes</b>	-786	466	-320
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	335	7	342
2. Interagency Billings	-513	-174	-687
3. Agency Legal Services Adjustment	-68	-23	-91
<b>Caseload &amp; Enrollment Changes</b>			
4. Adjust Federal and Local Funding	0	-3,834	-3,834
5. Adjust Rec. Fish Enhanc.to Revenue	0	-2,054	-2,054
<b>Changes in Service Delivery</b>			
6. Administrative Efficiencies	-923	-624	-1,547
7. Consolidate Game Farms	0	-140	-140
8. WCC Reduction	-200	0	-200
<b>Program Reductions</b>			
9. Reduce Fish Production	0	-14	-14
10. Reduce Marine Fish Surveys	-162	0	-162
11. Adjust Federal and Local Funding	0	-7,140	-7,140
12. Oil Spill Account Reduction	0	-45	-45
<b>Program Enhancements</b>			
13. L & I Retrospective Rating Refund	0	156	156
14. Volunteer Coordinators	0	150	150
15. Weighted Hunting Permit System	0	146	146
16. Fish & Wildlife Habitat Partnership	0	1,800	1,800
17. Coho Mass Marking	1,000	200	1,200
18. Shellfish Litigation	250	0	250
19. WIN Kiosks	40	39	79
20. Warm Water Fish Enhancement	250	0	250
21. Noxious Weeds	0	350	350
22. Regulatory Reform	634	50	684
<b>Total 1995-97 Biennium</b>	64,719	132,218	196,937
<b>Fiscal Year 1996 Totals</b>	32,380	66,135	98,515
<b>Fiscal Year 1997 Totals</b>	32,339	66,083	98,422

### Comments:

- INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
- INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
- AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
- ADJUST FEDERAL AND LOCAL FUNDING - Federal and local expenditure authority is reduced for Lower Snake River Compensation and the Bonneville Power Administration activities due to projected revenue declines in the 1995-97 biennium. (General Fund-Federal, General Fund-Private/Local)
- ADJUST REC. FISH ENHANC.TO REVENUE - Due to declines in the sale of fishing licenses, expenditure authority for the Recreational Fish Enhancement Program is adjusted to match expected revenues. (Recreational Fish Enhancement Account)
- ADMINISTRATIVE EFFICIENCIES - The merger of the former Departments of Fisheries and Wildlife has resulted in various administrative and management efficiencies. Savings are obtained by reducing duplicate services, co-location, and changes to automated systems. (General Fund-State, State Wildlife Account)
- CONSOLIDATE GAME FARMS - Game Farm operations on Whidbey Island will be consolidated into the existing Centralia facility, allowing the same amount of pheasant production at a reduced cost. This savings assumes capital funding for the renovation of the Centralia facility. (State Wildlife Account)
- WCC REDUCTION - Funding is reduced for the Washington Conservation Corps (WCC) program by 25 percent.

## Department of Fish and Wildlife

### *Governor's Vetoes:*

The Governor vetoed section 309(3) which requires the Department to expend funds for Chapter 402, Laws of 1995 (E2SSB 5632 – flood damage reduction).

9. **REDUCE FISH PRODUCTION** - A technical adjustment is made to reflect closure of the Yakima Hatchery. (State Wildlife Account)
10. **REDUCE MARINE FISH SURVEYS** - Baitfish harvest management for herring is reduced by eliminating one staff position.
11. **ADJUST FEDERAL AND LOCAL FUNDING** - Federal and local expenditure authority is reduced for Lower Snake River Compensation and the Bonneville Power Administration activities due to projected revenue declines in the 1995-97 biennium. (General Fund-Federal, General Fund-Private/Local)
12. **OIL SPILL ACCOUNT REDUCTION** - Due to declines in revenue, reductions are made in the Department's Oil Spill response activities. One twenty-four hour response position will be eliminated along with Attorney General support. (Oil Spill Administration Account)
13. **L & I RETROSPECTIVE RATING REFUND** - The Labor and Industries (L & I) retrospective rating refund will be used to enhance safety programs in the agency. (Industrial Insurance Premium Refund Account)
14. **VOLUNTEER COORDINATORS** - Funding is provided for three volunteer coordinators. This enhancement provides a volunteer coordinator in each of the Department's six regional offices. (State Wildlife Account)
15. **WEIGHTED HUNTING PERMIT SYSTEM** - The current hunting permit system will be replaced with one which increases applicants' chances of being drawn for every prior year of not being chosen. The cost of this system is expected to be offset by increased revenue resulting from additional applications. (State Wildlife Fund)
16. **FISH & WILDLIFE HABITAT PARTNERSHIP** - Funding is provided for additional technical services for local governments and landowners. (General Fund-Federal).
17. **COHO MASS MARKING** - Funding is provided to implement Chapter 372, Laws of 1995 (2SSB 5157 – Salmon Mass Marking) for hatchery-produced coho salmon. Additionally, the agency will redirect administrative and equipment funding of \$1 million to fund one-time equipment purchases to ensure the integrity of the coded wire tag program. (General Fund-State, Recreational Fish Enhancement Account)
18. **SHELLFISH LITIGATION** - Funding is provided for interagency reimbursement to the Office of the Attorney General to pursue an appeal of the recent shellfish ruling granting the Tribes 50 percent of the allocation.
19. **WIN KIOSKS** - Funding is provided for participation in the Washington Information Network (WIN) kiosk system. (General Fund-State, State Wildlife Account)
20. **WARM WATER FISH ENHANCEMENT** - Funding is provided for additional development of the warm water fish program. The Department is required to expend the funds to support actual production of warm water fish.
21. **NOXIOUS WEEDS** - Funding is provided for control and eradication of Class B designated noxious weeds on state-owned lands. (Wildlife Fund-State)
22. **REGULATORY REFORM** - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 – regulatory reform). Additional staff are provided for technical assistance. (General Fund-State, State Wildlife Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Department of Natural Resources

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	46,856	181,610	228,466
<b>Eliminate One-Time Spending</b>	-2,110	-12,344	-14,454
<b>Biennialize Current Biennium Changes</b>	-752	-3,378	-4,130
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	92	254	346
2. Interagency Billings	248	273	521
3. Compensation Changes	-24	-102	-126
4. Agency Legal Services Adjustment	-65	-71	-136
<b>Caseload &amp; Enrollment Changes</b>			
5. Metals Mining Workload	0	41	41
6. Emergency Fire Suppression	0	609	609
7. Enhance NAP/NRCA Support	0	-116	-116
8. Federal Project Carryforward	0	423	423
<b>Program Reductions</b>			
9. Aquatic Resources Reduction	-253	0	-253
10. Eliminate Timber Worker Program	-500	-1,000	-1,500
11. Reduce Watershed Planning Grant	-900	0	-900
12. DNR Administrative Reduction	-600	0	-600
13. Eliminate GF-S for Natural Heritage	-572	0	-572
14. Offset WCC with Americorps Grant	-338	0	-338
15. Litter Account Shortfall	0	-62	-62
16. Reduce Forest Practices	-808	0	-808
<b>Program Enhancements</b>			
17. Increase Geology Local Authority	0	150	150
18. Photo and Map Sales Authority	0	419	419
19. Jobs in the Environment	0	13,000	13,000
20. Silvicultural Forest Burning	0	49	49
21. Leases on State Lands	35	0	35
22. Regulatory Reform	290	100	390
<b>Total 1995-97 Biennium</b>	40,599	179,855	220,454
<b>Fiscal Year 1996 Totals</b>	20,300	89,789	110,089
<b>Fiscal Year 1997 Totals</b>	20,299	90,066	110,365

### Comments:

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|--|--|
| <p>1. <b>INTERNAL RENTS</b> - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).</p> <p>2. <b>INTERAGENCY BILLINGS</b> - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>3. <b>COMPENSATION CHANGES</b> - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.</p> <p>4. <b>AGENCY LEGAL SERVICES ADJUSTMENT</b> - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>5. <b>METALS MINING WORKLOAD</b> - Chapter 232, Laws of 1994 (ESHB 2521) established regulatory procedures for metals mining</p> | <p>and/or milling and requires at least quarterly inspections of metal mines. Additional funding is provided to complete these required inspections. (Metals Mining Account)</p> <p>6. <b>EMERGENCY FIRE SUPPRESSION</b> - Appropriation authority is provided for the Department's dedicated fire suppression accounts.</p> <p>7. <b>ENHANCE NAP/NRCA SUPPORT</b> - An adjustment is made to reflect reduced revenue for Natural Area Preserves (NAP) in the Natural Resources Conservation Area (NRCA) Stewardship Account.</p> <p>8. <b>FEDERAL PROJECT CARRYFORWARD</b> - Additional federal appropriation authority is provided to carryforward unanticipated projects from the 1993-95 biennium. Specific projects will include grants for community tree planting, landscape management of forest lands, and an inventory of hardwoods on federal state and private lands. (General Fund-Federal)</p> <p>9. <b>AQUATIC RESOURCES REDUCTION</b> - General Fund-State support for the Aquatic Resources Program is reduced.</p> |
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## Department of Natural Resources

### *Governor's Vetoes:*

The Governor vetoed a portion of Section 311 which places conditions on DNR's appropriation from the Resource Management Cost Account.

10. ELIMINATE TIMBER WORKER PROGRAM - General Fund-State funding for the displaced timber worker program is eliminated. Funding for the program is provided through the Watershed Restoration/Jobs in the Environment program.
11. REDUCE WATERSHED PLANNING GRANT - One-time funding for analysis of watersheds is reduced.
12. DNR ADMINISTRATIVE REDUCTION - A 10 percent administrative reduction is made to the agency.
13. ELIMINATE GF-S FOR NATURAL HERITAGE - General Fund-State support is eliminated for the Natural Heritage program.
14. OFFSET WCC WITH AMERICORPS GRANT - Funding is reduced for the Washington Conservation Corps (WCC) program by 25 percent.
15. LITTER ACCOUNT SHORTFALL - Reductions are made due to declining revenue to the Litter Control Account. (Litter Control Account)
16. REDUCE FOREST PRACTICES - Beginning this biennium, the Forest Practices Mapping Application Planning System (MAPS) will be fully implemented. With this implementation, the program will increase application processing resulting in more timely approvals of forest practices permits. Also, the system will allow landowners to directly access information for planning purposes which will reduce the number of applications. A 5 percent savings is anticipated from this.
17. INCREASE GEOLOGY LOCAL AUTHORITY - Additional appropriation authority is granted to the Geology Program to expend funds received for contract work. (General Fund-Private/Local)
18. PHOTO AND MAP SALES AUTHORITY - Additional expenditure authority is provided to replace equipment for the Surveys and Maps Program. (Surveys and Maps Account)
19. JOBS IN THE ENVIRONMENT - Funding is provided to expand the Jobs in the Environment Program for critical watershed restoration projects. (Watershed Restoration Account, Wildlife Fund, General Fund-Federal, Water Quality Account, Resource Management Cost Account, Forest Development Account)
20. SILVICULTURAL FOREST BURNING - Funding is provided to implement Chapter 143, Laws of 1995 (SHB 1287 - silvicultural forest burning) which exempts certain emissions in Eastern Washington from air quality standards when burning is undertaken for forest health reasons. (Air Pollution Control Account).
21. LEASES ON STATE LANDS - Funding is provided to implement Chapter 12, Laws of 1995 (HB 1498) which provides lease subsidies for amateur radio operators.
22. REGULATORY REFORM - Funding is provided to implement Chapter 403, Laws of 1995 (ESHB 1010 - regulatory reform). Additional staff are provided for review and re-adoption of agency rules.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Department of Agriculture

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	14,460	54,376	68,836
<b>Eliminate One-Time Spending</b>	-786	-310	-1,096
<b>Biennialize Current Biennium Changes</b>	676	454	1,130
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	2	0	2
2. Interagency Billings	13	31	44
<b>Caseload &amp; Enrollment Changes</b>			
3. Fed Requirements for Food Safety	450	0	450
<b>Changes in Service Delivery</b>			
4. Retrospective Rating Refund	0	178	178
5. Reduce Retail Egg Inspections	0	-80	-80
6. Grain and Hay Efficiencies	0	-718	-718
<b>Program Reductions</b>			
7. Livestock I.D. Efficiencies	0	-110	-110
8. Eliminate USDA Market News	-108	-14	-122
9. State Toxics Account Reduction	0	-87	-87
10. Agency Legal Services Adjustment	-6	-15	-21
11. Eliminate Ag Puget Sound Plan	-71	0	-71
<b>Program Enhancements</b>			
12. Equipment Replacement	98	152	250
13. Increase Food Process Inspections	0	24	24
14. Pesticide Fund Shift	-1,828	1,828	0
15. Weights and Measures	0	75	75
16. Mormon Cricket Eradication	100	0	100
17. Regulatory Reform	142	567	709
18. Weed Control	0	800	800
19. Agricultural Showcase	200	0	200
<b>Miscellaneous</b>			
20. SSB 5315 - Noxious Weed Control	20	0	20
<b>Total 1995-97 Biennium</b>	13,362	57,151	70,513
<b>Fiscal Year 1996 Totals</b>	6,780	28,690	35,470
<b>Fiscal Year 1997 Totals</b>	6,582	28,461	35,043

### Comments:

1. **INTERNAL RENTS** - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
3. **FED REQUIREMENTS FOR FOOD SAFETY** - Funding is provided to increase staff in the microbiology laboratory and the food safety program as required by federal mandates concerning milk and fish processors.
4. **RETROSPECTIVE RATING REFUND** - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
5. **REDUCE RETAIL EGG INSPECTIONS** - Savings will result from a shift of inspections from retail to wholesale operations. Retail inspections will be concentrated on problem areas rather than on a broader, routine inspection program. (Agricultural Local Account Non-Appropriated)
6. **GRAIN AND HAY EFFICIENCIES** - Administrative efficiencies such as eliminating full-time supervision for some shifts, consolidating job duties, and implementing alternative work weeks result in a savings of ten FTE staff years and associated costs. (Grain and Hay Inspection Revolving Account Non-Appropriated)
7. **LIVESTOCK I.D. EFFICIENCIES** - Savings will result from the following efficiencies: restructuring supervisory duties; time-saving practices at public livestock markets; and computerization of the brand recording process. (Agricultural Local Account Non-Appropriated)
8. **ELIMINATE USDA MARKET NEWS** - The Department will terminate participation with the U.S. Department of Agriculture

## Department of Agriculture

(USDA) in its Market News Service offices in Yakima and Seattle.  
(General Fund-State; General Fund-Federal)

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act and Chapter 374, Laws of 1995 (SSB 5315). The remainder of the Department of Agriculture's budget is shown in the Transportation Budget section of this document.

9. STATE TOXICS ACCOUNT REDUCTION - Funding is reduced to balance expenditures within available revenues in the State Toxics Control Account. (State Toxics Control Account)
10. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
11. ELIMINATE AG PUGET SOUND PLAN - Eliminates the Department of Agriculture's role in implementing the Puget Sound Plan. Specifically groundwater pollution prevention activities will be eliminated.
12. EQUIPMENT REPLACEMENT - Funding is provided for replacement of aging equipment, including autos, computers and test equipment. Items must be older than six years to be replaced. Costs of the replacement equipment are charged to the accounts which support the programs using the equipment. (General Fund-State, Agricultural Local Account Non-Appropriated)
13. INCREASE FOOD PROCESS INSPECTIONS - Funding is provided for increased inspections of food storage warehouses. This activity is supported by fees established in Chapter 374, Laws of 1995 (SSB 5315).
14. PESTICIDE FUND SHIFT - Pursuant to Chapter 374, Laws of 1995 (SSB 5315), revenue received from pesticide registrations will be deposited into the non-appropriated Agricultural Local Account instead of into the General Fund. Funding for the pesticide management program will be shifted from General Fund-State to the Agricultural Local Account in the same amount. This item will result in a reduction of the General Fund expenditure limit for purposes of Initiative 601.
15. WEIGHTS AND MEASURES - Adjustments are made to the Weights and Measures program to implement Chapter 355, Laws of 1995 (2SHB 1524) which restructures the Weights and Measures fees and inspections. In the bill, annual registration fees replace inspection fees and the requirement to inspect devices biennially is eliminated. The program will move to a random sample inspection system. The amount of \$75,000 is appropriated from the State Toxics Control Account to purchase equipment for inspecting and testing the instruments or devices used to measure liquid petroleum products.
16. MORMON CRICKET ERADICATION - Funding is provided for a program to control grasshopper and mormon cricket infestations.
17. REGULATORY REFORM - Funding is provided for the Department of Agriculture to implement Chapter 403, Laws of 1995 (ESHB 1010 - regulatory reform). Included are additional staff for rulemaking and implementing a more cooperative regulatory environment.
18. WEED CONTROL - Funding is provided to implement Chapter 255, Laws of 1995 (E2SSB 5633 - Spartina Control). The bill directs the Department to act as the lead agency in a program to control the noxious weeds spartina and purple loosestrife from the state's aquatic lands. Funding is provided to develop a grant program and to hire staff to administer the program. Grants will be provided to counties where these weeds are a problem. (Aquatic Lands Enhancement Account)
19. AGRICULTURAL SHOWCASE - Funding is provided for the Agricultural Showcase. The entire amount is to be passed through to Yakima County which will act as the statewide fiscal agent for the Agricultural Showcase. Up to \$25,000 of this amount is for a specific initiative to promote statewide agricultural trade initiatives in Western Washington.
20. SSB 5315 - NOXIOUS WEED CONTROL - The Department of Agriculture received an appropriation of \$20,000 General Fund-State in Chapter 374, Laws of 1995 (SSB 5315) for the State Noxious Weed Control Board to study the cost of controlling weeds on state-owned or managed lands.

\* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Washington Pollution Liability Insurance Program

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	901	901
<b>Biennialize Current Biennium Changes</b>	0	-5	-5
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	0	7	7
2. Merit Increments	0	4	4
<b>Caseload &amp; Enrollment Changes</b>			
3. Travel: Annual Site Visits	0	8	8
4. Administrative Hearings	0	-8	-8
<b>Program Reductions</b>			
5. Agency Legal Services Adjustment	0	-1	-1
<b>Program Enhancements</b>			
6. Heating Oil Pollution Trust Fund	0	376	376
7. Privatization Study	0	60	60
<b>Total 1995-97 Biennium</b>	0	1,342	1,342
<b>Fiscal Year 1996 Totals</b>	0	701	701
<b>Fiscal Year 1997 Totals</b>	0	641	641

### Comments:

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff. (Pollution Liability Insurance Trust Account)
3. TRAVEL: ANNUAL SITE VISITS - Funding is provided to make annual site visits to grant recipients pursuant to the Underground Storage Tank Community Assistance Program.
4. ADMINISTRATIVE HEARINGS - Funding is reduced for administrative hearings costs. (Pollution Liability Insurance Trust Account)
5. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
6. HEATING OIL POLLUTION TRUST FUND - Funding is provided to implement Chapter 20, Laws of 1995 (SSB 5660 -- heating oil pollution liability protection act) which institutes a home heating oil pollution liability reinsurance program. This amount represents the administrative cost of the program. (Heating Oil Liability Trust Account)
7. PRIVATIZATION STUDY - Funding is provided to conduct a feasibility study of privatizing the functions performed by the pollution liability insurance program. The agency will provide the study results to the Legislature by November 30, 1995.

# Transportation

The majority of funding for transportation services is included in the Transportation Budget, not in the Omnibus Appropriations Act. 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. For additional information, please see the Transportation Budget section of this document.

## **Washington State Patrol**

Under Chapter 369, Laws of 1995 (ESSB 5093) all duties and functions pertaining to fire protection are transferred from the Department of Community, Trade, and Economic Development to the Washington State Patrol. Therefore, the budget makes the corresponding transfer of \$4.6 million in funding for fire protection. In addition, \$2.1 million of fire services enhancement funding is provided to implement the regional service delivery system and for fire inspection, arson investigation, and training.

Under Chapter 169, Laws of 1995 (HB 1189), the Patrol may use a 900 telephone line for instant background check information. The estimated \$2.1 million in proceeds will be deposited in the state Fingerprint Identification Account.

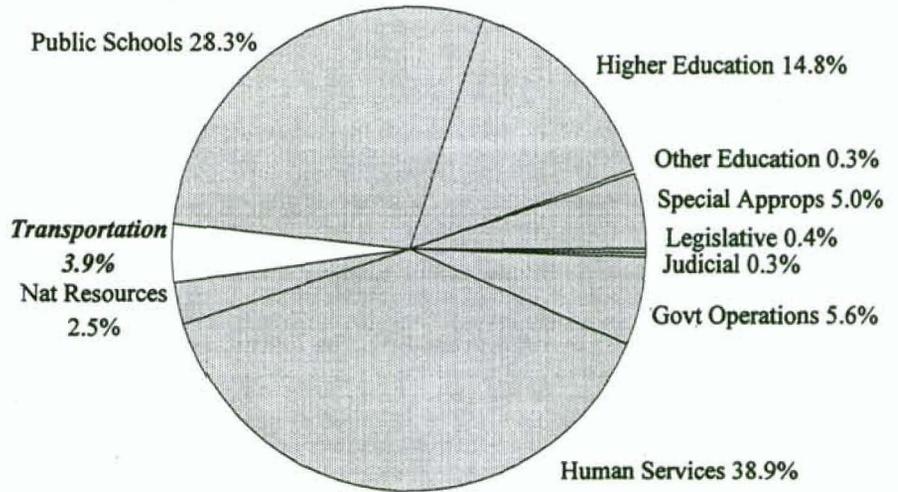
The amount of \$1.8 million from the state Public Safety and Education Account is provided to begin the conversion of the Patrol's information systems for participation in the integrated Justice Information Network. The amount of \$5.0 million from Criminal Justice Assistance Accounts is provided for staffing and equipment improvements at the state crime labs.

## **Department of Licensing**

The amount of \$637,000 from the state general fund is provided for expansion of the Master License program under implementation of Chapter 403, Laws of 1995 (ESHB 1010 - Regulatory Reform).

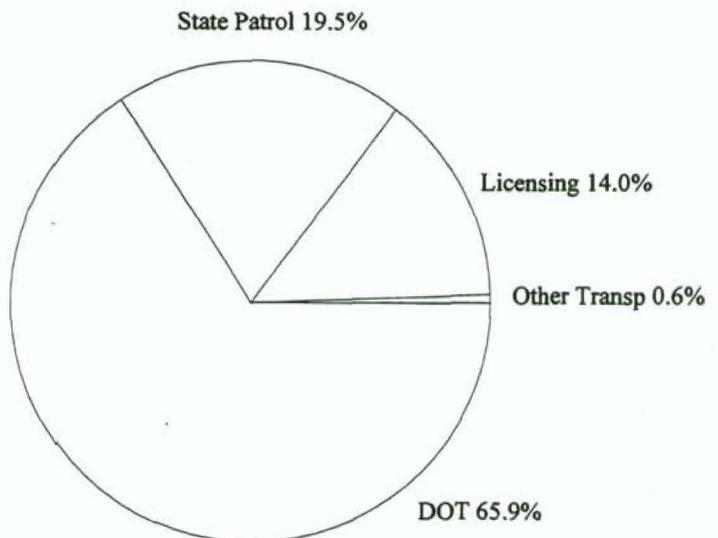
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
<b>Transportation</b>	<b>1,250,482</b>
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

Dept of Transportation	823,485
State Patrol	244,002
Dept of Licensing	175,025
Other Transportation	7,970
<b>Transportation</b>	<b>1,250,482</b>

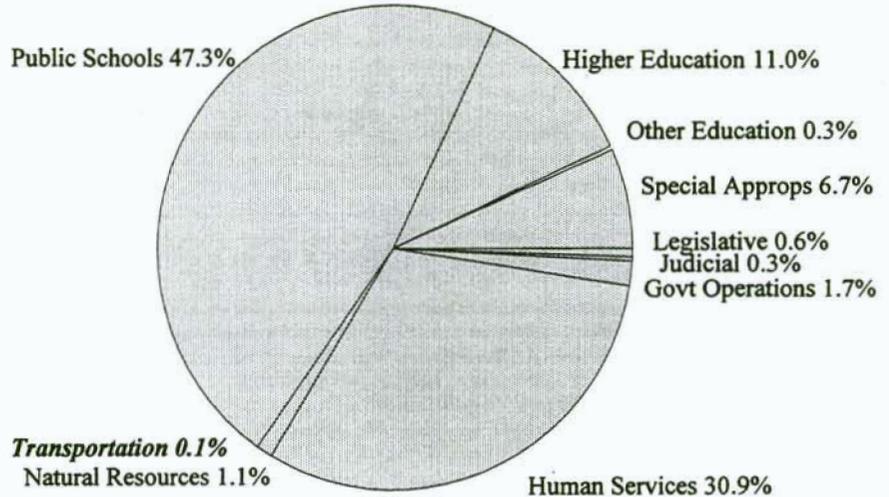


**Transportation**

**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

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Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
<b>Transportation</b>	<b>23,567</b>
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

State Patrol	15,081
Dept of Licensing	8,486
<b>Transportation</b>	<b>23,567</b>



**Transportation**

## Department of Licensing

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	7,338	23,860	31,198
<b>Eliminate One-Time Spending</b>	-344	-394	-738
<b>Biennialize Current Biennium Changes</b>	662	-343	319
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Increased Demand for Plates & Tabs	12	0	12
2. Increased Number of Fingerprints	210	0	210
3. Increased AFRS Volume	4	40	44
4. Increased Costs for Vessel Decals	98	0	98
5. DIS Tele and Operator Charge Incr	1	35	36
6. Increased Mileage Reimbursement	2	6	8
7. Increased Phone Charges at HLB	2	0	2
8. Interagency Billings	17	48	65
9. Compensation Changes	-4	-9	-13
10. Agency Legal Services Adjustment	-42	-119	-161
<b>Changes in Service Delivery</b>			
11. Business/Professions Realignment	586	-588	-2
12. Info Services Computing Shift	-4	-22	-26
13. Real Estate Legal Services	0	-82	-82
14. Info Services Staff Consolidation	-10	-44	-54
15. Travel Agent Registration	-277	0	-277
16. Architect Exam Payments	0	-116	-116
17. Landscape/Engineers Exam Payments	-40	-210	-250
18. Unisys Support Activities	-4	-12	-16
19. Appraiser Fee Accounting Change	-98	0	-98
20. Reduce Staff in Professional Licen	-58	0	-58
21. Eliminate Receptionist - Bristol Ct	-10	-38	-48
22. Information Services Contracts	0	-2	-2
23. Escrow Agent Authority Transfer	-191	0	-191
24. Uniform Commercial Code Accounting	0	-507	-507
<b>Program Reductions</b>			
25. Funeral/Cemetery Funds Balance	0	-48	-48
26. Business and Prof. FTE Reduction	0	-92	-92
27. Debt Adjusters Deregulation	-2	0	-2
28. Advisory Boards Elimination	41	0	41
29. Equipment/Software Replacement	-4	-14	-18
30. Information Services FTE Reduction	-2	-12	-14
31. Management/Support FTE Reduction	-4	-12	-16
32. Staff Training Reduction	-30	-144	-174
<b>Program Enhancements</b>			
33. Regulatory Reform	637	0	637
<b>Total 1995-97 Biennium</b>	8,486	21,181	29,667
<b>Fiscal Year 1996 Totals</b>	4,229	10,651	14,880
<b>Fiscal Year 1997 Totals</b>	4,257	10,530	14,787

### Comments:

1. INCREASED DEMAND FOR PLATES & TABS - Funding is provided for increased expenditures related to license plates, tabs, and postage.
2. INCREASED NUMBER OF FINGERPRINTS - The Department conducts criminal history background checks as part of the licensure requirements for security guards. Because of a higher level of entry

into the profession than anticipated, more checks have been required. Funding is provided for additional fingerprint checks by the Washington State Patrol.

## Department of Licensing

3. INCREASED AFRS VOLUME - Funding is provided for increased data collection and reporting costs of the Agency Financial Reporting System (AFRS).
4. INCREASED COSTS FOR VESSEL DECALS - Funding is provided for a cost increase for vessel license decals. The price charged by Correctional Industries for decals has increased.
5. DIS TELE AND OPERATOR CHARGE INCR - Funding is provided for increased Department of Information Services (DIS) telephone rate changes.
6. INCREASED MILEAGE REIMBURSEMENT - Funding is provided for mileage reimbursement. Rates have increased from \$0.28 to \$0.29 per mile.
7. INCREASED PHONE CHARGES AT HLB - As part of the Highway-Licenses Building (HLB) renovation, the telephone system was upgraded. Funding is provided for the increased costs of the new system.
8. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
9. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
10. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
11. BUSINESS/PROFESSIONS REALIGNMENT - Resources are shifted among funds to reflect the actual division overhead and support costs in the combined Business and Professions Division borne by each fund, as determined by the Department's cost accounting system. The shifts are significant because of the consolidation of the Business License Division with the Professional Licensing Division, implemented in 1993. (Architect Licensing-State, Cemetery Account-State, Professional Engineer-State, Real Estate Account-State, Real Estate Education Account-State, Funeral Director-State, Master License-State, Uniform Commercial Code-State)
12. INFO SERVICES COMPUTING SHIFT - Savings result from moving applications from a dedicated mainframe to a shared computing platform. (Architect Licensing-State, Professional Engineer-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State, State Wildlife Account-State, Highway Safety Fund-State, Motor Vehicle Fund-State, Transportation Account-State)
13. REAL ESTATE LEGAL SERVICES - Reflects a reduced need for Attorney General services as a result of a policy to use settlement agreements and letters of reprimand to resolve many real estate discipline cases. (Real Estate Commission Account-State)
14. INFO SERVICES STAFF CONSOLIDATION - Staff reductions are made by consolidating information services staff. (Architect Licensing-State, Professional Engineer-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State, Wildlife Account, Highway Safety Account-State, Motor Vehicle Fund-State, Transportation Account-State)
15. TRAVEL AGENT REGISTRATION - Savings are realized through the use of the Master Licensing System for registration of travel agents.
16. ARCHITECT EXAM PAYMENTS - Reflects applicants making direct payments to the national supplier for Architect Registration Examinations. Currently, applicants pay fees to the Department to cover the costs of the exams. (Architect Licensing Account-State)
17. LANDSCAPE/ENGINEERS EXAM PAYMENTS - Reflects applicant payments for the Landscape Architects and Engineers Examinations being redirected to the national suppliers. Currently, applicants pay fees to the Department to cover the costs of the exams. (Professional Engineers Account-State)
18. UNISYS SUPPORT ACTIVITIES - Reduces staff by contracting with the Department of Information Services for technical support activities for the Unisys computer system that are currently performed by the Department of Licensing. (Architect Licensing-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State, Wildlife Account, Highway Safety Account-State, Motor Vehicle Fund-State, Transportation Account-State)
19. APPRAISER FEE ACCOUNTING CHANGE - Payment of the annual \$25 license fee collected by the state from appraisers and passed through to the federal government is changed from an expenditure to a revenue transfer.
20. REDUCE STAFF IN PROFESSIONAL LICEN - Eliminates a Licensing Program Manager position.
21. ELIMINATE RECEPTIONIST - BRISTOL CT - A staff reduction is made at the Bristol Court offices. (Professional Engineer-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State)
22. INFORMATION SERVICES CONTRACTS - Personal service contracts in the Information Services Program are reduced. (Uniform Commercial Code-State, Wildlife Account, Highway Safety Account-State, Motor Vehicle Fund-State, Transportation Account-State)
23. ESCROW AGENT AUTHORITY TRANSFER - The regulatory authority of the Escrow Registration Program is transferred from the Department of Licensing to the Department of Financial Institutions. (General Fund-State)
24. UNIFORM COMMERCIAL CODE ACCOUNTING - Uniform Commercial Code (UCC) expenditures are reduced in order to match available revenues. (Uniform Commercial Code-State)
25. FUNERAL/CEMETERY FUNDS BALANCE - Expenditures are reduced in order to maintain an adequate fund balance. (Funeral Directors and Embalmers-State, Cemetery Fund-State)
26. BUSINESS AND PROF. FTE REDUCTION - Staff reductions are made, and unfunded, vacant FTE staff years are eliminated. (Master License Account-State, Uniform Commercial Code-State)
27. DEBT ADJUSTERS DEREGULATION - Savings are captured from the deregulation of debt adjusters.
28. ADVISORY BOARDS ELIMINATION - Savings are made from the elimination of the Collection Agency Board, Shorthand Court Reporter Board, and the Cosmetology, Barbering, Manicuring, and Esthetics Advisory Board.
29. EQUIPMENT/SOFTWARE REPLACEMENT - Funding is reduced for replacement equipment and software for Information Services technology support staff. (Architect Licensing-State, Professional Engineer-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State, State Wildlife Account-State, Highway Safety Fund-State, Motor Vehicle Fund-State, Transportation Account-State)
30. INFORMATION SERVICES FTE REDUCTION - Eliminates administrative support staff in the Information Services Assistant Director's Office. (Architect Licensing Account-State, Real Estate Account-State, Master License-State, Uniform Commercial Code-State, Motor Vehicle Fund-State, Transportation Account-State, Highway Safety Fund-State)
31. MANAGEMENT/SUPPORT FTE REDUCTION - Eliminates electronic data processing staff in the Office of System and Program Review. (Professional Engineer Account-State, Real Estate Account-State, Master License Account-State, Uniform Commercial Code-State, Highway Safety Fund-State, Motor Vehicle Fund-State, Transportation Account-State)
32. STAFF TRAINING REDUCTION - Agency training expenditures are reduced. (Architect Licensing Account-State, Cemetery Account-State, Funeral Account-State, Motorcycle Safety-State, Wildlife Account-State, Professional Engineer Account-State, Real Estate Account-State, Master License Account-State, Motor Vehicle Fund-State, Transportation Account-State, Uniform Commercial

## Department of Licensing

Code-State, Highway Safety Fund-State)

33. REGULATORY REFORM - Funding is provided for expansion of the Master License program under implementation of Chapter 403, Law of 1995 (ESHB 1010 – Regulatory Reform).

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Department of Licensing's budget is shown in the Transportation Budget section of this document.

**Washington State Patrol**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	10,585	8,553	19,138
<b>Eliminate One-Time Spending</b>	138	-1,034	-896
<b>Biennialize Current Biennium Changes</b>	607	188	795
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Goods/Service Incr in Crime Labs	140	0	140
2. Retirement Contribution Change	-47	-3	-50
3. Recognize AFIS Debt Service Savings	-400	0	-400
4. Interagency Billings	-15	-1	-16
5. Agency Legal Services Adjustment	-29	0	-29
<b>Changes in Service Delivery</b>			
6. Rank and Position Elimination	-46	-32	-78
7. Transf. Fire Protection (ESSB 5093)	2,070	2,529	4,599
<b>Program Enhancements</b>			
8. Federal Drug Grant Match	0	622	622
9. Background Check Automation Fee	0	2,079	2,079
10. PCR DNA Typing	0	544	544
11. Crime Lab System Upgrade	0	595	595
12. Increase in Crime Lab Personnel	0	2,107	2,107
13. Crime Lab Equipment Improvements	0	1,756	1,756
14. Clandestine Lab Funding	0	92	92
15. Statewide Narcotics Data System	0	165	165
16. Wide Area Network Hardware/Software	18	0	18
17. JIN: WACIC Redesign	0	594	594
18. JIN: WASIS Rewrite	0	1,239	1,239
19. Fire Services Enhancement	2,060	0	2,060
20. Organized Crime Intelligence Unit	0	300	300
<b>Total 1995-97 Biennium</b>	<b>15,081</b>	<b>20,293</b>	<b>35,374</b>
<b>Fiscal Year 1996 Totals</b>	<b>7,198</b>	<b>9,605</b>	<b>16,803</b>
<b>Fiscal Year 1997 Totals</b>	<b>7,883</b>	<b>10,688</b>	<b>18,571</b>

**Comments:**

- |   |  |
|---|--|
| <p>1. <b>GOODS/SERVICE INCR IN CRIME LABS</b> - Provides increases in supplies required to perform evidence examinations and DNA felon blood typing.</p> <p>2. <b>RETIREMENT CONTRIBUTION CHANGE</b> - Reduces agency retirement contribution rates.</p> <p>3. <b>RECOGNIZE AFIS DEBT SERVICE SAVINGS</b> - Savings are realized on debt service from the Automated Fingerprint Identification System (AFIS).</p> <p>4. <b>INTERAGENCY BILLINGS</b> - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>5. <b>AGENCY LEGAL SERVICES ADJUSTMENT</b> - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>6. <b>RANK AND POSITION ELIMINATION</b> - One secretary position and the rank of major are eliminated. These changes were recommendations from the 1994 State Patrol Management Study. (State Patrol Highway Account-State)</p> <p>7. <b>TRANSF. FIRE PROTECTION (ESSB 5093)</b> - Consistent with Chapter 369, Laws of 1995 (ESSB 5093) all duties and functions pertaining to fire protection are transferred from the Department of</p> | <p>Community, Trade, and Economic Development (DCTED) to the State Patrol.</p> <p>8. <b>FEDERAL DRUG GRANT MATCH</b> - State matching funds for the Bureau of Justice Assistance (BJA) federal grant are provided. (State and Federal Narcotics Asset Seizure Funds)</p> <p>9. <b>BACKGROUND CHECK AUTOMATION FEE</b> - Chapter 169, Laws of 1995 (HB 1189) will permit the Patrol to utilize a 900 telephone line to provide instant information regarding background checks. The proceeds from this fee will be deposited into the non-appropriated State Fingerprint Identification Account. (State Fingerprint Identification Account Non-Appropriated)</p> <p>10. <b>PCR DNA TYPING</b> - Funding is provided to implement the Polymerase Chain Reaction (PCR) method of DNA typing. (County Criminal Justice Assistance-State, Municipal Criminal Justice Assistance-State)</p> <p>11. <b>CRIME LAB SYSTEM UPGRADE</b> - Funding is provided for a system of bar coding and tracking of evidence submitted for testing through a local area network connecting the State's crime laboratories. (County Criminal Justice Assistance-State, Municipal Criminal Justice Assistance-State)</p> |
|---|--|

## Washington State Patrol

12. INCREASE IN CRIME LAB PERSONNEL - Funding is provided for an additional 15 FTE staff to improve the timeliness and capabilities of state crime lab services provided to local governments and other agencies. Staff increases include forensic scientists, property and evidence custodians, a forensic document examiner, and clerical positions. (County Criminal Justice Assistance-State, Municipal Criminal Justice Assistance-State)
13. CRIME LAB EQUIPMENT IMPROVEMENTS - Funding is provided for crime lab instrumentation upgrades and added capacity. Equipment includes a system for identifying and cataloging bullets and casings for linking a particular firearm to multiple crimes, advanced microscopes, and other testing equipment. (County Criminal Justice Assistance-State, Municipal Criminal Justice Assistance-State)
14. CLANDESTINE LAB FUNDING - Funding is provided for equipment replacement for the Clandestine Laboratory Enforcement Program. Equipment includes bullet-proof vests, radios, supplies, and medical monitoring related to exposure to toxic chemicals and entry into illegal drug manufacturing laboratories. (State Asset Seizure Account Non-Appropriated)
15. STATEWIDE NARCOTICS DATA SYSTEM - Grant match funding of 25 percent is provided for the implementation of the California Statewide Integrated Narcotics System (SINS) software in Washington. The system integrates a variety of data types including geographic information, photographs of crime scenes and suspects, as well as text-based data and is designed as a case investigation/management tool to support drug enforcement activities. (State Asset Seizure Account Non-Appropriated)
16. WIDE AREA NETWORK HARDWARE/SOFTWARE - Funding is provided for new and replacement Wide Area Network hardware and software to improve communications capabilities and move to the statewide standard communication protocols. (General Fund-State)
17. JIN: WACIC REDESIGN - Provides funding for redesigning the Washington Crime Information Center (WACIC) to utilize improved technology which will enable participation in the Justice Information Network (JIN). (Public Safety and Education Account-State)
18. JIN: WASIS REWRITE - Funding is provided to rewrite the Washington State Information System (WASIS) criminal history database. The redesign is a first step in building the Justice Information Network (JIN). JIN will integrate several criminal justice information systems to enable law enforcement, courts, and prosecutors to access more timely and accurate data for the identification, investigation, and sentencing of criminals. (Public Safety and Education Account-State)
19. FIRE SERVICES ENHANCEMENT - Provides funding to implement the regional service delivery system and provide resources for fire inspection, arson investigation, and training. (General Fund-State)
20. ORGANIZED CRIME INTELLIGENCE UNIT - Funding is provided to add two FTE staff to the organized crime intelligence unit of the State Patrol. (Violence Reduction/Drug Enforcement Account-State)

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the State Patrol's budget is shown in the Transportation Budget section of this document.

# Public Schools

## **Special Education Formula Change**

Based on a fiscal study of special education conducted by the Institute for Public Policy and the Legislative Budget Committee, the funding formula for special education is updated, resulting in \$60.6 million savings to the state general fund.

## **Vocational Education Staffing Ratios**

Based on a 1994 study by the Legislative Evaluation and Accountability Program Committee, the budget reduces the staffing ratio allocation for secondary schools from one staff per 16.67 students to one staff per 18.3 vocational students, resulting in a savings of \$32.2 million to the state general fund. The skill center staffing ratio remains at one staff per 16.67 students.

## **Administrator Salary Reduction**

A savings of \$20.2 million to the state general fund results from reducing salary allocations for administrators by 4.9 percent.

## **Education Reform**

Reductions of up to 10 percent are made to selected education reform programs, resulting in a \$20.1 million savings to the state general fund. The equivalent of three days are provided through the block grant program for activities consistent with improving student learning.

## **School Bus Purchasing**

Under Chapter 10, Laws of 1995, 1st sp.s. (ESSB 5408), reimbursement of bus purchase costs are based on the lowest bids received by the state for each category of bus meeting specifications developed by local and state transportation providers. This approach results in a \$15.0 million savings to the state general fund.

## **Health Benefits**

K-12 employee benefits are funded at the same level as benefits for state and higher education employees. The funding rate is \$313.95 per employee per month for the 1995-96 school year and \$314.51 per employee per month for the 1996-97 school year.

## **Safety Incentives**

The budget requires that school districts strictly adhere to the existing law requiring mitigation of unsafe walking areas, thus reducing the need to provide transportation. The resultant reduction in transportation expenditures from the state general fund is estimated to be \$15.9 million.

**Non-Basic Education Program Reductions**

A savings of \$4.7 million to the state general fund results from a 10 percent reduction to most non-basic education programs. Programs affected include: Educational Service Districts; Highly Capable; Magnet Schools; Complex Needs; Pacific Science Center; Education Centers; and Cispus Environmental Program. Inflation for non-basic education programs is also not funded.

**Office of the Superintendent of Public Instruction (OSPI)**

Funding for the Office of the Superintendent of Public Instruction is reduced by \$1.4 million, or 7.5 percent and nine staff positions.

**Improved Administrative Systems**

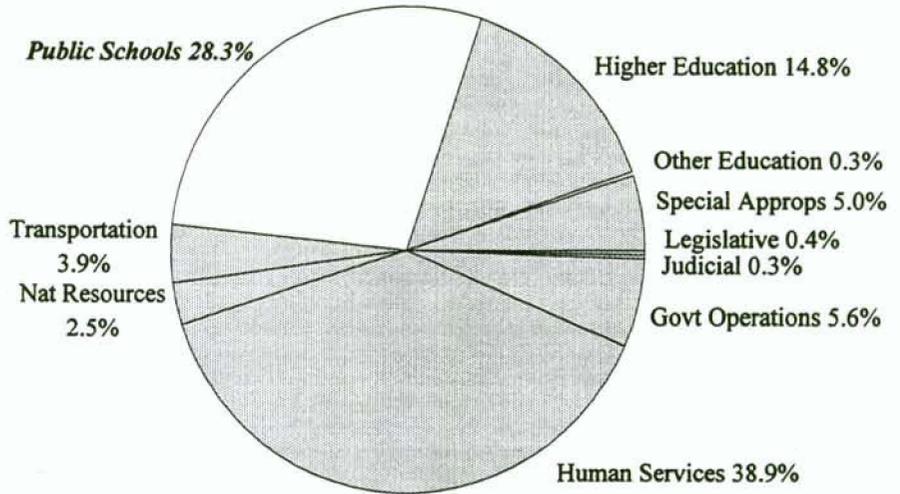
The amount of \$1.7 million from the state general fund is provided to the Superintendent of Public Instruction to purchase the software and equipment needed to stay compatible with the K-12 system.

**Salary Increase**

The amount of \$219.9 million from the state general fund is provided for a 4 percent salary increase effective September 1, 1995 for K-12 staff. A 4 percent increase is also provided for substitute teachers.

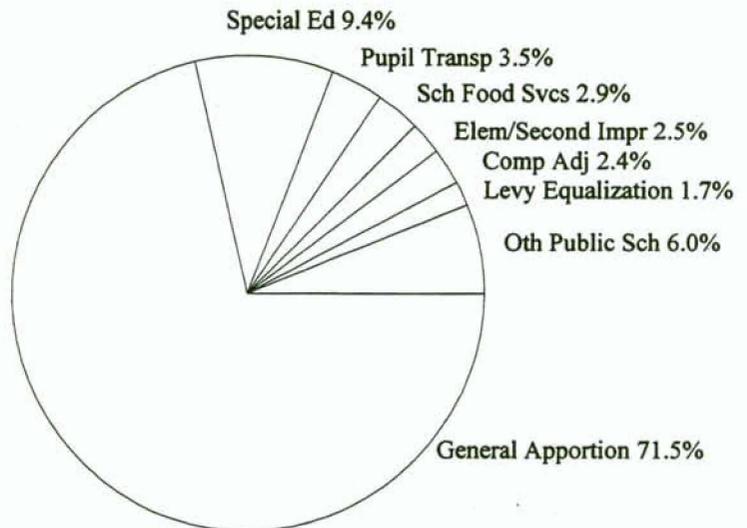
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
<b>Public Schools</b>	<b>9,037,361</b>
Higher Education	4,713,516
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

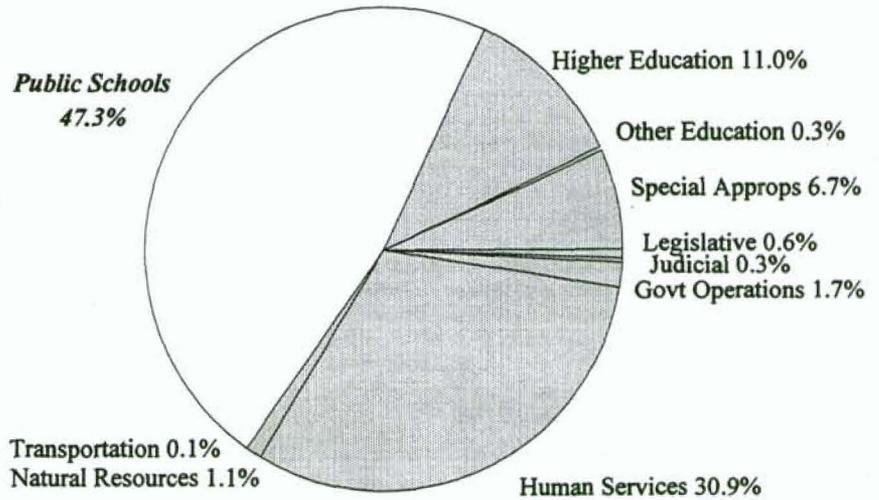
General Apportionment	6,459,744
Special Education	852,152
Pupil Transportation	320,481
School Food Services	265,606
Elem/Second Sch Improve	222,376
Compensation Adj	219,877
Levy Equalization	155,000
Other Public Schools	542,125
<b>Public Schools</b>	<b>9,037,361</b>



**Public Schools**

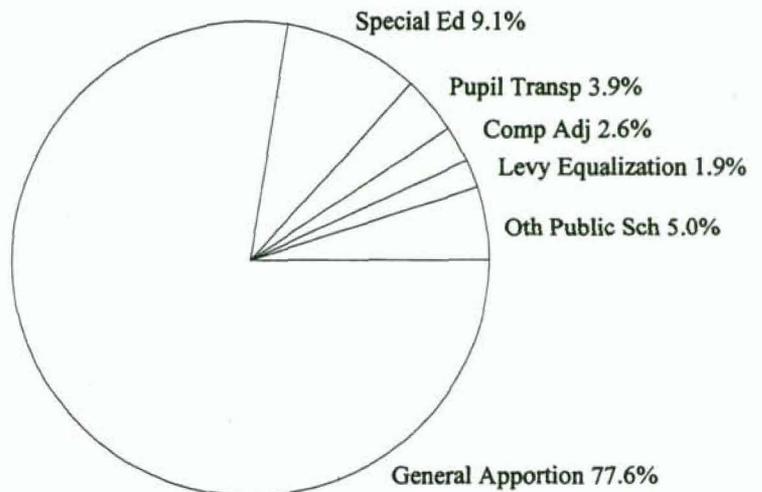
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
<b>Public Schools</b>	<b>8,321,767</b>
Higher Education	1,934,665
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

General Apportionment	6,459,744
Special Education	753,468
Pupil Transportation	320,481
Compensation Adj	219,877
Levy Equalization	155,000
Other Public Schools	413,197
<b>Public Schools</b>	<b>8,321,767</b>



**Public Schools**

# Public Schools

## WORKLOAD HISTORY

By School Year

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	Budgeted		Estimate	
							1993-94	1994-95	1995-96	1996-97
<b>General Apportionment</b>										
FTE Enrollment	733,850	748,418	768,619	795,703	823,355	850,426	871,735	896,872	908,692	929,322
% Change from prior year		2.0%	2.7%	3.5%	3.5%	3.3%	2.5%	2.9%	1.3%	2.3%
<b>Special Education</b>										
Headcount Enrollment	72,634	76,155	80,236	84,808	95,954	102,388	101,463	107,434	115,715	124,912
% Change from prior year		4.8%	5.4%	5.7%	13.1%	6.7%	-0.9%	5.9%	7.7%	7.9%
<b>Bilingual Education</b>										
Headcount Enrollment	14,505	16,877	19,344	23,513	28,156	32,200	36,306	41,001	43,900	48,318
% Change from prior year		16.4%	14.6%	21.6%	19.7%	14.4%	12.8%	12.9%	7.1%	10.1%
<b>Learning Assistance Program</b>										
Entitlement Units *	64,697	75,893	86,749	104,123	106,270	114,909	112,771	117,887	154,036	158,489
% Change from prior year		17.3%	14.3%	20.0%	2.1%	8.1%	-1.9%	4.5%	30.7%	2.9%

*Notes:*

\* Entitlement units used for allocation purposes only. Actual students served may vary. Formula changed in 1995, see detail for the Learning Assistance Program.

*Data Sources:*

1987-88 through 1992-93 actuals, and 1993-94 and 1994-95 budgeted amounts from SPI/OFM.

1995-96 and 1996-97 estimates from Legislative Conference Budget.

**Public Schools**  
**OSPI & Statewide Programs**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	35,771	37,764	73,535
<b>Eliminate One-Time Spending</b>	-2,009	0	-2,009
<b>Biennialize Current Biennium Changes</b>	-80	-3,200	-3,280
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Other Adjustments	0	8,906	8,906
2. Internal Rents	107	71	178
3. Interagency Billings	200	133	333
4. General Inflation	0	96	96
5. Compensation Changes	4	1	5
<b>Changes in Service Delivery</b>			
6. Agency Legal Services Adjustment	-15	-16	-31
<b>Program Reductions</b>			
7. Grant Admin. Cost Reduction	0	-74	-74
8. Operations Reduction	-1,438	0	-1,438
9. Curriculum Development Eliminated	-50	0	-50
10. Magnet Schools Reduced	-344	0	-344
11. Complex Needs Reduced	-486	0	-486
12. Pacific Science Center Reduced	-242	0	-242
13. Education Centers Reduced	-294	0	-294
14. Cispus Reduced	-7	0	-7
<b>Program Enhancements</b>			
15. Investigation Backlog	236	0	236
16. Food Services Program Monitoring	0	225	225
17. Improved Admin. Systems	1,700	0	1,700
18. Teen Aware	0	400	400
19. Goals 2000 Support	0	500	500
20. Resource Analysis Grants 2SHB 1027	50	0	50
21. Braille Teacher Standards	7	0	7
22. Truancy Reduction Implementation	3,050	0	3,050
<b>Total 1995-97 Biennium</b>	36,160	44,806	80,966
<b>Fiscal Year 1996 Totals</b>	18,341	22,359	40,700
<b>Fiscal Year 1997 Totals</b>	17,819	22,447	40,266

**Comments:**

1. OTHER ADJUSTMENTS - Estimate of increased budget authority needed for federal funds and reauthorization of funds for Security in Schools through Violence Reduction and Drug Enforcement (VRDE) funds.
2. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect changes in interagency billings.
4. GENERAL INFLATION - General inflation is funded for basic education programs only.
5. COMPENSATION CHANGES - Compensation changes reflect adjustments due to pension rate changes, biennialization of health benefit rates, and/or salary adjustments.
6. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
7. GRANT ADMIN. COST REDUCTION - Funding is reduced for grant administration. The Office of Superintendent of Public Instruction (OSPI) administers \$3.1 million in matching grants for security in secondary schools. The 1993-95 budget provided \$144,000, or 4.7 percent, for administrative costs associated with making the grants. The 1995-97 budget provides 2.4 percent for administrative expenses.
8. OPERATIONS REDUCTION - Funding is reduced for agency operations by 7.5 percent and nine staff positions.

## Public Schools OSPI & Statewide Programs

9. CURRICULUM DEVELOPMENT ELIMINATED - Funding is eliminated for curriculum development. In the 1993-95 biennium these funds were used as matching grants for start-up assistance to curriculum projects.
10. MAGNET SCHOOLS REDUCED - Funding is reduced 10 percent for magnet school grants. In the 1993-95 biennium the following school districts received these grants: Seattle, Tacoma, Yakima, Pasco, and Walla Walla. This program was originally designed to assist schools with high minority enrollments to attract other students through innovative course offerings.
11. COMPLEX NEEDS REDUCED - Funding is reduced 10 percent for complex needs grants. This program was designed to assist school districts with large concentrations of students at-risk. Seventeen school districts receive funds from this program.
12. PACIFIC SCIENCE CENTER REDUCED - Funding is reduced 10 percent for state funded Pacific Science Center education programs.
13. EDUCATION CENTERS REDUCED - Funding is reduced 10 percent for Education Centers (Education Clinics).
14. CISPUS REDUCED - Funding is reduced 10 percent for the Cispus Environmental Center.
15. INVESTIGATION BACKLOG - An additional 3.0 FTE staff and \$236,000 is provided to reduce the backlog in investigations of misconduct by school personnel.
16. FOOD SERVICES PROGRAM MONITORING - Funding will allow OSPI's School Nutrition and Child Care Program to meet the growing workload for monitoring school nutrition programs funded by the federal government. Adequate program monitoring is a condition for receiving approximately \$77 million for child and adult care and \$183.6 million for school nutrition programs in the 1995-97 biennium. (General Fund-Federal)
17. IMPROVED ADMIN. SYSTEMS - Funding is provided for the agency to contract with the Washington School Information Processing Cooperative (WSIPC) to reprogram various computer applications which collect and process school district fiscal, personnel, and student data. Funds are also provided to upgrade the agency's computer hardware to remain compatible with WSIPC and to implement a new student data system. Prior to implementing the new student data system, a plan ensuring the integrity and proper use of student data must be presented to the policy and fiscal committees of the Legislature.
18. TEEN AWARE - The amount of \$400,000 is provided for media productions by students at up to 40 sites to focus on issues and consequences of teenage pregnancy and child rearing.
19. GOALS 2000 SUPPORT - The sum of \$500,000 of federal Goals 2000 funds is provided to OSPI for plan development and coordination as required by the Federal Goals 2000 Act. The superintendent is required to collaborate with the Commission on Student Learning for the plan development and coordination.
20. RESOURCE ANALYSIS GRANTS 2SHB 1027 - Chapter 230, Laws of 1995 (2SHB 1027) establishes a program to help school districts which are spending less than two-thirds of their budgets on classroom or classroom support activities to analyze their spending practices in order to take necessary corrective action. Assistance will be provided to districts requesting assistance by providing matching funds.
21. BRAILLE TEACHER STANDARDS - Funding is provided to the State Board of Education to establish teacher competencies in the instruction of Braille to legally blind and visually-impaired students.
22. TRUANCY REDUCTION IMPLEMENTATION - The amount of \$3 million is provided to the school districts to carry out the truancy provisions of Chapter 312, Laws of 1995 (E2SSB 5439 -- Non-offender at-risk youth). Of this amount, \$50,000 is provided for a contract with the Institute for Public Policy to conduct an evaluation and review as outlined in section 81 of E2SSB 5439.

**Public Schools**  
**General Apportionment**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	6,007,518	0	6,007,518
<b>Eliminate One-Time Spending</b>	-18,750	0	-18,750
<b>Biennialize Current Biennium Changes</b>	83,587	0	83,587
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	35,604	0	35,604
2. K-12 Inflation	29,165	0	29,165
3. Other Adjustments	-4,755	0	-4,755
<b>Caseload &amp; Enrollment Changes</b>			
4. Enrollment/Workload Changes	152,430	0	152,430
<b>Changes in Service Delivery</b>			
5. New Special Ed. Funding Formula	239,700	0	239,700
6. Health Benefit Rates	-12,519	0	-12,519
<b>Program Reductions</b>			
7. Vocational Education Staffing Ratio	-32,180	0	-32,180
8. Eliminate Funding for Summer Voc.	-1,948	0	-1,948
9. Administrators' Salary Base Reduced	-17,855	0	-17,855
10. Ed Credits Reduced for Staff-Mix	-4,205	0	-4,205
<b>Program Enhancements</b>			
11. Pension Rate Adjustment	3,952	0	3,952
<b>Total 1995-97 Biennium</b>	6,459,744	0	6,459,744
<b>Fiscal Year 1996 Totals</b>	3,174,826	0	3,174,826
<b>Fiscal Year 1997 Totals</b>	3,284,918	0	3,284,918

**Comments:**

1. **COMPENSATION CHANGES** - Funding is provided for compensation costs related to increased education and experience of certificated instructional staff. Costs increase to the extent increased education and experience of existing staff are not offset by the reduced cost of less experienced and educated staff replacing senior staff as they retire or move to another career.
2. **K-12 INFLATION** - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
3. **OTHER ADJUSTMENTS** - Reductions result from adjustments in the Supplemental Budget for 1994-95 which impact carryforward estimates in the 1995-97 biennium.
4. **ENROLLMENT/WORKLOAD CHANGES** - Funding is provided for apportionment enrollment increases of 18,384 students (2.2 percent) in the 1995-96 school year and another 17,376 students (1.9 percent) in the 1996-97 school year.
5. **NEW SPECIAL ED. FUNDING FORMULA** - In 1983, the funding formula was changed by transferring a portion of the basic education funds for special education students from apportionment to special education. The intent was to have basic education funds follow the student for the time the student was out of the regular classroom and receiving special education. The new special education funding formula moves the regular classroom funds for special education students back into general apportionment. School districts are free to determine the appropriate education placement for special education students.
6. **HEALTH BENEFIT RATES** - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
7. **VOCATIONAL EDUCATION STAFFING RATIO** - In the 1981-83 biennium, the Legislature reduced the vocational education staffing ratio from one certificated staff per 16.67 students to one per 18.3. Beginning in 1986-87, the Legislature gradually restored the funding ratio over several biennia to one certificated staff per 16.67 students. A 1994 LEAP study of this program indicates that since 1988-89 actual staffing ratios in school districts have declined and stood at one certificated staff per 19.87 students in the 1992-93 school year. The staffing ratio is reduced to one staff per 18.3 students. The skill center formula remains at one staff per 16.67 students. Indirect charges to the program are limited to 10 percent.
8. **ELIMINATE FUNDING FOR SUMMER VOC.** - Funding is eliminated for summer vocational programs beginning in the summer of 1996.
9. **ADMINISTRATORS' SALARY BASE REDUCED** - Funding is reduced for administrator salary allocations by 4.9 percent.
10. **ED CREDITS REDUCED FOR STAFF-MIX** - Funding is reduced for additional salary resulting from clock-hour and academic credits

## Public Schools General Apportionment

earned for in-service training. Standards for receiving clock-hour and academic credits through continuing education will be tied to: (1) district strategic planning including student learning improvement associated with education reform; or (2) staff professional development plans for training related to specific assignment, future potential teaching skills, or certification requirements.

11. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools  
Compensation Adjustments  
(Dollars in Thousands)**

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	3,539	0	3,539
<b>Eliminate One-Time Spending</b>	-3,539	0	-3,539
<b>Program Enhancements</b>			
1. Substitutes' COLA	1,129	0	1,129
2. Salary Increases	218,748	0	218,748
<b>Total 1995-97 Biennium</b>	219,877	0	219,877
<b>Fiscal Year 1996 Totals</b>	96,500	0	96,500
<b>Fiscal Year 1997 Totals</b>	123,377	0	123,377

**Comments:**

1. SUBSTITUTES' COLA - Funds are provided to increase state allocations for substitute teacher pay by 4 percent effective September 1, 1995.
2. SALARY INCREASES - A 4 percent increase effective September 1, 1995 is provided for certificated and classified staff.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools**  
**Pupil Transportation**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	344,886	0	344,886
<b>Biennialize Current Biennium Changes</b>	5,789	0	5,789
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	-166	0	-166
2. K-12 Inflation	3,830	0	3,830
<b>Caseload &amp; Enrollment Changes</b>			
3. Enrollment/Workload Changes	-1,237	0	-1,237
<b>Changes in Service Delivery</b>			
4. School Bus Purchase Changes	-15,000	0	-15,000
5. Health Benefit Rates	-611	0	-611
<b>Program Reductions</b>			
6. Safety Incentives	-15,947	0	-15,947
7. Small Fleet Maintenance Factor	-1,310	0	-1,310
<b>Program Enhancements</b>			
8. State Map Project	40	0	40
9. Pension Rate Adjustment	207	0	207
<b>Total 1995-97 Biennium</b>	320,481	0	320,481
<b>Fiscal Year 1996 Totals</b>	155,970	0	155,970
<b>Fiscal Year 1997 Totals</b>	164,511	0	164,511

**Comments:**

1. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to pension rate changes, biennialization of health benefit rates, and/or salary adjustments.
2. **K-12 INFLATION** - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
3. **ENROLLMENT/WORKLOAD CHANGES** - The methodology for counting workload is revised resulting in savings.
4. **SCHOOL BUS PURCHASE CHANGES** - Chapter 10, Laws of 1995, 1st sp.s. (ESSB 5408) establishes a new reimbursement method for school district buses. The Superintendent of Public Instruction is required to solicit price quotes from bus dealers for school buses meeting state and local standards. State reimbursement will be based on the lowest price quote received for each category of bus and is expected to reduce state depreciation payments by \$15 million in the 1995-97 biennium.
5. **HEALTH BENEFIT RATES** - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
6. **SAFETY INCENTIVES** - Funding has been provided for students living within one radius mile from school who have hazardous walking conditions. RCW 28A.160.160(4) requires that school districts demonstrate that good faith efforts are being made to alleviate the problem and that there are attempts to reduce the incidence of hazardous walking conditions. A catalog of hazardous walking conditions prepared by the Office of Superintendent of Public Instruction in 1994 established that many of the hazardous conditions have been in place since 1983 and not been mitigated. The budget requires that conditions for funding of hazardous walking conditions be strictly adhered to, and that no funds are allocated to any district which is not actively engaged, to the greatest extent possible, in mitigating hazardous walking conditions.
7. **SMALL FLEET MAINTENANCE FACTOR** - The budget eliminates the small fleet maintenance factor intended to provide additional funds for school districts with diseconomies of scale for small fleets of 10 buses or less. A study by the Superintendent of Public Instruction recommended that this factor be discontinued due to its effect of overfunding many districts.
8. **STATE MAP PROJECT** - In 1994 the Office of the Superintendent of Public Instruction (OSPI) conducted a study of small school transportation times to contiguous school districts. As part of the study, OSPI procured computerized routing information covering all school districts in the state. Funds were insufficient to purchase school district boundary information such that computer maps could be drawn. The budget provides \$40,000 to complete the project.
9. **PENSION RATE ADJUSTMENT** - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools  
School Food Services**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	6,000	259,602	265,602
<b>Inflation &amp; Other Rate Adjustments</b>			
1. General Inflation	0	4	4
<b>Total 1995-97 Biennium</b>	6,000	259,606	265,606
<b>Fiscal Year 1996 Totals</b>	3,000	129,802	132,802
<b>Fiscal Year 1997 Totals</b>	3,000	129,804	132,804

**Comments:**

1. GENERAL INFLATION - General inflation is funded for basic education programs.

**Public Schools  
Special Education**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	870,001	98,684	968,685
<b>Biennialize Current Biennium Changes</b>	64,995	0	64,995
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	4,014	0	4,014
2. K-12 Inflation	3,224	0	3,224
3. Other Adjustments	-2,403	0	-2,403
<b>Caseload &amp; Enrollment Changes</b>			
4. Enrollment/Workload Changes	117,317	0	117,317
<b>Changes in Service Delivery</b>			
5. New Special Ed. Funding Formula	-300,278	0	-300,278
6. Health Benefit Rates	-1,379	0	-1,379
<b>Program Reductions</b>			
7. Administrators' Salary Base Reduced	-2,003	0	-2,003
8. Ed Credits Reduced for Staff-Mix	-457	0	-457
<b>Program Enhancements</b>			
9. Pension Rate Adjustment	437	0	437
<b>Total 1995-97 Biennium</b>	753,468	98,684	852,152
<b>Fiscal Year 1996 Totals</b>	380,179	49,342	429,521
<b>Fiscal Year 1997 Totals</b>	373,289	49,342	422,631

**Comments:**

- 1. COMPENSATION CHANGES** - Funding is provided for compensation costs related to increased education and experience of certificated instructional staff. Costs increase to the extent increased education and experience of existing staff are not offset by the reduced cost of less experienced and educated staff replacing senior staff as they retire or leave teaching.
- 2. K-12 INFLATION** - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
- 3. OTHER ADJUSTMENTS** - Increased state general fund offset due to Title XIX medicaid recoveries.
- 4. ENROLLMENT/WORKLOAD CHANGES** - Enrollment increases by 3,043 students (8.8 percent) in the 1995-96 school year and 3,254 students (8.6 percent) in the 1996-97 school year.
- 5. NEW SPECIAL ED. FUNDING FORMULA** - The special education funding formula is revised based on work by the Institute for Public Policy and the Legislative Budget Committee. The current funding formula is based on 14 categories of disability and a district's state funding is based on the number of special education students the district identifies and district specific salary costs. Since 1983, included within each district's special education allocation are basic education funds for the time that students are out of the classroom receiving special education (basic education funds are reduced by the amount of the transfer). This budget changes the special education formula as follows:
  - 1) Basic education funds which were transferred into the special education program beginning in 1983, are fully transferred back beginning with the 1995-96 school year and total \$239.7 million.
  - 2) The current 14 categories of disability are collapsed into two: disabled students 0 through 2 years old; and ages 3 to 21.
  - 3) Allocations are based on the lesser of 12.7 percent of each district's full-time equivalent (FTE) basic education enrollments, or the actual percentage of special education students. The 0-2 year-old group is not included in the calculation of the percent. School districts whose 1994-95 special education enrollment exceeds 12.7 percent are phased down over four years.
  - 4) \$34.1 million is provided for safety net purposes.
- 6. HEALTH BENEFIT RATES** - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
- 7. ADMINISTRATORS' SALARY BASE REDUCED** - Funding for administrator salary allocations is reduced by 4.9 percent.
- 8. ED CREDITS REDUCED FOR STAFF-MIX** - The budget reduces funding for additional salary resulting from clock-hour and academic credits earned for in-service training. Standards for receiving clock-hour and academic credits through continuing education will be tied to: (1) district strategic planning including student learning improvement associated with education reform; or (2) staff professional development plans for training related to specific assignment, future potential teaching skills, or certification requirements.
- 9. PENSION RATE ADJUSTMENT** - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

**Public Schools  
Special Education**

NOTE: \* Please see the 1995 Supplemental Operating Budget  
Section for additional information.

**Public Schools  
Traffic Safety Education**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	16,978	16,978
<b>Caseload &amp; Enrollment Changes</b>			
1. Enrollment/Workload Changes	0	510	510
<b>Total 1995-97 Biennium</b>	0	17,488	17,488
<b>Fiscal Year 1996 Totals</b>	0	8,652	8,652
<b>Fiscal Year 1997 Totals</b>	0	8,836	8,836

**Comments:**

1. ENROLLMENT/WORKLOAD CHANGES - Funding is provided to reflect enrollment increases in the 1995-96 and 1996-97 school years.

**Public Schools**  
**Educational Service Districts**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	10,016	0	10,016
<b>Eliminate One-Time Spending</b>	-125	0	-125
<b>Biennialize Current Biennium Changes</b>	11	0	11
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	-21	0	-21
2. K-12 Inflation	174	0	174
<b>Changes in Service Delivery</b>			
3. General Inflation	-174	0	-174
<b>Program Reductions</b>			
4. Administrators' Salary Base Reduced	-69	0	-69
5. General Reduction	-999	0	-999
<b>Program Enhancements</b>			
6. Pension Rate Adjustment	8	0	8
<b>Total 1995-97 Biennium</b>	8,821	0	8,821
<b>Fiscal Year 1996 Totals</b>	4,411	0	4,411
<b>Fiscal Year 1997 Totals</b>	4,410	0	4,410

**Comments:**

1. COMPENSATION CHANGES - Reflects savings from pension rate adjustments.
2. K-12 INFLATION - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
3. GENERAL INFLATION - Inflation adjustments are not provided for non-basic education programs.
4. ADMINISTRATORS' SALARY BASE REDUCED - Administrator salary allocations are reduced by 4.9 percent.
5. GENERAL REDUCTION - General reduction of 10 percent in state-funded portion of Educational Service District operations including Teacher Centers and Teacher Professional Development.
6. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

**Public Schools  
Levy Equalization**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	149,596	0	149,596
Biennialize Current Biennium Changes	5,404	0	5,404
<b>Total 1995-97 Biennium</b>	<b>155,000</b>	<b>0</b>	<b>155,000</b>
Fiscal Year 1996 Totals	75,408	0	75,408
Fiscal Year 1997 Totals	79,592	0	79,592

**Comments:**

None.

**Public Schools**  
**Elementary & Secondary School Improvement**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	0	197,580	197,580
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Other Adjustments	0	24,796	24,796
<b>Total 1995-97 Biennium</b>	0	222,376	222,376
<b>Fiscal Year 1996 Totals</b>	0	111,188	111,188
<b>Fiscal Year 1997 Totals</b>	0	111,188	111,188

**Comments:**

1. OTHER ADJUSTMENTS - The increase is based on estimates from the Superintendent of Public Instruction regarding what Washington's share will be of federal appropriations for this program.

**Public Schools  
Indian Education**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	0	370	370
<b>Total 1995-97 Biennium</b>	<b>0</b>	<b>370</b>	<b>370</b>
Fiscal Year 1996 Totals	0	185	185
Fiscal Year 1997 Totals	0	185	185

*Comments:*

None.

**Public Schools  
Institutional Education**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	26,318	8,548	34,866
<b>Biennialize Current Biennium Changes</b>	2,716	0	2,716
<b>Inflation &amp; Other Rate Adjustments</b>			
1. K-12 Inflation	-83	0	-83
<b>Caseload &amp; Enrollment Changes</b>			
2. Enrollment/Workload Changes	2,291	0	2,291
<b>Changes in Service Delivery</b>			
3. Health Benefit Rates	-48	0	-48
<b>Program Enhancements</b>			
4. Pension Rate Adjustment	18	0	18
<hr/>			
<b>Total 1995-97 Biennium</b>	31,212	8,548	39,760
<b>Fiscal Year 1996 Totals</b>	15,417	4,274	19,691
<b>Fiscal Year 1997 Totals</b>	15,795	4,274	20,069

**Comments:**

The appropriations act requires that state funded staffing levels in these programs not exceed the ratios specified in the budget notes. The ratios for the various institutions are as follows:

**Handicapped Institutions**

- 7.8 FTE students to 1 instructional staff
- 69.9 FTE students to 1 administrative staff
- 6.0 FTE students to 1 classified staff

**Delinquent Institutions**

- 9.3 FTE students to 1 instructional staff
- 78.7 FTE students to 1 administrative staff
- 64.5 FTE students to 1 classified staff

**Group Homes**

- 5.5 instructional staff

**County Detention Centers**

- 10.0 FTE students to 1 instructional staff

1. K-12 INFLATION - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.

2. ENROLLMENT/WORKLOAD CHANGES - Institutional costs change as enrollments change:

FTE Student Enrollments	'93-94	'94-95	'95-96	'96-97
Handicapped Inst.	170	165	150	146
Delinquent Inst.	720	876	930	965
Group Homes	77	76	94	94
County Detention Ctrs	696	750	800	850
<b>TOTAL</b>	1,663	1,867	1,974	2,055

3. HEALTH BENEFIT RATES - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996

for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.

4. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools**  
**Education of Highly Capable Students**  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures *	8,939	0	8,939
Biennialize Current Biennium Changes	-77	0	-77
<b>Inflation &amp; Other Rate Adjustments</b>			
1. K-12 Inflation	91	0	91
<b>Caseload &amp; Enrollment Changes</b>			
2. Enrollment/Workload Changes	550	0	550
<b>Changes in Service Delivery</b>			
3. Health Benefit Rates	-13	0	-13
<b>Program Reductions</b>			
4. General Inflation	-91	0	-91
5. Administrators' Salary Base Reduced	-19	0	-19
6. General Reduction	-853	0	-853
<b>Program Enhancements</b>			
7. Pension Rate Adjustment	4	0	4
<b>Total 1995-97 Biennium</b>	<b>8,531</b>	<b>0</b>	<b>8,531</b>
<b>Fiscal Year 1996 Totals</b>	<b>4,254</b>	<b>0</b>	<b>4,254</b>
<b>Fiscal Year 1997 Totals</b>	<b>4,277</b>	<b>0</b>	<b>4,277</b>

**Comments:**

1. K-12 INFLATION - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
2. ENROLLMENT/WORKLOAD CHANGES - Funding is provided for enrollment increases for allocations tied to the increase in general apportionment enrollment. Allocations are based on an additional 274 students (2.2 percent) in the 1995-96 school year and an additional 259 students (2.0 percent) in the 1996-97 school year.
3. HEALTH BENEFIT RATES - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
4. GENERAL INFLATION - No inflation increase is provided for non-basic education programs.
5. ADMINISTRATORS' SALARY BASE REDUCED - Funding for administrator salary allocations is reduced by 4.9 percent.
6. GENERAL REDUCTION - Reductions of 10 percent are made in most non-basic education programs including the highly capable (gifted) program.
7. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools  
Education Reform**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	76,174	0	76,174
<b>Biennialize Current Biennium Changes</b>	36,791	0	36,791
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Other Adjustments	10,110	0	10,110
2. Internal Rents	17	0	17
3. Interagency Billings	32	0	32
4. Compensation Changes	1	0	1
<b>Changes in Service Delivery</b>			
5. Delay Goal 2 Assessment Dev.	-4,500	0	-4,500
<b>Program Reductions</b>			
6. Planning Days Redirected	-79,929	0	-79,929
7. Reduce Coord. Sch & Hmn Svcs	-800	0	-800
8. Assessment Development (CSL)	-500	0	-500
9. School-to-Work Transitions	-330	0	-330
10. Mentor/Beginning Teacher Assist.	-330	0	-330
11. Supt/Principal Internships	-180	0	-180
12. Improve Technology Infrastructure	-450	0	-450
13. SPI Restructuring Assistance	-140	0	-140
<b>Program Enhancements</b>			
14. Goals 2000 Support	0	12,500	12,500
<b>Total 1995-97 Biennium</b>	35,966	12,500	48,466
<b>Fiscal Year 1996 Totals</b>	17,904	5,625	23,529
<b>Fiscal Year 1997 Totals</b>	18,062	6,875	24,937

**Comments:**

- |  |                           |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
|--|---------------------------|-------------|--------------------------------------|-------------|------------------------|-------------|--------------------|-------------|---------------------------|-------------|-------------------------------------|-------------|--------------------------------------|-------------|---------------------------|-------------|----------------|-------------|---|-------------|---|
| <p>Programs to implement education reform were funded for the 1995-97 biennium:</p> <table border="0"> <tr><td>Paraprofessional Training</td><td align="right">\$2,190,000</td></tr> <tr><td>Commission on Student Learning (CSL)</td><td align="right">\$3,819,000</td></tr> <tr><td>Assessment Development</td><td align="right">\$4,890,000</td></tr> <tr><td>Readiness to Learn</td><td align="right">\$7,200,000</td></tr> <tr><td>School-to-Work Transition</td><td align="right">\$2,970,000</td></tr> <tr><td>Mentor/Beginning Teacher Assistance</td><td align="right">\$2,970,000</td></tr> <tr><td>Superintendent/Principal Internships</td><td align="right">\$1,620,000</td></tr> <tr><td>Technology Infrastructure</td><td align="right">\$4,050,000</td></tr> <tr><td>Meals for Kids</td><td align="right">\$5,000,000</td></tr> <tr><td>Center: Improvement of Student Learning</td><td align="right">\$1,260,000</td></tr> </table> | Paraprofessional Training | \$2,190,000 | Commission on Student Learning (CSL) | \$3,819,000 | Assessment Development | \$4,890,000 | Readiness to Learn | \$7,200,000 | School-to-Work Transition | \$2,970,000 | Mentor/Beginning Teacher Assistance | \$2,970,000 | Superintendent/Principal Internships | \$1,620,000 | Technology Infrastructure | \$4,050,000 | Meals for Kids | \$5,000,000 | Center: Improvement of Student Learning | \$1,260,000 | <p>5. DELAY GOAL 2 ASSESSMENT DEV. - The timeline for developing assessment tools for measuring student performance is extended one year. Costs are deferred, not eliminated.</p> <p>6. PLANNING DAYS REDIRECTED - Funding is provided through the block grant program (Education Enhancement) for the equivalent of three planning days per year for: (1) activities consistent with the goals of the Basic Education Act as modified by the 1993 Education Reform Act; and (2) the assessment system being developed by the Commission on Student Learning (CSL). The portion of block grants associated with this policy are provided on a fiscal year basis.</p> <p>7. REDUCE COORD. SCH &amp; HMN SVCS - Funding is reduced by 10 percent for readiness-to-learn programs established through the multi-agency Family Policy Council. Twenty-two local projects were initiated through provisions of the 1993 Education Reform Act.</p> <p>8. ASSESSMENT DEVELOPMENT (CSL) - Funding is reduced by 8 percent for field testing of various assessment approaches to determine validity and reliability of methods to measure student performance.</p> <p>9. SCHOOL-TO-WORK TRANSITIONS - Funding is reduced by 10 percent for projects integrating academic and vocational education as a part of the 1993 Education Reform Act.</p> <p>10. MENTOR/BEGINNING TEACHER ASSIST. - Funding is reduced by 10 percent for training new teachers with experienced mentor teachers.</p> |
| Paraprofessional Training  | \$2,190,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Commission on Student Learning (CSL)   | \$3,819,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Assessment Development   | \$4,890,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Readiness to Learn   | \$7,200,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| School-to-Work Transition  | \$2,970,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Mentor/Beginning Teacher Assistance  | \$2,970,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Superintendent/Principal Internships   | \$1,620,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Technology Infrastructure  | \$4,050,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Meals for Kids   | \$5,000,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| Center: Improvement of Student Learning  | \$1,260,000               |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |
| <p>1. OTHER ADJUSTMENTS - Adjustments are provided for the student learning grants resulting from increased school district participation in education reform.</p> <p>2. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).</p> <p>3. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>4. COMPENSATION CHANGES - Compensation changes reflect adjustments due to pension rate changes, biennialization of health benefit rates, and/or salary adjustments.</p>  |                           |             |                                      |             |                        |             |                    |             |                           |             |                                     |             |                                      |             |                           |             |                |             |   |             |   |

## Public Schools Education Reform

11. SUPT/PRINCIPAL INTERNSHIPS - Funding is reduced by 10 percent for "on-site" training of new administrators by experienced "mentors".
12. IMPROVE TECHNOLOGY INFRASTRUCTURE - Funding is reduced 10 percent for projects integrating technology as a part of education restructuring consistent with the 1993 Education Reform Act.
13. SPI RESTRUCTURING ASSISTANCE - Funding is reduced 10 percent for technical assistance through the Center for the Improvement of Student Learning (CISL) to school districts on issues of education restructuring associated with the 1993 Education Reform Act.
14. GOALS 2000 SUPPORT - A total of \$14.1 million in Federal Goals 2000 money will be available to support state education reform efforts. The budget allocates: \$10.0 million to supplement state student learning improvement grants; \$1.7 million for grants to schools and colleges for professional development programs; and \$800,000 for developing student assessment tools. (An additional \$500,000 is provided in the OSPI office budget.)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools  
Federal Encumbrances**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 Estimated Expenditures	0	51,216	51,216
<b>Total 1995-97 Biennium</b>	0	51,216	51,216
Fiscal Year 1996 Totals	0	51,216	51,216
Fiscal Year 1997 Totals	0	0	0

**Comments:**

None.

**Public Schools**  
**Transitional Bilingual Instruction**  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures *	47,057	0	47,057
Biennialize Current Biennium Changes	4,583	0	4,583
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Compensation Changes	-263	0	-263
<b>Caseload &amp; Enrollment Changes</b>			
2. Enrollment/Workload Changes	5,760	0	5,760
<b>Changes in Service Delivery</b>			
3. Health Benefit Rates	-115	0	-115
<b>Program Reductions</b>			
4. Administrators' Salary Base Reduced	-205	0	-205
<b>Program Enhancements</b>			
5. Pension Rate Adjustment	35	0	35
<b>Total 1995-97 Biennium</b>	<b>56,852</b>	<b>0</b>	<b>56,852</b>
<b>Fiscal Year 1996 Totals</b>	<b>27,286</b>	<b>0</b>	<b>27,286</b>
<b>Fiscal Year 1997 Totals</b>	<b>29,566</b>	<b>0</b>	<b>29,566</b>

**Comments:**

1. COMPENSATION CHANGES - Compensation changes reflect adjustments due to pension rate changes, biennialization of health benefit rates, and/or salary adjustments.
2. ENROLLMENT/WORKLOAD CHANGES - Enrollment is forecast to increase by 4,015 students (10.1 percent) in the 1995-96 school year and 4,418 students (10.1 percent) in the 1996-97 school year.
3. HEALTH BENEFIT RATES - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
4. ADMINISTRATORS' SALARY BASE REDUCED - Funding for administrator salary allocations is reduced by 4.9 percent.
5. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools**  
**Learning Assistance Program (LAP)**  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures *	107,913	0	107,913
Biennialize Current Biennium Changes	2,267	0	2,267
Inflation & Other Rate Adjustments			
1. Other Adjustments	312	0	312
Caseload & Enrollment Changes			
2. Enrollment/Workload Changes	3,835	0	3,835
Changes in Service Delivery			
3. Health Benefit Rates	-310	0	-310
Program Enhancements			
4. Pension Rate Adjustment	83	0	83
<b>Total 1995-97 Biennium</b>	<b>114,100</b>	<b>0</b>	<b>114,100</b>
<b>Fiscal Year 1996 Totals</b>	<b>56,293</b>	<b>0</b>	<b>56,293</b>
<b>Fiscal Year 1997 Totals</b>	<b>57,807</b>	<b>0</b>	<b>57,807</b>

**Comments:**

The budget institutes a new funding formula pursuant to Chapter 13, Laws of 1995, 1st sp.s. (SB 6010). Under the current funding formula, allocations for each district are based on the percentage of students scoring in the lowest quartile on a nationally-normed test in the 4th and 8th grades adjusted for Specific Learning Disabled enrollment. In addition to test results, SB 6010 adds a poverty factor for calculating each district's funding amount. The poverty factor in the budget provides additional funding for districts with above average percentage of students eligible for free and reduced price lunch. The poverty factor is phased in over a number of years.

1. OTHER ADJUSTMENTS - Technical adjustments in workload due to adoption of the new special education formula.
2. ENROLLMENT/WORKLOAD CHANGES - Funding is provided for increased K-9th grade enrollment and increasing numbers of 4th and 8th grade students scoring in the lowest quartile on a nationally-normed test. The workload units are increased 3,862 (3.3 percent) for the 1995-96 school year and 3,722 (3.1 percent) for the 1996-97 school year.
3. HEALTH BENEFIT RATES - The insurance benefits rate is \$313.95 per full-time equivalent employee per month for the 1995-96 school year and \$314.51 per full-time equivalent employee per month for the 1996-97 school year. School districts and educational service districts shall remit funding for a retiree insurance benefits subsidy to the Health Care Authority at a rate of \$14.79 per month beginning October 1, 1995 and \$14.80 per month beginning September 1, 1996 for each eligible full-time employee and a pro-rated remittance for each eligible part-time employee.
4. PENSION RATE ADJUSTMENT - State allocations are increased for the Teachers' Retirement System (TRS) from 12.13 percent to 12.22 percent and allocations for the Public Employees' Retirement System (PERS) are increased from 7.26 percent to 7.42 percent. Changes are effective September 1, 1995.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Public Schools  
Block Grants**  
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures *	47,587	0	47,587
Biennialize Current Biennium Changes	-861	0	-861
<b>Inflation &amp; Other Rate Adjustments</b>			
1. K-12 Inflation	1,883	0	1,883
<b>Caseload &amp; Enrollment Changes</b>			
2. Enrollment/Workload Changes	1,393	0	1,393
<b>Changes in Service Delivery</b>			
3. General Inflation	-1,883	0	-1,883
<b>Program Enhancements</b>			
4. Planning Days Redirected	67,436	0	67,436
<b>Total 1995-97 Biennium</b>	<b>115,555</b>	<b>0</b>	<b>115,555</b>
<b>Fiscal Year 1996 Totals</b>	<b>57,126</b>	<b>0</b>	<b>57,126</b>
<b>Fiscal Year 1997 Totals</b>	<b>58,429</b>	<b>0</b>	<b>58,429</b>

**Comments:**

1. K-12 INFLATION - Provides inflation increases for non-employee related costs (NERCs): 2.9 percent in the 1995-96 school year and 3.1 percent in the 1996-97 school year.
2. ENROLLMENT/WORKLOAD CHANGES - This program is funded on a per student basis. The increased cost reflects increased K-12 enrollment which is 887,265 full-time equivalent (FTE) students in the 1994-95 school year and is expected to increase to 908,692 FTEs in the 1995-96 school year and 929,329 FTEs in the 1996-97 school year.
3. GENERAL INFLATION - No inflation increase is provided for non-basic education programs.
4. PLANNING DAYS REDIRECTED - The budget provides funding for the equivalent of three planning days per year for activities consistent with: (1) the basic education act goals as modified by the 1993 Education Reform Act; and (2) the assessment system being developed by the Commission on Student Learning. The portion of block grants associated with this policy are provided on a fiscal year basis.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.



# Higher Education

## **Across-the-Board Reductions**

The 1994 Supplemental Budget bill directed all higher education institutions to plan for across-the-board reductions (2.4 percent at the 4-year institutions and 2.0 percent at the 2-year institutions) to support salary increases during the 1995-97 biennium.

The 1995-97 operating budget reflects this reduction, and institutions are directed to absorb, through internal re-allocations, \$38.7 million of the cost of the salary increase.

## **Salary Increases**

The amount of \$71.3 million from the state general fund is provided for a 4.0 percent salary increase beginning July 1, 1995. The institutions have discretion over the distribution of this increase to faculty and non-civil service employees. The total cost of this increase is \$71.3 million, a portion of which is funded with across-the-board reductions.

The budget also includes \$4.2 million for longevity, education, or experience increments for community and technical college faculty, and \$3.2 million is provided for increases to address salary inequities for University of Washington librarians and professional staff.

## **Access/Enrollment Increases**

The amount of \$20.1 million from the state general fund, \$10.8 million from the Employment and Training Trust Fund, and \$9.5 million from local tuition funds is provided for 5,258 additional students in public higher education. Of this amount, 2,058 are allocated to the 4-year institutions and 3,200 are allocated to the community and technical colleges. Funding for new enrollments is based on the average cost of instruction for each institution, weighted for the number of new undergraduates and graduate students. Of the 3,200 new students in the community and technical colleges, 1,000 students are General Fund-State supported and 2,200 are supported with funds from the Employment and Training Trust.

## **Tuition Increases**

Under Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325), tuition rates are increased by 4.0 percent in the 1995-96 academic year and an additional 4.0 percent in the 1996-97 academic year. The resulting \$36.4 million of increased tuition revenue is retained by the institutions for enhancements and general instructional support.

## **State General Fund Enhancements**

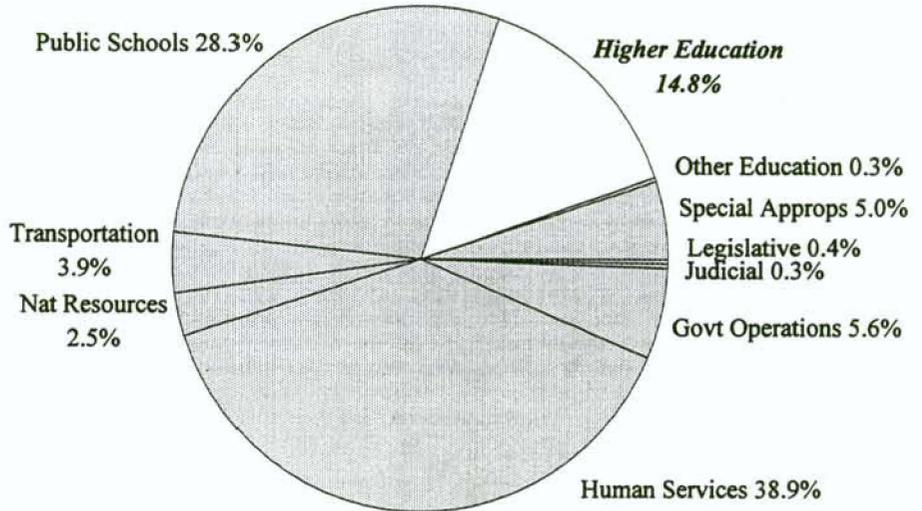
The amount of \$9.6 million from the state general fund is provided for general enhancements and instructional support improvements. Of this, \$500,000 is specifically for expansion of the Mathematics, Engineering, and Science Achievement (MESA) program to additional middle and high school students.

**Student Financial Aid**

Totals of \$20.2 million from the state general fund and \$7.6 million from the Employment and Training Trust Fund are provided to expand student financial aid programs. Included in this is an additional \$11.7 million for the State Need Grant, a grant program to assist needy students administered by the Higher Education Coordinating Board and an additional \$7.0 million for increased financial aid administered by each institution. The \$7.0 million for institutionally-administered financial aid includes \$785,000 to make this program available to technical college students. The amount of \$1.6 million is provided for grants to recipients of the Washington Scholars Award and the Washington Award for Vocational Excellence. The amount of \$7.6 million is provided from the Employment and Training Trust Fund for extended unemployment benefits and job placement assistance for dislocated workers attending community or technical colleges.

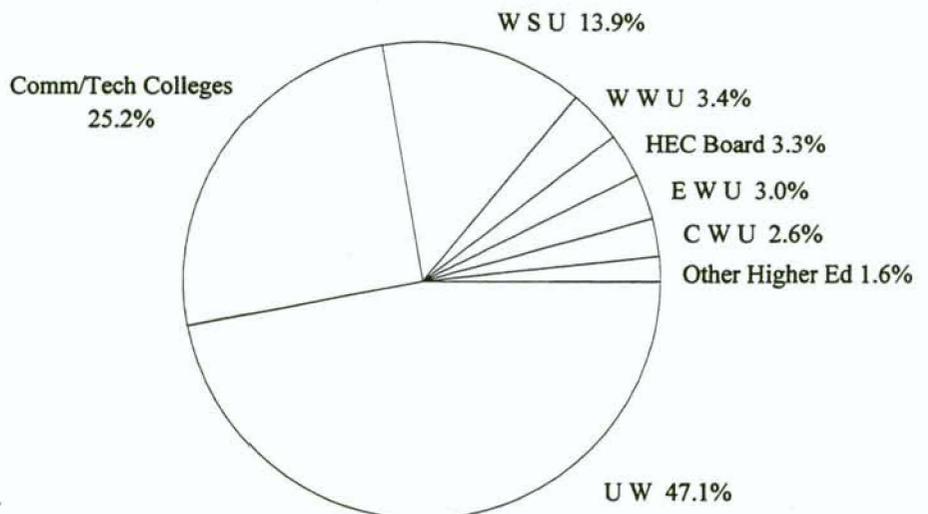
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
<b>Higher Education</b>	<b>4,713,516</b>
Other Education	88,662
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

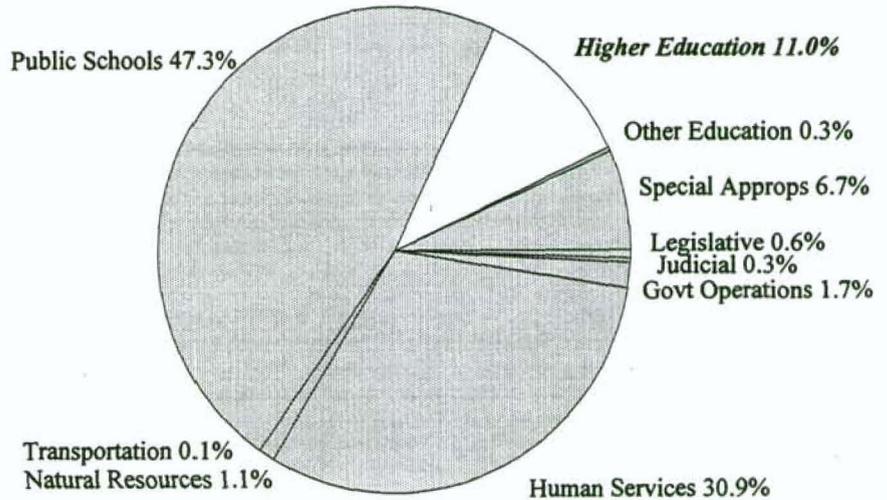
Univ of Washington	2,217,812
Community/Tech Colleges	1,187,571
Washington State Univ	657,530
Western Washington Univ	160,383
Higher Ed Coord Board	153,691
Eastern Washington Univ	141,009
Central Washington Univ	121,108
Other Higher Education	74,412
<b>Higher Education</b>	<b>4,713,516</b>



**Higher Education**

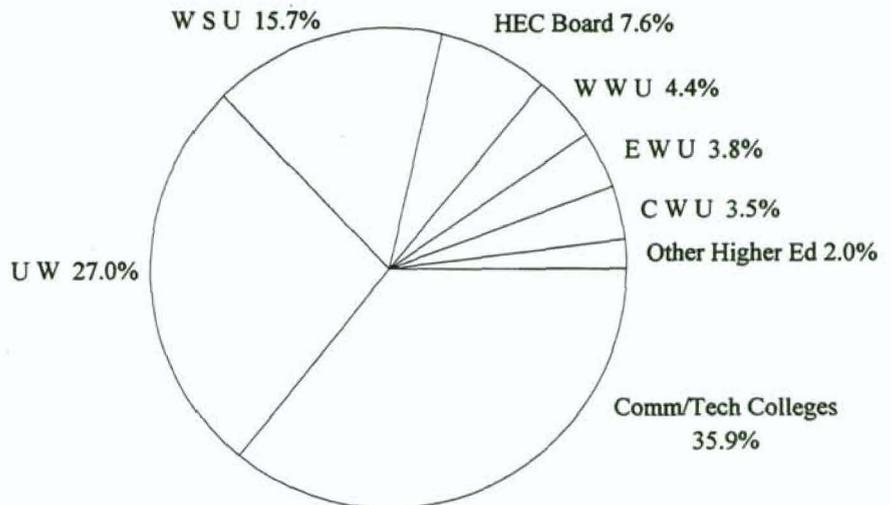
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
<b>Higher Education</b>	<b>1,934,665</b>
Other Education	45,928
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

Community/Tech Colleges	694,491
Univ of Washington	522,302
Washington State Univ	304,456
Higher Ed Coord Board	146,769
Western Washington Univ	85,706
Eastern Washington Univ	73,825
Central Washington Univ	67,738
Other Higher Education	39,378
<b>Higher Education</b>	<b>1,934,665</b>



**Higher Education**

## Higher Education FTE Student Enrollment History

by Academic Year

	Actual Enrollment							Budgeted	
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94 *	1994-95	1995-96	1996-97
Community and Technical Colleges	97,206	98,931	100,523	104,295	107,115	111,035	113,609	111,986	113,586
General Enrollment **	97,206	98,931	100,523	104,295	107,115	111,035	113,609	105,886	106,386
Dislocated Workers	0	0	0	0	0	**	**	6,100	7,200
Four-Year Schools	70,314	71,075	72,566	73,071	74,481	76,411	77,305	76,704	77,734
University of Washington	29,679	29,623	30,123	30,723	31,210	31,341	31,493	31,549	31,809
Washington State University	16,025	16,590	16,777	16,452	16,685	17,467	18,007	17,835	18,285
Eastern Washington University	6,924	7,214	7,417	7,360	7,533	7,635	7,605	7,656	7,739
Central Washington University	6,018	6,221	6,429	6,312	6,588	7,339	7,337	6,903	6,997
The Evergreen State College	3,018	2,988	3,089	3,203	3,326	3,282	3,377	3,278	3,298
Western Washington University	8,650	8,439	8,731	9,021	9,139	9,347	9,486	9,483	9,606
Higher Education Coordinating Board ***	0	0	0	7	21	63	104	50	50
<b>Total Higher Education</b>	<b>167,520</b>	<b>170,006</b>	<b>173,089</b>	<b>177,373</b>	<b>181,617</b>	<b>187,509</b>	<b>191,018</b>	<b>188,740</b>	<b>191,370</b>

- Notes:
- \* Enrollment caps were eliminated in 1993-94. For the 1993-94 and 1994-95 academic years actual enrollments exceed budgeted levels.
  - \*\* General Enrollment: Includes technical college and Distressed Economic Community program enrollments. For 1993-94 and 1994-95 actual enrollment includes dislocated worker FTEs funded through the Employment and Training Trust Fund.
  - \*\*\* Data Source: Higher Education Coordinating Board

## Higher Education Budgeted Enrollment Increases

by Academic Year

	FTE Student Enrollment				
	<b>Budgeted Level <u>1994-95</u></b>	<b>Increase <u>1995-96</u></b>	<b>Total Budgeted <u>1995-96</u></b>	<b>Increase <u>1996-97</u></b>	<b>Total Budgeted <u>1996-97</u></b>
Community and Technical Colleges	110,386	1,600	111,986	1,600	113,586
General Enrollment and DEC *	105,386	500	105,886	500	106,386
Dislocated Workers	5,000	1,100	6,100	1,100	7,200
Four-Year Schools	75,676	1,028	76,704	1,030	77,734
University of Washington	31,290	259	31,549	260	31,809
Washington State University	17,385	450	17,835	450	18,285
Eastern Washington University	7,573	83	7,656	83	7,739
Central Washington University	6,810	93	6,903	94	6,997
The Evergreen State College	3,258	20	3,278	20	3,298
Western Washington University	9,360	123	9,483	123	9,606
Higher Education Coordinating Board	50	0	50	0	50
<b>Total Higher Education</b>	<b>186,112</b>	<b>2,628</b>	<b>188,740</b>	<b>2,630</b>	<b>191,370</b>

\* DEC = Distressed Economic Community enrollments

**Community and Technical College System  
1995-97 FTE Enrollment Plan -- District Allocations**

<u>District Number</u>	<u>District Name</u>	<u>Beginning Level 1994-95</u>	<u>Biennial Increase 1995-97</u>	<u>Total Budgeted 1995-97</u>
28	Bates	3,524	22	3,546
8	Bellevue	5,264	56	5,320
25	Bellingham	1,443	6	1,449
18	Big Bend	1,249	18	1,267
12	Centralia	1,764	10	1,774
14	Clark	4,832	64	4,896
29	Clover Park	3,361	14	3,375
19	Columbia Basin	3,670	26	3,696
23	Edmonds	3,456	52	3,508
5	Everett	3,940	10	3,950
2	Grays Harbor	1,396	12	1,408
10	Green River	4,304	32	4,336
9	Highline	4,896	28	4,924
26	Lake Washington	2,084	32	2,116
13	Lower Columbia	2,201	10	2,211
3	Olympic	3,842	36	3,878
1	Peninsula	1,213	34	1,247
11	Pierce	4,228	58	4,286
27	Renton	2,533	30	2,563
6	Seattle	11,898	62	11,960
7	Shoreline	4,560	28	4,588
4	Skagit Valley	2,814	36	2,850
24	South Puget Sound	2,442	56	2,498
17	Spokane	11,607	38	11,645
22	Tacoma	3,394	22	3,416
20	Walla Walla	2,280	14	2,294
15	Wenatchee Valley	1,884	42	1,926
21	Whatcom	1,415	24	1,439
16	Yakima Valley	3,392	88	3,480
	Apprentice Pool	0	40	40
	<b>General Education Sub-Total</b>	<b>104,886</b>	<b>1,000</b>	<b>105,886</b>
	Distressed Economic Communities	500	0	500
	Dislocated Workers	5,000	2,200	7,200
	<b>System Total</b>	<b>110,386</b>	<b>3,200</b>	<b>113,586</b>

*Note: The State Board for Community and Technical Colleges (SBCTC) re-allocates Distressed Economic Community enrollments and Workforce Training enrollments to districts annually.*

*Data Sources: SBCTC and SSB 5968.*

## 1995-97 New Tuition and Services and Activities Fee Rates

	Current Rate	New Rates	
	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>
<b>Research Universities*</b>			
Resident Undergraduate	\$2,907	\$3,021	\$3,141
Resident Graduate	\$4,566	\$4,747	\$4,935
Resident MD/DDS/DVM	\$7,458	\$7,754	\$8,063
Nonresident Undergraduate	\$8,199	\$8,525	\$8,865
Nonresident Graduate	\$11,436	\$11,891	\$12,366
Nonresident MD/DDS/DVM	\$18,933	\$19,688	\$20,475
<b>Comprehensive Institutions*</b>			
Resident Undergraduate	\$2,256	\$2,342	\$2,432
Resident Graduate	\$3,600	\$3,740	\$3,886
Nonresident Undergraduate	\$7,974	\$8,289	\$8,617
Nonresident Graduate	\$10,935	\$11,368	\$11,819
<b>Community Colleges</b>			
Resident Undergraduate	\$1,296	\$1,350	\$1,401
Nonresident Undergraduate	\$5,094	\$5,298	\$5,511

\* *Services and Activities Fees are dependent on bonded debt; therefore, actual "tuition and fees" for an individual institution will vary slightly from the averages shown for research and comprehensive institutions.*

## Community & Technical College System

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	674,674	427,434	1,102,108
<b>Biennialize Current Biennium Changes</b>	-11,525	32,930	21,405
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	1,642	0	1,642
2. Interagency Billings	245	143	388
3. Compensation Changes	-158	0	-158
4. Agency Legal Services Adjustment	-75	0	-75
<b>Caseload &amp; Enrollment Changes</b>			
5. New Facilities Maintenance	688	0	688
<b>Changes in Service Delivery</b>			
6. Olympic College 2 + 2 Transfer	-297	0	-297
7. Study of Unemployed Worker Training	0	750	750
<b>Program Reductions</b>			
8. 2.4 Percent/2.0 Percent Reduction	-13,498	0	-13,498
<b>Program Enhancements</b>			
9. WIN Kiosks	35	0	35
10. Enrollment Increase	4,521	12,250	16,771
11. Workforce Trust	0	7,632	7,632
12. Enhancements	3,729	0	3,729
13. Institutional Aid Fund	2,563	0	2,563
14. Plan I Retirement COLA	315	0	315
15. State Employee COLA Increase	27,432	0	27,432
16. Increments	4,200	0	4,200
17. Tuition Increase	0	11,941	11,941
<b>Total 1995-97 Biennium</b>	694,491	493,080	1,187,571
<b>Fiscal Year 1996 Totals</b>	345,763	241,066	586,829
<b>Fiscal Year 1997 Totals</b>	348,728	252,014	600,742

### Comments:

1. HEALTH BENEFIT RATES - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. Technical colleges shall remit a retiree subsidy to the Health Care Authority for each employee, eligible for benefits, who does not purchase benefits through the authority. (General Fund-State, General Fund-Federal, other funds)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. NEW FACILITIES MAINTENANCE - Funding is provided for operational costs of facilities funded and completed in the second year of the 1993-95 biennium and those expected to come on-line during the 1995-97 biennium. The Office of Financial Management will allocate funds when the college(s) begins incurring operating-related costs.
6. OLYMPIC COLLEGE 2 + 2 TRANSFER - Transfers current-level funding to the University of Washington and Western Washington University to continue the extended degree programs at Olympic College.
7. STUDY OF UNEMPLOYED WORKER TRAINING - Funding is provided to study the effectiveness and outcomes of unemployed worker training.
8. 2.4 PERCENT/2.0 PERCENT REDUCTION - Colleges will absorb a 2.0 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)
9. WIN KIOSKS - Funding is provided for participation in the Washington Information Network (WIN) kiosk system.
10. ENROLLMENT INCREASE - Funding is provided for a total of 3,200 additional student FTEs: 1,600 in the first year of the biennium; and 1,600 additional FTEs in the second year of the biennium. Of the 3,200 enrollment FTEs, 2,200 (1,100 each year) are funded through the Employment and Training Trust Fund.
11. WORKFORCE TRUST - Funding is provided for financial assistance for dislocated workers enrolled at community and technical

## Community & Technical College System

colleges whose unemployment benefits are exhausted. (Employment and Training Trust Fund)

12. ENHANCEMENTS - Funding is provided for general enhancements and instructional support.
13. INSTITUTIONAL AID FUND - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325). This funding includes \$785,000 to make the institutional financial aid program available to technical college students.
14. PLAN I RETIREMENT COLA - Funding is provided to support Plan I pension cost-of-living adjustment (COLA) legislation (Chapter 345, Laws of 1995 -- SSB 5119).
15. STATE EMPLOYEE COLA INCREASE - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)
16. INCREMENTS - Funding is provided for salary increases due to experience and longevity.
17. TUITION INCREASE - Increased revenue resulting from a tuition increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. -- ESSB 5325). (Institution Tuition Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**University of Washington**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	503,780	1,673,193	2,176,973
<b>Eliminate One-Time Spending</b>	-25	0	-25
<b>Biennialize Current Biennium Changes</b>	-6,552	6,126	-426
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	289	965	1,254
2. Compensation Changes	300	94	394
3. Agency Legal Services Adjustment	-123	0	-123
<b>Changes in Service Delivery</b>			
4. New Facilities Maintenance	1,471	0	1,471
5. Oil Spill Account Reductions	0	-190	-190
6. State Toxics Lab Workload	0	185	185
7. Olympic College 2 + 2 Transfer	237	0	237
<b>Program Reductions</b>			
8. Health Benefit Rates	1,133	67	1,200
9. 2.4 Percent/2.0 Percent Reduction	-12,099	0	-12,099
<b>Program Enhancements</b>			
10. Enrollment Increase	4,821	2,288	7,109
11. MESA Enhancement	500	0	500
12. Environmental Health Programs	0	608	608
13. Enhancements	2,285	0	2,285
14. Institutional Aid Fund	2,088	0	2,088
15. Plan I Retirement COLA	202	130	332
16. State Employee COLA Increase	23,995	386	24,381
17. Farm Workers Clinic	0	184	184
18. Tuition Increase	0	11,474	11,474
<b>Total 1995-97 Biennium</b>	522,302	1,695,510	2,217,812
<b>Fiscal Year 1996 Totals</b>	263,981	838,213	1,102,194
<b>Fiscal Year 1997 Totals</b>	258,321	857,297	1,115,618

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. NEW FACILITIES MAINTENANCE - Funds are provided for operational costs of facilities funded and completed in the second year of the 1993-95 biennium and those expected to come on-line during the 1995-97 biennium. The Office of Financial Management will allocate funds when the institution begins incurring operating-related costs.
5. OIL SPILL ACCOUNT REDUCTIONS - The funding for the University of Washington Seagrant Program is transferred to the Office of Marine Safety. The Seagrant Program will be handled as a contract between the Office of Marine Safety and the University of Washington. (Oil Spill Administration Account)
6. STATE TOXICS LAB WORKLOAD - Funding is provided for equipment replacement required by the Omnibus Drunk Driving Act of 1994, hazardous waste disposal, and specialized drug testing. (Death Investigation Account)
7. OLYMPIC COLLEGE 2 + 2 TRANSFER - Current level funds for the Olympic College 2 + 2 Program are transferred from the State Board for Community and Technical Colleges to the University of Washington and Western Washington University. The current level enrollment of 20 student FTEs at the Tacoma branch campus is continued, and is in addition to the enrollment levels specified in the omnibus appropriations act.
8. HEALTH BENEFIT RATES - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
9. 2.4 PERCENT/2.0 PERCENT REDUCTION - Institutions will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)

## University of Washington

10. **ENROLLMENT INCREASE** - The University of Washington is funded for 259 additional student FTEs in the first year of the biennium, and an additional 260 in the second year of the biennium. Funds an additional 31 student FTEs each year at the Seattle campus, 46 each year in the Seattle evening degree program, 98 in the first year of the biennium and 99 in the second year of the biennium at the Tacoma campus, and 84 each year at the Bothell campus. It is the intent of the Legislature that 15 student FTEs each year, from the increase in Tacoma campus FTEs, be dedicated to increasing enrollment in the Olympic College 2 + 2 Program.
11. **MESA ENHANCEMENT** - Funding is provided to enhance the Mathematics, Engineering, and Science Achievement (MESA) Program.
12. **ENVIRONMENTAL HEALTH PROGRAMS** - Funding is provided for off-campus space rental, two research assistants, a chemical risk information center, additional staff in safety ergonomics, and expanded research surveys in the occupational epidemiology and health outcomes program. (Medical Aid Fund, Accident Fund)
13. **ENHANCEMENTS** - Funding is provided for general enhancements and instructional support.
14. **INSTITUTIONAL AID FUND** - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).
15. **PLAN I RETIREMENT COLA** - Funding is provided to support Plan I pension cost-of-living adjustment (COLA) legislation (Chapter 345, Laws of 1995 -- SSB 5119).
16. **STATE EMPLOYEE COLA INCREASE** - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)
17. **FARM WORKERS CLINIC** - Funding is provided to replace federal support for the Yakima Valley dental/pediatric clinic. Dental students provide health services in the Yakima Valley at migrant/community health centers.
18. **TUITION INCREASE** - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. -- ESSB 5325). (Institution Tuition Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Washington State University**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	290,592	337,874	628,466
<b>Eliminate One-Time Spending</b>	-100	0	-100
<b>Biennialize Current Biennium Changes</b>	-7,003	5,511	-1,492
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	670	0	670
2. Interagency Billings	-133	-136	-269
3. Compensation Changes	64	0	64
4. Agency Legal Services Adjustment	-39	0	-39
<b>Changes in Service Delivery</b>			
5. New Facilities Maintenance	3,418	0	3,418
<b>Program Reductions</b>			
6. 2.4 Percent/2.0 Percent Reduction	-6,971	0	-6,971
<b>Program Enhancements</b>			
7. Enrollment Increase	7,555	3,906	11,461
8. Minor Crop Pesticide Research	1,000	0	1,000
9. Wine and Wine Grape Research	525	0	525
10. Retrospective Rating Refund	0	33	33
11. Enhancements	1,631	0	1,631
12. Institutional Aid Fund	1,057	0	1,057
13. Plan I Retirement COLA	122	0	122
14. State Employee COLA Increase	12,038	0	12,038
15. Tuition Increase	0	5,886	5,886
<b>Miscellaneous</b>			
16. SSB 5315 - Noxious Weed Control	30	0	30
<b>Total 1995-97 Biennium</b>	304,456	353,074	657,530
<b>Fiscal Year 1996 Totals</b>	150,535	174,846	325,381
<b>Fiscal Year 1997 Totals</b>	153,921	178,228	332,149

**Comments:**

1. **HEALTH BENEFIT RATES** - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
2. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
3. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. **AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. **NEW FACILITIES MAINTENANCE** - Funding is provided for operational costs of facilities funded and completed in the second year of the 1993-95 biennium and those expected to come on-line during the 1995-97 biennium. The Office of Financial Management will allocate funds when the institution begins incurring operating-related costs.
6. **2.4 PERCENT/2.0 PERCENT REDUCTION** - Institutions will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)
7. **ENROLLMENT INCREASE** - Washington State University is funded for 450 additional student FTEs in the first year of the biennium, and an additional 450 in the second year of the biennium. Funds an additional 214 student FTEs each year at the Pullman campus, 25 each year at the Spokane campus, 83 each year at the Tri-Cities campus, and 128 each year at the Vancouver campus.
8. **MINOR CROP PESTICIDE RESEARCH** - Funding pursuant to Chapter 390, Laws of 1995 (E2SHB 1009 - an act relating to research and the registration of pesticides). WSU will conduct studies and activities regarding the registration of pesticides for minor crops or minor uses.
9. **WINE AND WINE GRAPE RESEARCH** - Funding pursuant to Chapter 2, Laws of 1995, 2nd sp.s. (ESHB 1741 - an act relating to moneys for wine and wine grape research).
10. **RETROSPECTIVE RATING REFUND** - Funding is provided from savings earned through participation in the Department of Labor and

## Washington State University

Industries' Retrospective Rating Program. (Industrial Insurance Retrospective Refund Account)

11. ENHANCEMENTS - Funding is provided for general enhancements and instructional support.
12. INSTITUTIONAL AID FUND - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).
13. PLAN I RETIREMENT COLA - Funding is provided to support Plan I pension cost-of-living adjustment (COLA) legislation (Chapter 345, Laws of 1995 – SSB 5119).
14. STATE EMPLOYEE COLA INCREASE - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)
15. TUITION INCREASE - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. – ESSB 5325). (Institution Tuition Account)
16. SSB 5315 - NOXIOUS WEED CONTROL - Washington State University received an appropriation of \$30,000 General Fund-State in Chapter 374, Laws of 1995 (SSB 5315) for the use of the cooperative extension service in the selection, testing, and production of biological control agents for knapweed species on the state noxious weed list.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Eastern Washington University

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	72,208	62,100	134,308
<b>Biennialize Current Biennium Changes</b>	-2,046	2,456	410
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	190	0	190
2. Interagency Billings	340	0	340
3. Compensation Changes	37	0	37
4. Agency Legal Services Adjustment	-8	0	-8
<b>Program Reductions</b>			
5. 2.4 Percent/2.0 Percent Reduction	-1,734	0	-1,734
<b>Program Enhancements</b>			
6. Enrollment Increase	993	589	1,582
7. Enhancements	399	0	399
8. Financial Aid Fund	293	0	293
9. Plan I Retirement COLA	37	0	37
10. State Employee COLA Increase	3,116	0	3,116
11. Tuition Increase	0	2,039	2,039
<b>Total 1995-97 Biennium</b>	<b>73,825</b>	<b>67,184</b>	<b>141,009</b>
<b>Fiscal Year 1996 Totals</b>	<b>36,741</b>	<b>33,140</b>	<b>69,881</b>
<b>Fiscal Year 1997 Totals</b>	<b>37,084</b>	<b>34,044</b>	<b>71,128</b>

### Comments:

1. HEALTH BENEFIT RATES - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. 2.4 PERCENT/2.0 PERCENT REDUCTION - Institutions will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)
6. ENROLLMENT INCREASE - Eastern Washington University is funded for 83 additional student FTEs in the first year of the biennium, and an additional 83 in the second year of the biennium.
7. ENHANCEMENTS - Funding is provided for general enhancements and instructional support.
8. FINANCIAL AID FUND - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).
9. PLAN I RETIREMENT COLA - Funding is provided to support Plan I pension cost-of-living adjustment (COLA) legislation (Chapter 345, Laws of 1995 - SSB 5119).
10. STATE EMPLOYEE COLA INCREASE - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)
11. TUITION INCREASE - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. - ESSB 5325). (Institution Tuition Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Central Washington University

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	65,966	46,180	112,146
<b>Biennialize Current Biennium Changes</b>	-1,300	1,838	538
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	167	0	167
2. Interagency Billings	-138	0	-138
3. Compensation Changes	4	0	4
4. Agency Legal Services Adjustment	-7	0	-7
<b>Changes in Service Delivery</b>			
5. Other Funds Adjustment	0	3,140	3,140
6. Retrospective Rating Refund	0	10	10
<b>Program Reductions</b>			
7. 2.4 Percent/2.0 Percent Reduction	-1,584	0	-1,584
<b>Program Enhancements</b>			
8. Enrollment Increase	1,105	584	1,689
9. Enhancements	365	0	365
10. Institutional Aid Fund	371	0	371
11. Plan I Retirement COLA	29	0	29
12. State Employee COLA Increase	2,760	0	2,760
13. Tuition Increase	0	1,618	1,618
<b>Total 1995-97 Biennium</b>	<b>67,738</b>	<b>53,370</b>	<b>121,108</b>
<b>Fiscal Year 1996 Totals</b>	<b>33,683</b>	<b>26,305</b>	<b>59,988</b>
<b>Fiscal Year 1997 Totals</b>	<b>34,055</b>	<b>27,065</b>	<b>61,120</b>

### Comments:

1. **HEALTH BENEFIT RATES** - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
2. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
3. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. **AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. **OTHER FUNDS ADJUSTMENT** - Adjustments are made to reflect increased revenue to two non-appropriated higher education accounts.
6. **RETROSPECTIVE RATING REFUND** - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)
7. **2.4 PERCENT/2.0 PERCENT REDUCTION** - Institutions will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)
8. **ENROLLMENT INCREASE** - Central Washington University is funded for 93 additional student FTEs in the first year of the biennium, and an additional 94 in the second year of the biennium.
9. **ENHANCEMENTS** - Funding is provided for general enhancements and instructional support.
10. **INSTITUTIONAL AID FUND** - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).
11. **PLAN I RETIREMENT COLA** - Funding is provided to support Plan I pension cost-of-living adjustment legislation (Chapter 345, Laws of 1995 - SSB 5119).
12. **STATE EMPLOYEE COLA INCREASE** - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)
13. **TUITION INCREASE** - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325)). (Institution Tuition Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**The Evergreen State College**  
(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	36,870	22,882	59,752
<b>Biennialize Current Biennium Changes</b>	-1,206	2,235	1,029
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	105	0	105
2. Interagency Billings	-286	0	-286
3. Compensation Changes	57	0	57
4. Agency Legal Services Adjustment	-7	0	-7
<b>Changes in Service Delivery</b>			
5. New Facilities Maintenance	58	0	58
6. Other Funds Adjustments	0	1,414	1,414
<b>Program Reductions</b>			
7. 2.4 Percent/2.0 Percent Reduction	-886	0	-886
<b>Program Enhancements</b>			
8. Enrollment Increase	170	192	362
9. Enhancements	204	0	204
10. Institutional Aid Fund	219	0	219
11. Plan I Retirement COLA	20	0	20
12. State Employee COLA Increase	1,622	0	1,622
13. Tuition Increase	0	1,186	1,186
<b>Total 1995-97 Biennium</b>	36,940	27,909	64,849
<b>Fiscal Year 1996 Totals</b>	18,436	13,714	32,150
<b>Fiscal Year 1997 Totals</b>	18,504	14,195	32,699

**Comments:**

- |  |   |
|--|---|
| <p>1. HEALTH BENEFIT RATES - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)</p> <p>2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.</p> <p>3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.</p> <p>4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.</p> <p>5. NEW FACILITIES MAINTENANCE - Funding is provided for operational costs of facilities funded and completed in the second year of the 1993-95 biennium and those expected to come on-line during the 1995-97 biennium. The Office of Financial Management will allocate funds when the institution begins incurring operating-related costs.</p> <p>6. OTHER FUNDS ADJUSTMENTS - Adjustments are made to reflect increased revenue to two non-appropriated higher education accounts.</p> <p>7. 2.4 PERCENT/2.0 PERCENT REDUCTION - TESC will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. It is the intent of the Legislature to provide</p> | <p>\$976,931 of the TESC General-Fund State appropriation for legislative studies performed by the Washington State Institute for Public Policy. (General-Fund State)</p> <p>8. ENROLLMENT INCREASE - TESC is funded for an additional 20 student FTEs each year of the biennium.</p> <p>9. ENHANCEMENTS - Funding is provided for general enhancements and instructional support.</p> <p>10. INSTITUTIONAL AID FUND - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).</p> <p>11. PLAN I RETIREMENT COLA - Funding is provided to support Plan I pension cost-of-living adjustment (COLA) legislation (Chapter 345, Laws of 1995 - SSB 5119).</p> <p>12. STATE EMPLOYEE COLA INCREASE - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)</p> <p>13. TUITION INCREASE - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. - ESSB 5325). (Institution Tuition Account)</p> |
|--|---|
- NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Western Washington University

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures *</b>	81,020	71,852	152,872
<b>Biennialize Current Biennium Changes</b>	-320	17,494	17,174
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	206	0	206
2. Interagency Billings	270	0	270
3. Compensation Changes	112	0	112
4. Agency Legal Services Adjustment	-14	0	-14
<b>Caseload &amp; Enrollment Changes</b>			
5. Other Funds Adjustment	0	-17,644	-17,644
<b>Changes in Service Delivery</b>			
6. New Facilities Maintenance	275	0	275
7. Olympic College 2 + 2	60	0	60
<b>Program Reductions</b>			
8. 2.4 Percent/2.0 Percent Reduction	-1,946	0	-1,946
<b>Program Enhancements</b>			
9. Enrollment Increase	1,567	765	2,332
10. Enhancements	448	0	448
11. Institutional Financial Aid	412	0	412
12. Plan I Retirement COLA	46	0	46
13. State Employee COLA Increase	3,570	0	3,570
14. Tuition Increase	0	2,210	2,210
<b>Total 1995-97 Biennium</b>	<b>85,706</b>	<b>74,677</b>	<b>160,383</b>
<b>Fiscal Year 1996 Totals</b>	<b>42,533</b>	<b>36,826</b>	<b>79,359</b>
<b>Fiscal Year 1997 Totals</b>	<b>43,173</b>	<b>37,851</b>	<b>81,024</b>

**Comments:**

- HEALTH BENEFIT RATES** - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
- INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
- COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
- AGENCY LEGAL SERVICES ADJUSTMENT** - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
- OTHER FUNDS ADJUSTMENT** - Adjustments are made to reflect increased revenue to two non-appropriated higher education accounts.
- NEW FACILITIES MAINTENANCE** - Funding is provided for operational costs of facilities funded and completed in the second year of the 1993-95 biennium and those expected to come on-line during the 1995-97 biennium. The Office of Financial Management will allocate funds when the institution begins incurring operating-related costs.
- OLYMPIC COLLEGE 2 + 2** - The current level funding for the Olympic College 2 + 2 Program is continued with funding through Western Washington University. The amount represents the current level of support related to WWU's participation in the program.
- 2.4 PERCENT/2.0 PERCENT REDUCTION** - Institutions will absorb a 2.4 percent reduction in state funds in accordance with the 1994 Supplemental Budget. (General-Fund State)
- ENROLLMENT INCREASE** - Western Washington University is funded for 123 additional student FTEs in the first year of the biennium, and an additional 123 in the second year of the biennium.
- ENHANCEMENTS** - Funding is provided for general enhancements and instructional support.
- INSTITUTIONAL FINANCIAL AID** - The institutional financial aid fund is increased from 2.5 percent of tuition revenues to 3.5 percent of tuition revenues in accordance with Chapter 9, Laws of 1995, 1st sp.s. (ESSB 5325).
- PLAN I RETIREMENT COLA** - Funding is provided to support Plan I pension cost-of-living adjustments (COLA) legislation (Chapter 345, Laws of 1995 - SSB 5119).
- STATE EMPLOYEE COLA INCREASE** - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995. The salary increase granted to instructional, research, and non-classified staff shall not exceed an annual average of 4.0 percent. The start dates of salary increases for instructional and research staff are dependent on

## Western Washington University

institutional contracting cycles. (General Fund-State, General Fund-Federal, other funds)

14. TUITION INCREASE - Increased revenue resulting from a tuition rate increase of 4.0 percent each year of the biennium (Chapter 9, Laws of 1995, 1st sp.s. -- ESSB 5325). (Institution Tuition Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

## Higher Education Coordinating Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	133,919	8,916	142,835
<b>Eliminate One-Time Spending</b>	-3,990	-2,800	-6,790
<b>Biennialize Current Biennium Changes</b>	3,789	226	4,015
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	9	0	9
2. Interagency Billings	32	0	32
3. Compensation Changes	22	0	22
<b>Caseload &amp; Enrollment Changes</b>			
4. Veterans Administration Adjustment	0	74	74
5. SPRE Program	0	506	506
<b>Changes in Service Delivery</b>			
6. Dislocated Timber Worker Tuition	-157	0	-157
7. Administrative Support Reduction	-94	0	-94
8. Teachers Excellence	-17	0	-17
<b>Program Enhancements</b>			
9. WIN Kiosks	35	0	35
10. Washington Scholars Award	876	0	876
11. Award for Vocational Excellence	680	0	680
12. State Need Grant	11,665	0	11,665
<b>Total 1995-97 Biennium</b>	146,769	6,922	153,691
<b>Fiscal Year 1996 Totals</b>	73,345	3,483	76,828
<b>Fiscal Year 1997 Totals</b>	73,424	3,439	76,863

### Comments:

1. **HEALTH BENEFIT RATES** - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
2. **INTERAGENCY BILLINGS** - A funding adjustment is made to reflect the costs of interagency billings.
3. **COMPENSATION CHANGES** - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. **VETERANS ADMINISTRATION ADJUSTMENT** - Additional federal funding is provided for the administration of the veterans' financial aid programs.
5. **SPRE PROGRAM** - This adjustment provides appropriation authority for federal funding associated with the HECB's duties as the State Post-secondary Review Entity (SPRE).
6. **DISLOCATED TIMBER WORKER TUITION** - The state General Fund appropriation is reduced for the amount of operating fees collected from timber students. This adjustment should have occurred in the previous biennium when tuition revenue was removed from General Fund-State and separate tuition accounts were created.
7. **ADMINISTRATIVE SUPPORT REDUCTION** - Administrative support expenditures are reduced by 3 percent.
8. **TEACHERS EXCELLENCE** - The 1994 legislative changes to the Teachers Excellence Program have resulted in reduced overall costs. Recipients selected after January 1, 1994 receive a one-time payment of \$2,500, rather than the potential to receive tuition reimbursements of up to \$10,000 over a four-year period.
9. **WIN KIOSKS** - Funding is provided for participation in the Washington Information Network (WIN) kiosk system.
10. **WASHINGTON SCHOLARS AWARD** - Funding is provided for Chapter 5, Laws of 1995, 1st sp.s. (2SHB 1318), tuition and fee grants for recipients of the Washington Scholars Award.
11. **AWARD FOR VOCATIONAL EXCELLENCE** - Funding is provided for Chapter 7, Laws of 1995, 1st sp.s. (2SHB 1814), tuition and fee grants to recipients of the Washington Award for Vocational Excellence.
12. **STATE NEED GRANT** - Funding is provided for the State Need Grant. These funds, combined with other financial aid expansions, meet the legislative intent embodied in RCW 28B.15.065. This section of law, known as the 24 percent policy, states that it is the intent of the Legislature to increase state general fund support of financial aid by at least 24 percent of any increase in tuition revenue.

**Joint Center for Higher Education**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	914	3,860	4,774
<b>Biennialize Current Biennium Changes</b>	334	0	334
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	34	0	34
2. Compensation Changes	4	0	4
<b>Caseload &amp; Enrollment Changes</b>			
3. New Building Operation/Maintenance	958	0	958
4. Computer Network Support	140	0	140
5. Additional Support Staff	30	0	30
6. Staff Transfer from Capital Budget	24	0	24
7. Other Fund Adjustments	0	3,265	3,265
<b>Total 1995-97 Biennium</b>	2,438	7,125	9,563
<b>Fiscal Year 1996 Totals</b>	1,127	3,561	4,688
<b>Fiscal Year 1997 Totals</b>	1,311	3,564	4,875

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. NEW BUILDING OPERATION/MAINTENANCE - Funding is provided for ongoing support of plant operations and maintenance of the Spokane Intercollegiate Research and Technology Institute (SIRTI - 64,000 sq. ft.) and for the new building - River Point Campus (117,000 sq. ft.). Funds will be held in reserve by the Office of Financial Management (OFM) until the new building is occupied.
4. COMPUTER NETWORK SUPPORT - Funding is provided for 1.0 FTE staff position to support the network system which was funded in the 1994 Supplemental Budget.
5. ADDITIONAL SUPPORT STAFF - Funding is provided for 0.2 FTE Business Manager position.
6. STAFF TRANSFER FROM CAPITAL BUDGET - Funding is provided to transfer 0.2 FTE staff, physical plant manager position from the Capital Budget. This position was funded from capital funds during the construction of the new facilities. Upon completion of the facility this position is transferred to the Operating Budget.
7. OTHER FUND ADJUSTMENTS - The center will receive a five-year grant from the U.S. Department of Defense for technology programs. (General Fund-Federal) Additionally, new revenue estimates from rental income related to property on the Riverpoint site and other program revenues are added to the center's budget.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.



## Other Education

### **Washington State Historical Society**

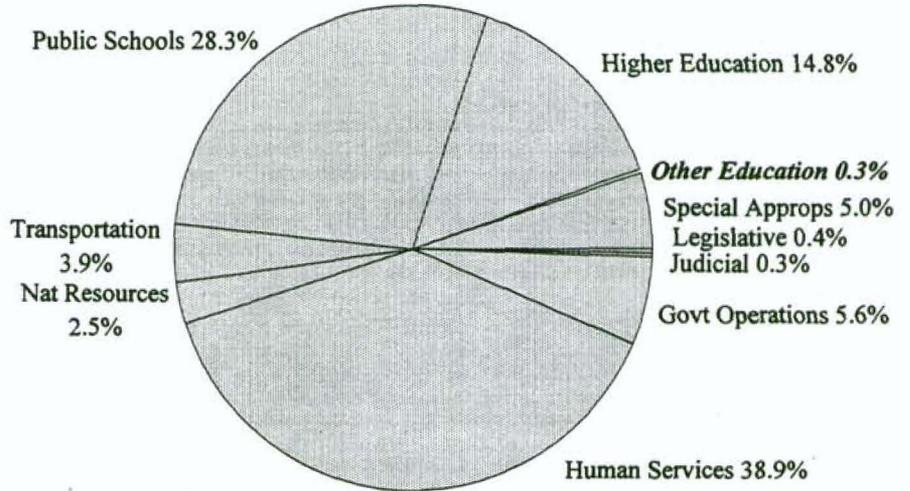
A total of \$2.9 million, with \$1.7 million coming from the state general fund, is provided for the operation of the newly constructed Tacoma museum. Staff will be hired during the course of the biennium in preparation for the museum's opening in July 1996.

# Washington State 1995-97 Operating Budget

## Total Budgeted Funds

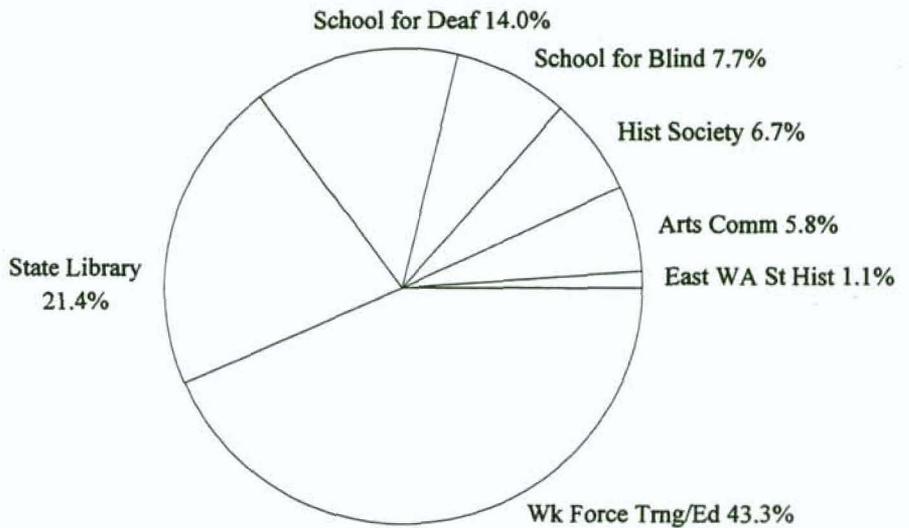
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
<i>Other Education</i>	<i>88,662</i>
Special Appropriations	1,600,914
<b>Statewide Total</b>	<b>31,898,393</b>



### Washington State

Work Force Trng & Ed	38,405
State Library	18,992
School for the Deaf	12,412
School for the Blind	6,868
State Historical Society	5,939
Arts Commission	5,100
East WA State Hist Society	946
<i>Other Education</i>	<i>88,662</i>



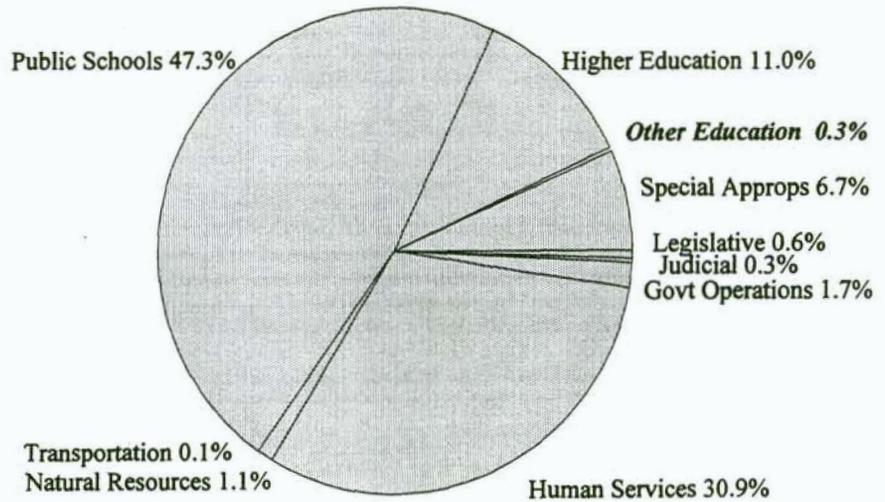
### Other Education

# Washington State 1995-97 Operating Budget

## General Fund - State

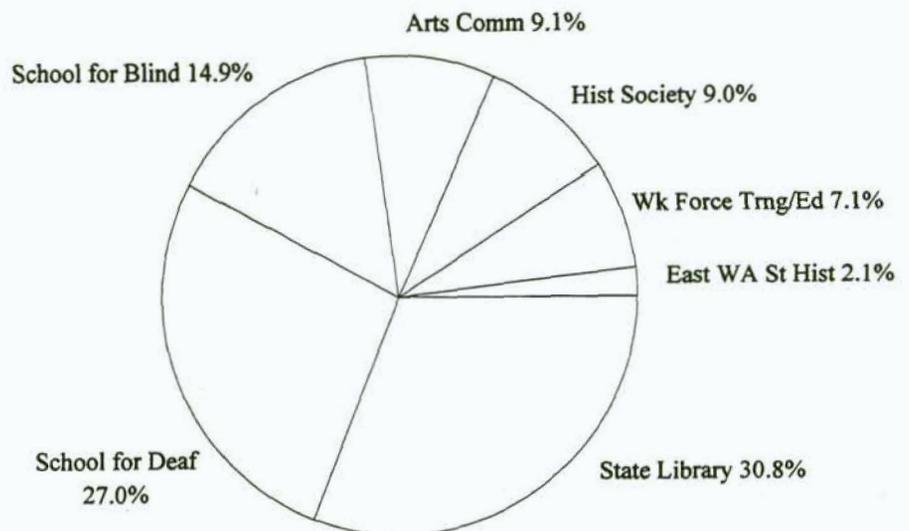
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
<b>Other Education</b>	<b>45,928</b>
Special Appropriations	1,174,758
<b>Statewide Total</b>	<b>17,599,449</b>



## Washington State

State Library	14,140
School for the Deaf	12,397
School for the Blind	6,861
Arts Commission	4,165
State Historical Society	4,151
Work Force Trng & Ed	3,268
East WA State Hist Society	946
<b>Other Education</b>	<b>45,928</b>



## Other Education

## Work Force Training & Education Coordinating Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	3,441	35,162	38,603
<b>Biennialize Current Biennium Changes</b>	-77	-25	-102
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	8	0	8
2. Merit Increments	5	2	7
3. Compensation Changes	-6	-2	-8
4. Agency Legal Services Adjustment	-1	0	-1
<b>Changes in Service Delivery</b>			
5. Efficiency Reductions	-102	0	-102
<b>Total 1995-97 Biennium</b>	3,268	35,137	38,405
<b>Fiscal Year 1996 Totals</b>	1,634	19,841	21,475
<b>Fiscal Year 1997 Totals</b>	1,634	15,296	16,930

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
5. EFFICIENCY REDUCTIONS - Reduces General Fund-State by 3 percent from the essential requirements level budget.

**State Library**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	14,128	4,836	18,964
<b>Biennialize Current Biennium Changes</b>	-32	-6	-38
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	83	28	111
2. Interagency Billings	-38	-13	-51
3. Agency Legal Services Adjustment	-1	0	-1
<b>Changes in Service Delivery</b>			
4. Retrospective Rating Refund	0	7	7
<b>Total 1995-97 Biennium</b>	14,140	4,852	18,992
<b>Fiscal Year 1996 Totals</b>	7,069	2,399	9,468
<b>Fiscal Year 1997 Totals</b>	7,071	2,453	9,524

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account)

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

**Washington State Arts Commission**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	4,289	1,756	6,045
<b>Biennialize Current Biennium Changes</b>	17	-822	-805
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	12	0	12
2. Merit Increments	9	0	9
3. Compensation Changes	-1	0	-1
<b>Changes in Service Delivery</b>			
4. Efficiency Reductions	-161	0	-161
<b>Program Enhancements</b>			
5. Retrospective Rating Refund	0	1	1
<hr/> <b>Total 1995-97 Biennium</b>	<hr/> 4,165	<hr/> 935	<hr/> 5,100
<b>Fiscal Year 1996 Totals</b>	2,236	467	2,703
<b>Fiscal Year 1997 Totals</b>	1,929	468	2,397

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
4. EFFICIENCY REDUCTIONS - Reduces General Fund-State funding by 3.5 percent from the essential requirements level budget.
5. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account-State)

**Washington State Historical Society**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	2,316	756	3,072
<b>Eliminate One-Time Spending</b>	0	-108	-108
<b>Biennialize Current Biennium Changes</b>	92	-4	88
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Internal Rents	25	8	33
2. Interagency Billings	-13	-4	-17
<b>Caseload &amp; Enrollment Changes</b>			
3. Tacoma New Museum	1,731	1,140	2,871
<b>Total 1995-97 Biennium</b>	4,151	1,788	5,939
<b>Fiscal Year 1996 Totals</b>	1,965	703	2,668
<b>Fiscal Year 1997 Totals</b>	2,186	1,085	3,271

**Comments:**

1. INTERNAL RENTS - Funding is provided for the capital project surcharge for internal rents charged to agencies occupying space in General Administration managed state-owned facilities in Thurston County, per Chapter 219, Laws of 1994 (ESHB 2237).
2. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
3. TACOMA NEW MUSEUM - Funds are provided for the operation of the newly constructed Tacoma museum. Staff are hired throughout the biennium in preparation for the museum grand opening in July 1996.

**Eastern Washington State Historical Society**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	888	76	964
<b>Biennialize Current Biennium Changes</b>	14	0	14
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	6	0	6
2. Compensation Changes	2	0	2
<b>Caseload &amp; Enrollment Changes</b>			
3. Facility Maintenance	36	0	36
<b>Changes in Service Delivery</b>			
4. Eliminate Local Fund	0	-76	-76
<b>Total 1995-97 Biennium</b>	946	0	946
<b>Fiscal Year 1996 Totals</b>	473	0	473
<b>Fiscal Year 1997 Totals</b>	473	0	473

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. COMPENSATION CHANGES - Compensation changes reflect adjustments due to social security and pension rate changes, biennialization of health benefit rates, and salary adjustments. Salary adjustments may be for merit increments (for agencies with less than 100 FTE staff) and for changes in job classifications made by agencies or the Personnel Resources Board.
3. FACILITY MAINTENANCE - Funding is provided for annual facility maintenance including services for heating, ventilation, air conditioning, security, fire suppression systems, elevator inspections, and building cleaning. Private contributions previously devoted to facility maintenance will fund exhibits and programs.
4. ELIMINATE LOCAL FUND - The agency currently operates out of two local funds, one budgeted and one non-budgeted. This item consolidates both local funds into the non-budgeted fund. The reduced funding and 0.5 FTE staff shown are not savings; these funds will be accounted for in the non-budgeted local fund where consolidation will take place.

## State School for the Blind

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 Estimated Expenditures	6,834	34	6,868
Eliminate One-Time Spending	0	-34	-34
Biennialize Current Biennium Changes	-18	0	-18
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	-18	0	-18
2. Merit Increments	65	0	65
3. Agency Legal Services Adjustment	-2	0	-2
<b>Changes in Service Delivery</b>			
4. Retrospective Rating Refund	0	7	7
<b>Total 1995-97 Biennium</b>	<b>6,861</b>	<b>7</b>	<b>6,868</b>
<b>Fiscal Year 1996 Totals</b>	<b>3,421</b>	<b>3</b>	<b>3,424</b>
<b>Fiscal Year 1997 Totals</b>	<b>3,440</b>	<b>4</b>	<b>3,444</b>

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. MERIT INCREMENTS - Funding is provided for merit salary increases in agencies with less than 100 FTE staff.
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
4. RETROSPECTIVE RATING REFUND - Funding is provided from savings earned through participation in the Department of Labor and Industries' Retrospective Rating Program. (Industrial Insurance Premium Refund Account-State)

**State School for the Deaf**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	12,514	50	12,564
<b>Eliminate One-Time Spending</b>	0	-50	-50
<b>Biennialize Current Biennium Changes</b>	-36	0	-36
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Interagency Billings	-79	0	-79
<b>Changes in Service Delivery</b>			
2. Restrospective Rating Refund	0	15	15
3. Agency Legal Services Adjustment	-2	0	-2
<b>Total 1995-97 Biennium</b>	12,397	15	12,412
<b>Fiscal Year 1996 Totals</b>	6,182	15	6,197
<b>Fiscal Year 1997 Totals</b>	6,215	0	6,215

**Comments:**

1. INTERAGENCY BILLINGS - A funding adjustment is made to reflect the costs of interagency billings.
2. RESTROSPECTIVE RATING REFUND - A refund is provided from participation in programs related to employee safety. (Industrial Insurance Premium Refund Account-State)
3. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.

NOTE: \* Please see the 1995 Supplemental Operating Budget Section for additional information.

# Special Appropriations

## **Bond Retirement and Interest**

A total of \$890.8 million is provided from the state general fund to service debt on the existing and planned indebtedness for capital projects. This amount is based on a 1995-97 capital program of \$780 million in debt service subject to the statutory debt limit. The incremental debt service cost in the 1995-97 biennium is \$14,710,000. For a more complete description, see the Capital Budget section of this document.

## **COMPENSATION**

### **Across-the-Board Salary Increases**

The amount of \$363.8 million from the state general fund and \$90.2 million from other funds provide for a 4 percent salary increase for state and higher education employees beginning July 1, 1995 and for K-12 employees beginning September 1, 1995.

### **Longevity, Education, and Experience Increments**

In addition to the funding provided for the across-the-board salary increase, the budget recognizes that employees receive salary increases through other mechanisms as well. For example, longevity increases for state and higher education employees will provide an additional \$90 million in salary dollars from all funds, increasing salary costs by 1 percent. Education and experience increments for K-12 employees will provide an additional \$92 million in salary dollars next biennium, increasing K-12 salary costs by 1.6 percent each year.

### **Community and Technical College Faculty Increments**

The amount of \$4.2 million from the state general fund is provided for education and experience increments for faculty at community and technical colleges.

### **Personnel Resource Board Salary Adjustments**

Amounts of \$5.0 million from the state general fund and \$5.0 million from other funds are provided for state employee salary increases to address documented recruitment and retention difficulties, salary compression and inversion, and salary inequities. Agencies may absorb an additional \$2.5 million General Fund-State and \$2.5 million other funds for these purposes. The cost of salary adjustments approved by the Personnel Resources Board must not exceed these amounts.

### **Other Salary Inequities**

Amounts of \$2.3 million from the state general fund and \$1.5 million from the Attorney General Revolving Fund are provided to maintain competitive compensation for experienced staff attorneys in the Office of the Attorney General.

The amount of \$3.2 million from the state general fund is provided for an additional 5 percent salary increase on July 1, 1995 for librarians, counselors, and other professional staff at the University of Washington, in accordance with the market gap remedy plan required by the Legislature in the 1993-95 budget.

**Employee Health Benefits and Retiree Health Benefit Subsidy**

Amounts of \$9.1 million from the state general fund and \$6.1 million from other funds are provided for state and higher education employee health benefits. These amounts are net figures resulting from funding medical inflation at 7.5 percent, but assuming an 18.2 percent savings. Implementing the savings is the responsibility of the Public Employees Benefits Board. The Board may increase point-of-service cost sharing, require employee premium co-payments, or implement managed competition. The monthly funding rates per employee are \$313.95 in fiscal year 1996 and \$314.51 in fiscal year 1997.

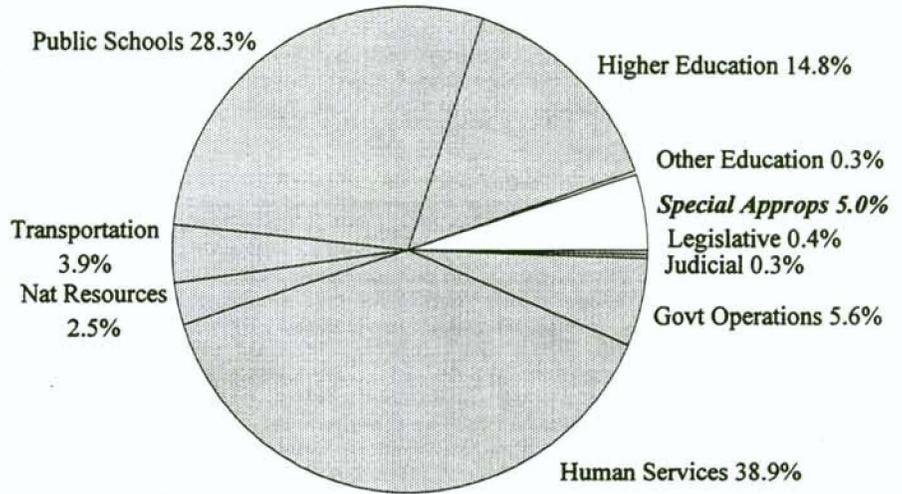
The health benefit subsidy to Medicare-eligible state and K-12 retirees is increased from \$34.20 per retiree and spouse to \$36.77 beginning January 1, 1996 and to \$39.52 beginning January 1, 1997. The subsidy increases reflect a 7.5 percent annual increase, in keeping with the Health Care Authority's estimate of medical inflation.

**Plan 1 Pension COLA**

Chapter 345, Laws of 1995 (SSB 5119) provides a new, flat dollar per month adjustment for TRS and PERS Plan 1 retirees beginning at age 66. The adjustment in 1995 will be fifty-nine cents per month per year of service. The adjustment amount is increased by 3 percent each year.

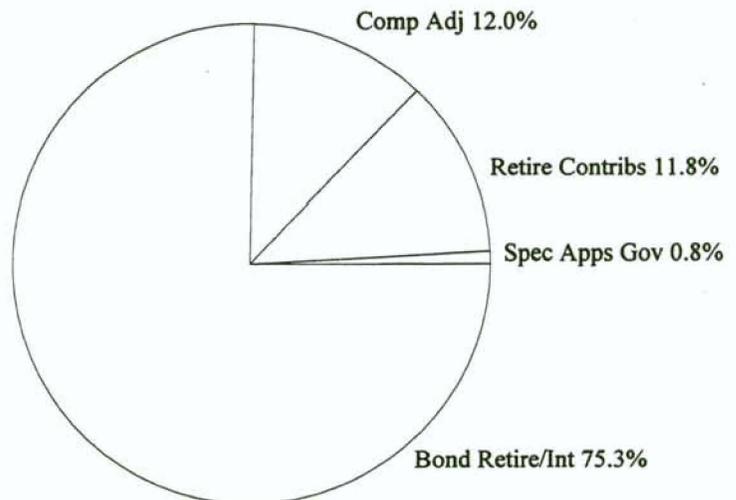
**Washington State 1995-97 Operating Budget**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	111,881
Judicial	102,194
Governmental Operations	1,789,938
Human Services	12,394,493
Natural Resources	808,952
Transportation	1,250,482
Public Schools	9,037,361
Higher Education	4,713,516
Other Education	88,662
<b>Special Appropriations</b>	<b>1,600,914</b>
<b>Statewide Total</b>	<b>31,898,393</b>



**Washington State**

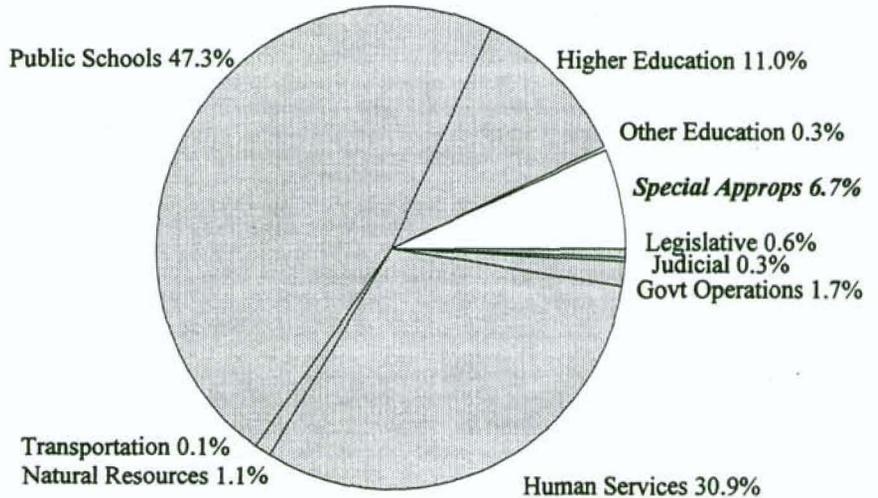
Bond Retirement/Interest	1,206,006
State Employee Comp Adj	192,291
Retirement Contributions	189,600
Special Approps to Gov	13,017
<b>Special Appropriations</b>	<b>1,600,914</b>



**Special Appropriations**

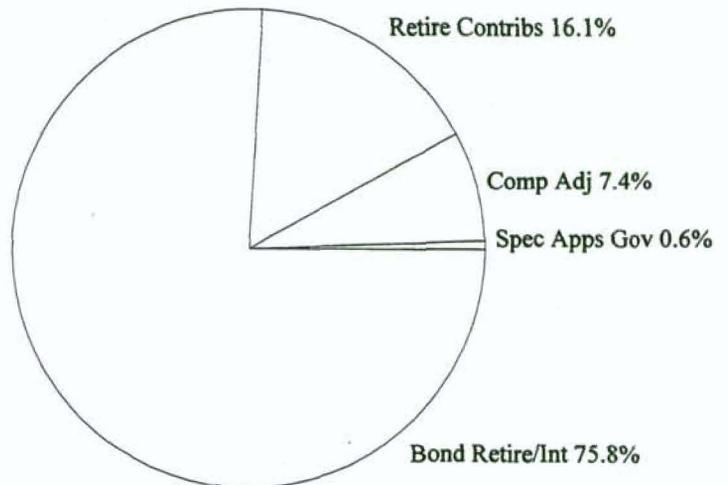
**Washington State 1995-97 Operating Budget**  
**General Fund - State**  
(Dollars in Thousands)

Legislative	104,873
Judicial	54,345
Governmental Operations	299,904
Human Services	5,438,126
Natural Resources	201,516
Transportation	23,567
Public Schools	8,321,767
Higher Education	1,934,665
Other Education	45,928
<b><i>Special Appropriations</i></b>	<b><i>1,174,758</i></b>
<b>Statewide Total</b>	<b>17,599,449</b>



**Washington State**

Bond Retirement/Interest	890,847
Retirement Contributions	189,600
State Employee Comp Adj	87,050
Special Approps to Gov	7,261
<b><i>Special Appropriations</i></b>	<b><i>1,174,758</i></b>



***Special Appropriations***

**Bond Retirement & Interest**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	736,358	190,561	926,919
<b>Biennialize Current Biennium Changes</b>	139,429	732,690	872,119
<b>Changes in Service Delivery</b>			
1. Transfer to Transportation Budget	0	-82	-82
<b>Program Reductions</b>			
2. Zero Out Fund 372 Double Entry	0	-889,312	-889,312
<b>Program Enhancements</b>			
3. Debt Service/Bonds Subject to Limit	14,710	14,710	29,420
4. Bond Sale Expenses	350	0	350
5. Bond Discounts	0	21,500	21,500
<b>Total 1995-97 Biennium</b>	<b>890,847</b>	<b>70,067</b>	<b>960,914</b>
<b>Fiscal Year 1996 Totals</b>	<b>426,287</b>	<b>33,415</b>	<b>459,702</b>
<b>Fiscal Year 1997 Totals</b>	<b>464,560</b>	<b>36,652</b>	<b>501,212</b>

**Comments:**

1. TRANSFER TO TRANSPORTATION BUDGET - Expenditures for transportation-related bonded debt are consolidated in the Transportation Budget. See note below.
2. ZERO OUT FUND 372 DOUBLE ENTRY - General fund debt service payments are transferred to bond retirement accounts for payment on specific bond authorizations. Inclusion of expenditures from both funds doubled the actual cost of bond repayment. This item provides a correction to more accurately display the true cost of debt repayments.
3. DEBT SERVICE/BONDS SUBJECT TO LIMIT - Based on a 1995-97 capital program of \$780 million in debt subject to the statutory debt limit, the incremental debt service cost in the 1995-97 biennium is \$14,710,000. (General Fund-State, State General Obligation Bond Retirement Account)
4. BOND SALE EXPENSES - Bond sale costs associated with all new bond authorizations total \$350,000. (General Fund-State)
5. BOND DISCOUNTS - The bond discounts paid in support of the bonded portion of the 1995-97 capital budget total \$21.5 million. (State Building Construction Account)

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of Bond Retirement and Interest's budget is shown in the Transportation Budget section of this document.

**Special Appropriations to the Governor**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures *</b>	9,642	2,288	11,930
<b>Biennialize Current Biennium Changes</b>	0	-340	-340
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Agency Legal Services Adjustment	-169	-113	-282
2. Adjustment to Emergency Fund	200	0	200
<b>Caseload &amp; Enrollment Changes</b>			
3. Tort Defense Services	-400	400	0
4. Transfer to Tort Claims Rev Fund	-1,512	-444	-1,956
5. Americans With Disabilities Act	-500	0	-500
<b>Total 1995-97 Biennium</b>	7,261	1,791	9,052
<b>Fiscal Year 1996 Totals</b>	3,630	894	4,524
<b>Fiscal Year 1997 Totals</b>	3,631	897	4,528

**Comments:**

1. AGENCY LEGAL SERVICES ADJUSTMENT - A funding adjustment is made to reflect the change in funding provided for the Assistant Attorney General salary increase and a new computer system.
2. ADJUSTMENT TO EMERGENCY FUND - The Governor's Emergency Fund is increased by \$200,000 to a total of \$1.7 million for the biennium.
3. TORT DEFENSE SERVICES - The amount of \$400,000 is funded from the Tort Defense Service Revolving Fund rather than the General Fund-State. The total amount provided for the biennium for tort defense services is \$3,218,000.
4. TRANSFER TO TORT CLAIMS REV FUND - Adjustments are made based on proposed funding request received from Department of General Administration. Totals are based on estimates provided in the 1994 actuarial study and are allocated to the funds based on the average claims paid from these sources in fiscal years 1990-94 with loss dates from fiscal years 1988-90.
5. AMERICANS WITH DISABILITIES ACT - Eliminates the General Fund-State appropriation.

NOTE: Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Special Appropriations to the Governor's budget is shown in the Transportation Budget section of this document.

\* Please see the 1995 Supplemental Operating Budget Section for additional information.

## State Employee Compensation Adjustments

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	0	0	0
<b>Inflation &amp; Other Rate Adjustments</b>			
1. Health Benefit Rates	4,951	6,076	11,027
<b>Changes in Service Delivery</b>			
2. WPRB Salary Adjustments	5,000	5,000	10,000
<b>Program Enhancements</b>			
3. AG Salary Increase	2,258	1,542	3,800
4. Plan I Retirement COLA	2,231	2,807	5,038
5. State Employee COLA Increase	72,610	89,816	162,426
<b>Total 1995-97 Biennium</b>	87,050	105,241	192,291
<b>Fiscal Year 1996 Totals</b>	40,546	49,699	90,245
<b>Fiscal Year 1997 Totals</b>	46,504	55,542	102,046

**Comments:**

1. **HEALTH BENEFIT RATES** - Additional funding is provided for employee health benefits. The rate is \$313.95 per employee per month in fiscal year 1996 and \$314.51 in fiscal year 1997. These rates include an increase in the medicare-eligible retiree subsidy, Health Care Authority administration and margin for the state's self-insured plans, and assume the expenditure of surplus funds accumulated in the public employees' and retirees' insurance account. The Public Employees' Benefits Board, in designing the employee benefits options, may require, change, and/or increase employee premium co-payments and/or point-of-service cost sharing, and may implement managed competition strategies. (General Fund-State, General Fund-Federal, other funds)
 

(3) does not reduce current benefit levels; and (4) provides post-retirement adjustments to a larger segment of Plan I retirees. (General Fund-State, General Fund-Federal, other funds)
2. **WPRB SALARY ADJUSTMENTS** - Funding is provided for classification plan adjustments for classified state and higher education employees approved by the Washington Personnel Resources Board (WPRB). The Board may approve adjustments that are due to salary compression or inversion, documented recruitment and retention difficulties, increased duties and responsibilities, or salary inequities (defined as similar work assigned to different job classes with a salary disparity greater than 7.5 percent). The costs for such salary adjustments fall into three categories: (1) those adjustments that will not result in a net increase in the salary base (for example, where an agency pays for the cost of the adjustment through a permanent reduction in FTEs); (2) those adjustments for which costs can be absorbed by the agency through reductions in other objects of expenditure; and (3) those adjustments for which costs cannot be absorbed.
 

Adjustments that will not result in a net increase in the salary base may be effective at any time during the biennium. All other adjustments must be effective July 1, 1996. The total cost of all adjustments for which costs can be absorbed (through reductions in objects of expenditure other than salaries) must not exceed \$5 million (\$2.5 million General Fund-State and \$2.5 million all other funds). The total cost of all adjustments whose costs cannot be absorbed must not exceed \$10 million (\$5 million General Fund-State and \$5 million all other funds). (General Fund-State, General Fund-Federal, other funds)
3. **AG SALARY INCREASE** - Funding is provided to increase salaries of Assistant Attorneys General in order to maintain or increase the quality and experience of the Attorney General's staff. (General Fund-State, Attorney General Salary Increase Revolving Fund)
4. **PLAN I RETIREMENT COLA** - Funding is provided to support Plan I pension cost-of-living adjustments pursuant to Chapter 345, Laws of 1995 (SSB 5119). This legislation: (1) provides for post-retirement adjustments based on years of service rather than size of benefit; (2) provides a post-retirement adjustment beginning at age 66;
5. **STATE EMPLOYEE COLA INCREASE** - Funding is provided for a salary increase of 4.0 percent effective July 1, 1995 for all classified and exempt employees under the jurisdiction of the Personnel Resources Board. Funding is also included for salary increases for general government employees exempt from merit system rules. (General Fund-State, General Fund-Federal, other funds)

## Contributions to Retirement Systems

(Dollars in Thousands)

	GF-S	Other	Total
<b>1993-95 Estimated Expenditures</b>	169,979	0	169,979
<b>Biennialize Current Biennium Changes</b>	978	0	978
<b>Inflation &amp; Other Rate Adjustments</b>			
1. LEOFF 1 & 2 System Increase	14,243	0	14,243
2. Judicial System Increase	4,100	0	4,100
3. Judges System Increase	300	0	300
<b>Total 1995-97 Biennium</b>	189,600	0	189,600
<b>Fiscal Year 1996 Totals</b>	94,800	0	94,800
<b>Fiscal Year 1997 Totals</b>	94,800	0	94,800

**Comments:**

1. LEOFF 1 & 2 SYSTEM INCREASE - Funds are provided for contributions to the Law Enforcement Officers' and Fire Fighters' (LEOFF) retirement system.
2. JUDICIAL SYSTEM INCREASE - Funds are provided for contributions to the Judicial retirement system.
3. JUDGES SYSTEM INCREASE - Funds are provided for contributions to the Judges retirement system.

**Agency Loans**  
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>1993-95 Estimated Expenditures</b>	4,550	0	4,550
<b>Program Reductions</b>			
1. Reduce Community College Loan	-4,550	0	-4,550
<b>Total 1995-97 Biennium</b>	0	0	0
<b>Fiscal Year 1996 Totals</b>	0	0	0
<b>Fiscal Year 1997 Totals</b>	0	0	0

**Comments:**

1. REDUCE COMMUNITY COLLEGE LOAN - The amount loaned to Community Colleges is reduced to reflect the increased tuition revenue available to meet their shortfall in debt service for capital construction bonds.