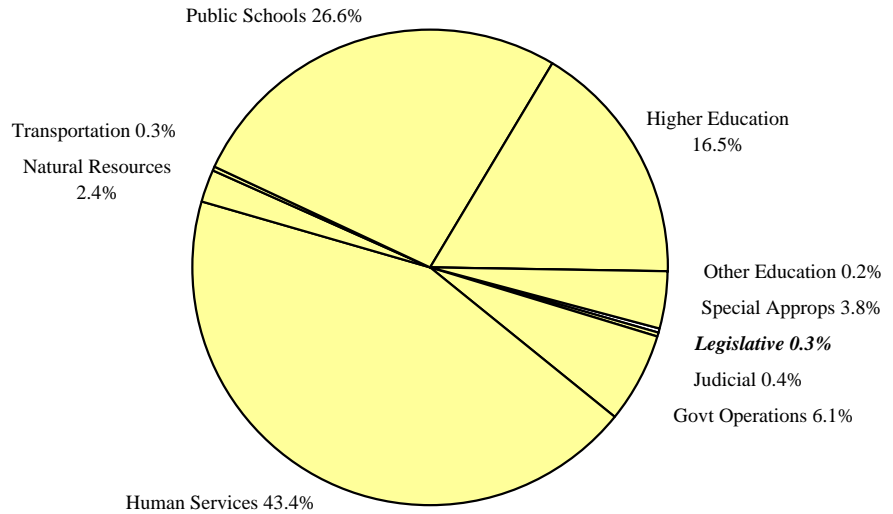


Legislative

Appropriations for the 2003-05 biennium for the state's legislative agencies, including the House of Representatives, the Senate, and the statutory legislative committees, provide carryforward funding for the statutory and constitutional duties of these agencies. In order to attain administrative efficiencies, legislative agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs commensurate with other state agencies.

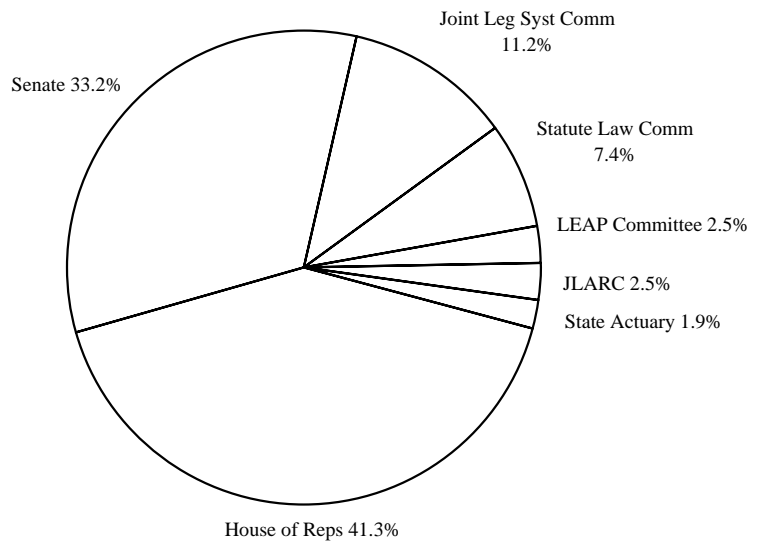
2003-05 Washington State Operating Budget
Total Budgeted Funds
(Dollars in Thousands)

Legislative	136,394
Judicial	162,179
Governmental Operations	2,726,495
Human Services	19,457,885
Natural Resources	1,091,562
Transportation	123,957
Public Schools	11,906,608
Higher Education	7,400,500
Other Education	99,594
Special Appropriations	1,690,584
Statewide Total	44,795,758



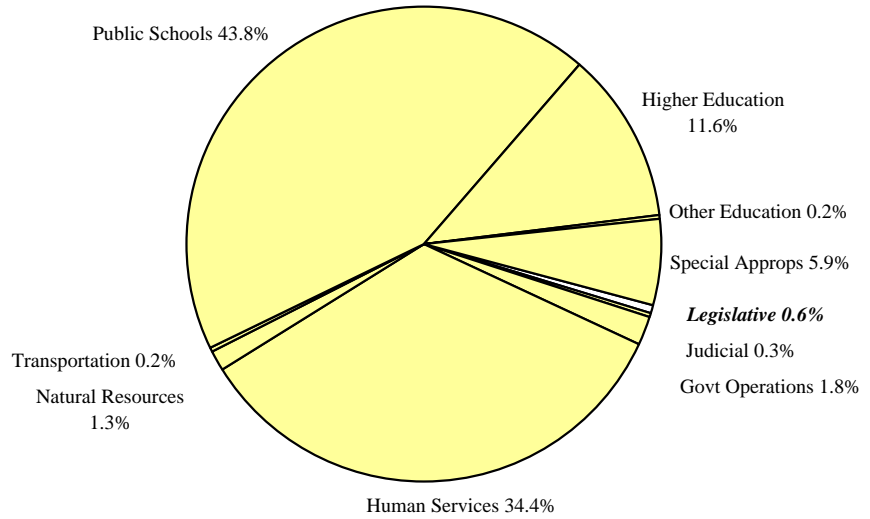
Washington State

House of Representatives	56,387
Senate	45,219
Jt Leg Systems Comm	15,320
Statute Law Committee	10,053
LEAP Committee	3,455
Jt Leg Audit & Rev Comm	3,344
State Actuary	2,616
Legislative	136,394



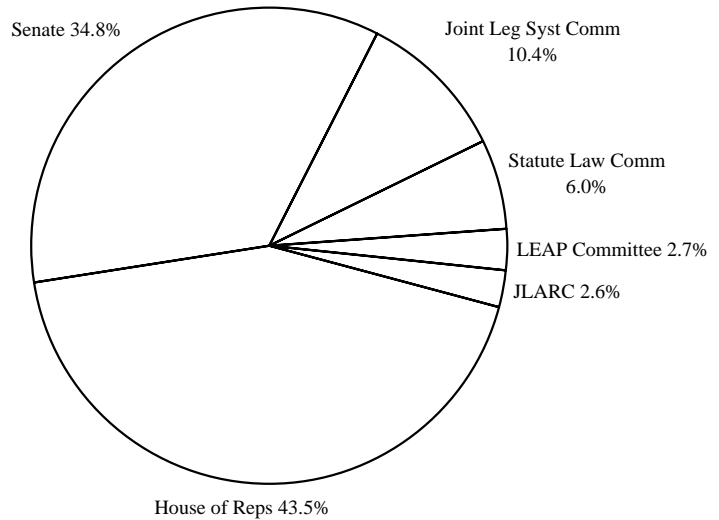
2003-05 Washington State Operating Budget
General Fund-State
(Dollars in Thousands)

Legislative	129,628
Judicial	78,492
Governmental Operations	411,360
Human Services	7,933,222
Natural Resources	297,097
Transportation	48,834
Public Schools	10,104,649
Higher Education	2,667,195
Other Education	39,932
Special Appropriations	1,370,972
Statewide Total	23,081,381



Washington State

House of Representatives	56,342
Senate	45,174
Jt Leg Systems Comm	13,507
Statute Law Committee	7,806
LEAP Committee	3,455
Jt Leg Audit & Rev Comm	3,344
Legislative	129,628



House of Representatives

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	55,385	45	55,430
2003-05 Maintenance Level	57,075	45	57,120
Policy Changes			
1. Pension Funding Change	-266	0	-266
2. Transfer Transpo Committee Staff	1,715	0	1,715
3. Revolving Funds	152	0	152
4. Staff Reduc. & Oper. Efficiencies	-2,334	0	-2,334
Total 2003-05 Biennium	56,342	45	56,387
Fiscal Year 2004 Total	28,109	0	28,109
Fiscal Year 2005 Total	28,233	45	28,278

Comments:

NOTE: The appropriations to the House of Representatives include \$171,000 for the independent operations of the Legislative Ethics Board. Expenditure decisions of the Board, including employment of staff, shall be independent of the House of Representatives and the Senate.

1. **Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
2. **Transfer Transpo Committee Staff** - Funding for House Transportation Committee support is transferred from the state transportation budget (Motor Vehicle Account-State) to the state operating budget (General Fund-State) in accordance with the transfer of committee staff to the House Office of Program Research.
3. **Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services.
4. **Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

Senate

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	45,662	45	45,707
2003-05 Maintenance Level	45,919	45	45,964
Policy Changes			
1. Pension Funding Change	-196	0	-196
2. Revolving Funds	174	0	174
3. Staff Reduc. & Oper. Efficiencies	-723	0	-723
Total 2003-05 Biennium	45,174	45	45,219
Fiscal Year 2004 Total	22,001	0	22,001
Fiscal Year 2005 Total	23,173	45	23,218

Comments:

NOTE: The appropriations to the Senate include \$171,000 for the independent operations of the Legislative Ethics Board. Expenditure decisions of the Board, including employment of staff, shall be independent of the House of Representatives and the Senate.

- 1. Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
- 2. Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services.
- 3. Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

Joint Legislative Audit & Review Committee

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	4,069	0	4,069
2003-05 Maintenance Level	3,436	0	3,436
Policy Changes			
1. Pension Funding Change	-20	0	-20
2. Revolving Funds	14	0	14
3. Staff Reduc. & Oper. Efficiencies	-86	0	-86
Total 2003-05 Biennium	3,344	0	3,344
Fiscal Year 2004 Total	1,627	0	1,627
Fiscal Year 2005 Total	1,717	0	1,717

Comments:

- 1. Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
- 2. Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services.
- 3. Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

Legislative Evaluation & Accountability Program

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	2,747	691	3,438
2003-05 Maintenance Level	3,292	0	3,292
Policy Changes			
1. Database Administrator	180	0	180
2. Pension Funding Change	-21	0	-21
3. Regional Cost of Living Index	50	0	50
4. Revolving Funds	24	0	24
5. Staff Reduc. & Oper. Efficiencies	-70	0	-70
Total 2003-05 Biennium	3,455	0	3,455
Fiscal Year 2004 Total	1,656	0	1,656
Fiscal Year 2005 Total	1,799	0	1,799

Comments:

1. **Database Administrator** - Funding is provided for a database administrator. This position will be responsible for optimizing database performance and design, including security, access, retrieval, data updates, and backups. Increased demand for databases, in addition to increasing database size, quantity, and complexity, are driving the need for a dedicated position.
2. **Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
3. **Regional Cost of Living Index** - Funding is provided for the Committee, in consultation with the Economic and Revenue Forecast Council, to develop a regional cost-of-living index for each region served by an Educational Service District of the K-12 system.
4. **Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services.
5. **Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

Office of the State Actuary

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	0	2,054	2,054
2003-05 Maintenance Level	0	2,143	2,143
Policy Changes			
1. Research Analyst Position Upgrade	0	58	58
2. LEOFF 2 Board Support	0	189	189
3. New Lease Costs	0	178	178
4. Pension Funding Change	0	-12	-12
5. Revolving Funds	0	60	60
Total 2003-05 Biennium	0	2,616	2,616
Fiscal Year 2004 Total	0	1,362	1,362
Fiscal Year 2005 Total	0	1,254	1,254

Comments:

- 1. Research Analyst Position Upgrade** - Funding is provided to upgrade a research analyst/legal position to a senior analyst/legal classification. (Department of Retirement Systems Expense Account-State)
- 2. LEOFF 2 Board Support** - Funding is provided for an additional assistant actuary position to handle increased workload associated with the creation of the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2 Board by Initiative 790. The expenses of the Office of the State Actuary (OSA) will initially be covered by the Department of Retirement Systems Expense Account and then reimbursed by the LEOFF 2 Board from its expense fund. (Department of Retirement Systems Expense Account-State)
- 3. New Lease Costs** - Funding is provided for OSA to relocate and lease a larger facility. Additional staff required to support the LEOFF Plan 2 Board causes OSA to exceed the capacity of their current space. (Department of Retirement Systems Expense Fund-State)
- 4. Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005. (Department of Retirement Systems Expense Account-State)
- 5. Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services. (Department of Retirement Systems Expense Account-State)

Joint Legislative Systems Committee

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	13,253	1,706	14,959
2003-05 Maintenance Level	13,664	1,813	15,477
Policy Changes			
1. Pension Funding Change	-50	0	-50
2. Revolving Funds	24	0	24
3. Staff Reduc. & Oper. Efficiencies	-131	0	-131
Total 2003-05 Biennium	13,507	1,813	15,320
Fiscal Year 2004 Total	6,754	916	7,670
Fiscal Year 2005 Total	6,753	897	7,650

Comments:

1. **Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
2. **Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services.
3. **Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.

Statute Law Committee

(Dollars in Thousands)

	GF-S	Other	Total
2001-03 Expenditure Authority	7,826	2,239	10,065
2003-05 Maintenance Level	8,105	2,263	10,368
Policy Changes			
1. Pension Funding Change	-42	0	-42
2. Revolving Funds	-54	-16	-70
3. Staff Reduc. & Oper. Efficiencies	-203	0	-203
Total 2003-05 Biennium	7,806	2,247	10,053
Fiscal Year 2004 Total	3,851	741	4,592
Fiscal Year 2005 Total	3,955	1,506	5,461

Comments:

NOTE: The appropriations to the Statute Law Committee include \$42,100 in FY 2004 and \$43,800 in FY 2005 for the Uniform Legislation Commission.

1. **Pension Funding Change** - Savings are achieved by adopting a new actuarial method for smoothing returns on assets for the Public Employees' Retirement System (PERS), the School Employees' Retirement System, and the Teachers' Retirement System (TRS). The new method varies the length of smoothing of a particular year's gain or loss depending on the difference from the actuarially-assumed rate of investment return. In addition, no contributions will be made toward the unfunded liabilities in the PERS and TRS Plans 1 during FY 2004 and FY 2005.
2. **Revolving Funds** - Funding levels for services provided by other state agencies, such as the Office of the Attorney General, are adjusted to reflect what those agencies are expected to bill for their services. (General Fund-State, Statute Law Committee Publications Account-Non-Appropriated)
3. **Staff Reduc. & Oper. Efficiencies** - In order to attain administrative efficiencies, agency budgets are reduced for FTE staff years, salaries, benefits, and other operating costs.