

# Governmental Operations

## **Office of the Governor**

A total of \$4.0 million from the Economic Development Strategic Reserve Account is provided to the Governor, upon recommendation of the Director of the Department of Community, Trade, and Economic Development and the Economic Development Commission, to recruit businesses, support public infrastructure, and provide technical assistance to prevent business closure or relocation outside the state. The funding is provided to implement Chapter 427, Laws of 2005 (2SSB 5370).

## **Secretary of State**

A total of \$6.0 million is provided under the federal Help America Vote Act to complete the statewide voter registration database.

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

### Federal Backfill

Funding is provided to mitigate a decrease or loss of federal funding, as follows:

- \$2.5 million to allow tribes to participate in forest and fish management practices as they relate to the Forests and Fish Report compiled by the federal government and the state.
- \$1.6 million for multi-jurisdictional drug task forces.
- \$1.0 million to Community Action Agencies to address the causes and effects of poverty.
- \$0.5 million for domestic violence legal advocacy.
- \$0.2 million to assist the Benton-Franklin Juvenile Drug Court in continuing its programming. The counties will provide an equivalent match to the state general fund appropriation.
- \$0.4 million to the Weed and Seed Program to mitigate a one-year funding lapse by the Department of Justice. The program assists communities in addressing violent crime, gang activity, and drug trafficking.
- \$0.2 million to assist the Safe and Drug-Free Schools and Communities Program.
- \$160,000 to the Drinking Water State Revolving Fund program to cover administrative costs.

### Community Assistance and Support

A total of \$2.0 million in funding is provided for sexual assault victim advocates' programs, to include services such as a 24-hour hotline, crisis intervention advocates, legal, medical, and general advocacy.

### Economic Development

- A total of \$7.0 million is provided to minor league baseball stadiums for restoration and repair of the following facilities: the Tacoma Rainiers (\$2.5 million); the Spokane Indians (\$2.0 million); the Tri-Cities Dust Devils (\$1.0 million); the Yakima Bears (\$0.8 million); and the Everett AquaSox (\$0.8 million).
- A total of \$1.6 million in funding is provided for lease costs associated with the Employment Resource Center required by the Master Site Agreement negotiated in 2003 between Boeing and other public entities as part of the statewide aerospace industry strategy.

### Cultural/Recreational Activities

The following funding is provided to increase cultural opportunities and boost tourism in Washington State:

- Dead Sea Scrolls – \$250,000 to assist with the exhibition at the Pacific Science Center in September 2006.
- United States Figure Skating Championships – \$100,000 for marketing to bring the 2007 event to Spokane, with additional funding to be provided if Spokane is chosen as the designated host.

- Korean Cultural Festival – \$25,000 for the second annual Northwest Korean Sports and Cultural Festival to be held in Federal Way.
- International Music Festival – \$5,000 to assist with the festival in Tacoma.
- 2010 Olympic Games – \$300,000 to coordinate efforts geared towards the 2010 Olympics with the regional effort being conducted by the Pacific Northwest Economic Region, a statutory committee.
- \$1.5 million is provided for the Department to enter into funding agreements with the Mountains to Sound Greenway Trust to improve recreation facilities and access to hiking trails.
- \$0.5 million is provided for an upgrade to the Daybreak Star Cultural Center’s electrical system in Seattle’s Discovery Park.
- \$250,000 is provided to the City of Poulsbo for the reopening of the Poulsbo Marine Science Center as an educational facility on the Puget Sound marine environment.

### **Department of Personnel**

A total of \$7.4 million is provided to cover the costs associated with delays in the development of the new Human Resource Management System (HRMS). The HRMS project was delayed by four months as staff resources were diverted to make modifications to the existing PAY1 payroll system. The budget also provides an additional \$6.4 million to cover HRMS development cost increases resulting from the signing by the Department and its vendors of a new contract with project scope and schedule revisions.

### **Department of Information Services**

A total of \$1.5 million is provided to support the operations of the Digital Learning Commons (DLC). By September 1, 2006, DLC shall develop a plan to become a self-supporting organization by September 1, 2008.

### **Office of the Insurance Commissioner**

A total of \$0.7 million in new funding is provided to establish an Anti-fraud Unit within the Office of the Insurance Commissioner to combat the increasing incidence of organized insurance fraud.

### **Military Department**

A total of \$46.0 million in federal funding is allocated for homeland security purposes to be distributed to local jurisdictions and state agencies for exercises, equipment, training, and response.

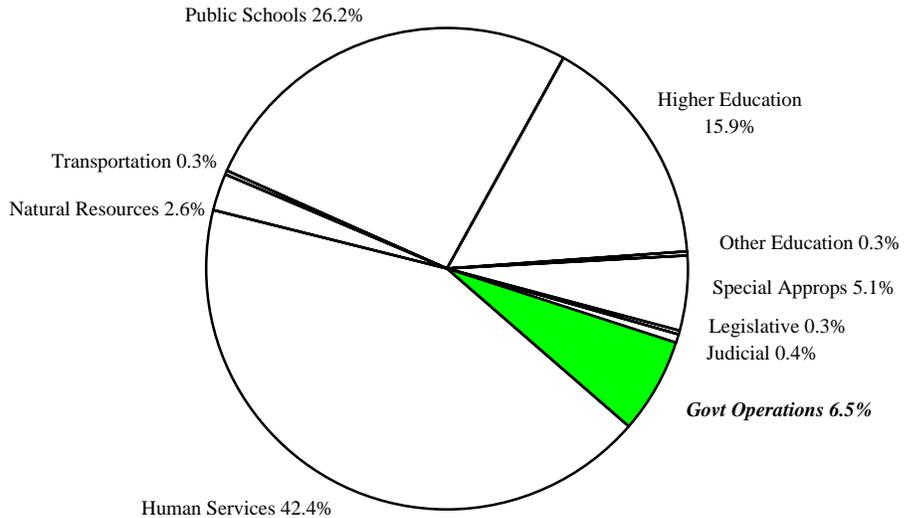
A total of \$2.0 million in funding is provided to enhance emergency management in Washington State of which \$1.6 million is provided for competitive grants to regional agencies, local governments, tribal governments, regional incident management teams, and private organizations. The grants shall be distributed on a competitive basis and awarded for one or more of the following purposes: development and coordination of emergency management plans; training of elected and appointed officials on disaster response; administration of joint emergency management exercises; and implementation of projects to strengthen emergency response, mitigation, preparation, and coordination. The remaining \$0.4 million is provided to the Department to administer the competitive grant and for implementation of activities to strengthen emergency response. Additionally, the Military Department will study the feasibility of having disaster medical assistance teams and urban search and rescue teams available within the state to be deployed by the Governor and will report the findings and recommendations to the Legislature by December 1, 2006.

A total of \$2.5 million is provided for the Emergency Management Division to contract with the Washington Information Network 2-1-1 in fiscal year 2007 for operation of a 2-1-1 statewide system. The 2-1-1 system is designed to be a centralized contact point residents can use for referral to a variety of local and state health and social services.

A total of \$1.0 million in funding is provided for the purchase and installation of at least twenty “All Hazard Alert Broadcast” radios along Washington's coast.

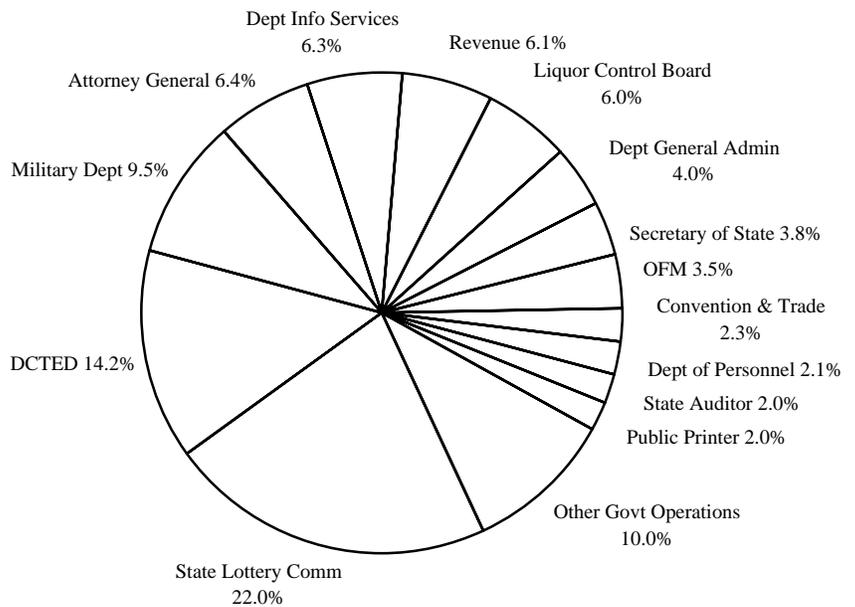
**2005-07 Washington State Omnibus Operating Budget**  
**Including 2006 Supplemental**  
**Total Budgeted Funds**  
(Dollars in Thousands)

Legislative	149,275
Judicial	216,066
<b>Governmental Operations</b>	<b>3,348,551</b>
Human Services	21,747,617
Natural Resources	1,340,259
Transportation	148,331
Public Schools	13,440,836
Higher Education	8,162,627
Other Education	139,846
Special Appropriations	2,595,329
<b>Statewide Total</b>	<b>51,288,737</b>



**Washington State**

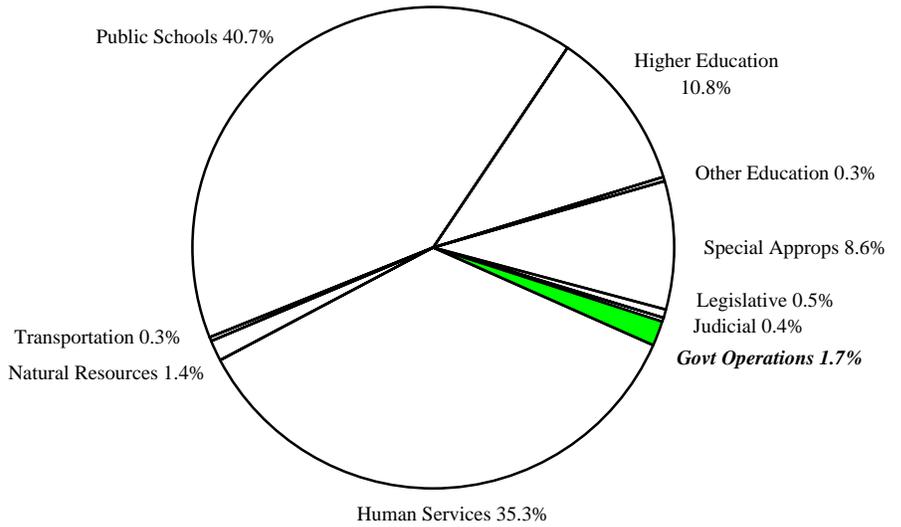
Lottery Commission	735,317
Comm/Trade/Econ Dev	476,144
Military Department	316,614
Attorney General	213,308
Dept Information Services	212,170
Revenue	203,367
Liquor Control Board	199,488
Dept General Administration	133,682
Secretary of State	128,242
OFM	116,657
Convention & Trade Center	77,003
Dept of Personnel	68,850
State Auditor	66,243
Public Printer	65,830
Other Govt Operations	335,636
<b>Governmental Operations</b>	<b>3,348,551</b>



**Governmental Operations**

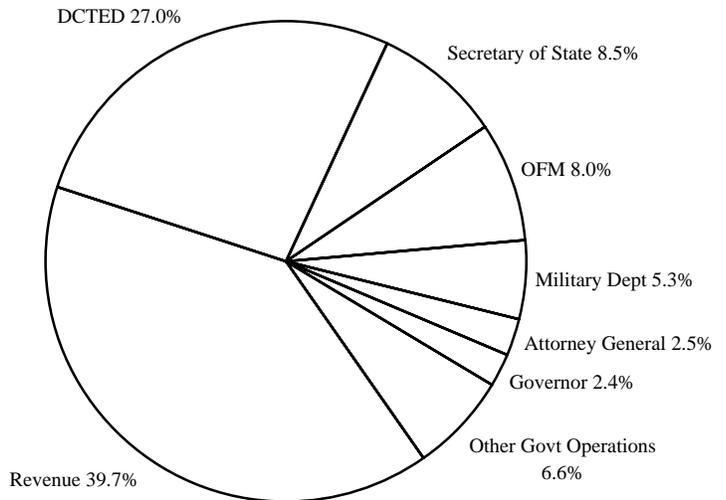
**2005-07 Washington State Omnibus Operating Budget**  
**Including 2006 Supplemental**  
**General Fund-State**  
(Dollars in Thousands)

Legislative	141,772
Judicial	105,942
<b>Governmental Operations</b>	<b>471,118</b>
Human Services	9,648,542
Natural Resources	382,648
Transportation	73,593
Public Schools	11,098,029
Higher Education	2,949,314
Other Education	77,375
Special Appropriations	2,349,573
<b>Statewide Total</b>	<b>27,297,906</b>



**Washington State**

Revenue	186,949
Comm/Trade/Econ Dev	127,367
Secretary of State	40,066
OFM	37,855
Military Department	25,174
Attorney General	11,568
Office of the Governor	11,183
Other Govt Operations	30,956
<b>Governmental Operations</b>	<b>471,118</b>



**Governmental Operations**

**Office of the Governor**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>10,879</b>	<b>6,056</b>	<b>16,935</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	35	35
2. Central Service Agency Charges	7	0	7
3. Governor's Salmon Recovery Office	0	160	160
4. Econ Development Strategic Reserve	0	4,000	4,000
5. Hood Canal Study	297	0	297
<b>Total Policy Changes</b>	<b>304</b>	<b>4,195</b>	<b>4,499</b>
<b>2005-07 Revised Appropriations</b>	<b>11,183</b>	<b>10,251</b>	<b>21,434</b>
Fiscal Year 2006 Total	5,600	3,169	8,769
Fiscal Year 2007 Total	5,583	7,082	12,665

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
 

a two-part study to improve data and knowledge on nitrogen loading and removal from systems in Hood Canal.
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
3. **Governor's Salmon Recovery Office** - The Governor's Salmon Recovery Office is continued at current General Fund-State funding levels, including interagency reimbursements received from the Department of Fish and Wildlife, the Department of Ecology, and the Interagency Committee for Outdoor Recreation. This item reflects increased funding from the Salmon Recovery Account. (Salmon Recovery Account-State)
4. **Econ Development Strategic Reserve** - The Governor, upon recommendation of the Director of the Department of Community, Trade, and Economic Development and the Economic Development Commission, authorizes funds to recruit businesses, support public infrastructure, and provide technical assistance to prevent business closure or relocation outside the state. The funding is provided to implement Chapter 427, Laws of 2005 (2SSB 5370). (Economic Development Strategic Reserve Account-State)
5. **Hood Canal Study** - Funding in FY 2007 is provided for the Puget Sound Action Team, in coordination with the Hood Canal Coordinating Council, to contract for the initial phase of

**Office of the Lieutenant Governor**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>1,518</b>	<b>1</b>	<b>1,519</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-1</b>	<b>-1</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	3	3
2. Central Service Agency Charges	<u>2</u>	<u>0</u>	<u>2</u>
<b>Total Policy Changes</b>	<b>2</b>	<b>3</b>	<b>5</b>
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<b>2005-07 Revised Appropriations</b>	<b>1,520</b>	<b>3</b>	<b>1,523</b>
Fiscal Year 2006 Total	752	0	752
Fiscal Year 2007 Total	768	3	771

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

**Public Disclosure Commission**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>3,998</b>	<b>0</b>	<b>3,998</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	10	10
2. Central Service Agency Charges	4	0	4
3. Campaign Contribution Limits	66	0	66
<b>Total Policy Changes</b>	<b>70</b>	<b>10</b>	<b>80</b>
<b>2005-07 Revised Appropriations</b>	<b>4,068</b>	<b>10</b>	<b>4,078</b>
Fiscal Year 2006 Total	1,999	0	1,999
Fiscal Year 2007 Total	2,069	10	2,079

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Campaign Contribution Limits** - Funding is provided to implement Chapter 348, Laws of 2006 (3SHB 1226), which requires increased monitoring and education for the new categories of candidates subject to limitations on campaign contributions.

## Office of the Secretary of State

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>36,425</b>	<b>80,860</b>	<b>117,285</b>
<b>Total Maintenance Changes</b>	<b>1,651</b>	<b>931</b>	<b>2,582</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	101	101
2. Classification Revisions	-22	13	-9
3. Central Service Agency Charges	20	32	52
4. Local Government Off-Site Storage	0	130	130
5. Local Government Records Retention	0	109	109
6. Voter Registration Database	0	6,000	6,000
7. Democratic Party v. Sam Reed	110	0	110
8. Farrakhan Lawsuit	327	0	327
9. Voter Registration Forms	60	0	60
10. County Election Cost Reimbursement	1,176	0	1,176
11. TVW Spanish Translation Programming	319	0	319
<b>Total Policy Changes</b>	<b>1,990</b>	<b>6,385</b>	<b>8,375</b>
<b>2005-07 Revised Appropriations</b>	<b>40,066</b>	<b>88,176</b>	<b>128,242</b>
Fiscal Year 2006 Total	21,593	64,635	86,228
Fiscal Year 2007 Total	18,473	23,541	42,014

**Comments:**

- Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
- Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
- Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
- Local Government Off-Site Storage** - The Washington State Digital Archives in Cheney will store local government mission-critical backup tapes off site. (Local Government Archives Account-State)
- Local Government Records Retention** - The Local Records Committee will review and update local government general records retention schedules. (Archives and Records Management Account-State, Local Government Archives Account-State)
- Voter Registration Database** - The federal Help America Vote Act requires the state to develop a statewide voter registration database. The first phase of the database should be completed by April 2006. Funding is provided to implement the second phase, which will complete the database. (Election Account-Federal)
- Democratic Party v. Sam Reed** - Funding is provided for the settlement of all claims in *Washington State Democratic Party, et al. v. Sam S. Reed, et al.* The expenditure is contingent on the release of all claims in the case and related appeal, and total settlement costs shall not exceed this amount.
- Farrakhan Lawsuit** - Funding is provided for the one-time legal costs associated with litigation regarding the voting rights of inmates under the supervision of the Department of Corrections.
- Voter Registration Forms** - Voter registration forms will be reprinted in accordance with changes mandated by legislation relating to out-of-state voters, Chapter 246, Laws of 2005 (ESSB 5743).
- County Election Cost Reimbursement** - Pursuant to RCW 29A.04.420, funds are provided to reimburse counties for the state share of the 2005 general election.
- TVW Spanish Translation Programming** - Funding is provided for allocation to TVW for closed-caption and Spanish translation costs for TVW programming.

**Governor's Office of Indian Affairs**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>566</b>	<b>0</b>	<b>566</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	1	1
2. Central Service Agency Charges	3	0	3
<b>Total Policy Changes</b>	<b>3</b>	<b>1</b>	<b>4</b>
<b>2005-07 Revised Appropriations</b>	<b>569</b>	<b>1</b>	<b>570</b>
Fiscal Year 2006 Total	277	0	277
Fiscal Year 2007 Total	292	1	293

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

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

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>473</b>	<b>0</b>	<b>473</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	1	1
2. Central Service Agency Charges	1	0	1
3. Filipino-American WWII Veterans	25	0	25
<b>Total Policy Changes</b>	<b>26</b>	<b>1</b>	<b>27</b>
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<b>2005-07 Revised Appropriations</b>	<b>499</b>	<b>1</b>	<b>500</b>
Fiscal Year 2006 Total	235	0	235
Fiscal Year 2007 Total	264	1	265

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Filipino-American WWII Veterans** - One-time funding is provided for the Commission to contract with the International Drop-In Center to conduct a year-long survey of Filipino-American World War II veterans residing in the state.

**Office of the State Treasurer**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>14,124</b>	<b>14,124</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	38	38
2. Classification Revisions	0	-3	-3
3. Central Service Agency Charges	0	15	15
<b>Total Policy Changes</b>	<b>0</b>	<b>50</b>	<b>50</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>14,174</b>	<b>14,174</b>
Fiscal Year 2006 Total	0	7,042	7,042
Fiscal Year 2007 Total	0	7,132	7,132

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

**Office of the State Auditor**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>4,325</b>	<b>45,917</b>	<b>50,242</b>
<b>Policy Changes</b>			
1. Management&Accountability Proposal	-2,718	-2	-2,720
2. Pension Plan 1 Unfunded Liabilities	0	143	143
3. Central Service Agency Charges	2	49	51
4. Performance Audits (I-900)	0	18,527	18,527
<b>Total Policy Changes</b>	<b>-2,716</b>	<b>18,717</b>	<b>16,001</b>
<b>2005-07 Revised Appropriations</b>	<b>1,609</b>	<b>64,634</b>	<b>66,243</b>
Fiscal Year 2006 Total	1,258	27,817	29,075
Fiscal Year 2007 Total	351	36,817	37,168

**Comments:**

1. **Management&Accountability Proposal** - Funding for the implementation of Chapter 385, Laws of 2005, Partial Veto (ESHB 1064 - Performance Audits) is deleted. (General Fund-State, Auditing Services Revolving Account-State)
2. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **Performance Audits (I-900)** - Pursuant to Chapter 1, Laws of 2006 (Initiative 900), funding is provided for the State Auditor to conduct independent, comprehensive performance audits on state and local governments, agencies, programs, and accounts. (Performance Audits of Government Account-Non-Appropriated)

### Citizens' Commission on Salaries for Elected Officials

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>343</b>	<b>0</b>	<b>343</b>
<b>Policy Changes</b>			
1. Central Service Agency Charges	<u>1</u>	<u>0</u>	<u>1</u>
<b>Total Policy Changes</b>	<b>1</b>	<b>0</b>	<b>1</b>
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<b>2005-07 Revised Appropriations</b>	<b>344</b>	<b>0</b>	<b>344</b>
Fiscal Year 2006 Total	137	0	137
Fiscal Year 2007 Total	207	0	207

**Comments:**

- 1. Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Office of the Attorney General

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>10,379</b>	<b>195,597</b>	<b>205,976</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>576</b>	<b>576</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	560	560
2. Central Service Agency Charges	0	170	170
3. Liquor Distribution Litigation	0	410	410
4. Special Education Litigation	0	1,099	1,099
5. Unfunded Mandates Litigation	80	0	80
6. Fuel Tax Litigation	0	555	555
7. Lower Elwha Klallam Tribe v. WA	0	236	236
8. DSHS Juvenile Litigation	0	598	598
9. Tobacco Master Settlement	762	0	762
10. SVP Legal Services	0	551	551
11. Medicaid Fraud Staffing Enhancement	150	450	600
12. Clemency & Pardons Board Workload	197	0	197
13. Board of Acct Investigate Workload	0	126	126
14. Felon Voting Litigation	0	652	652
15. Fish & Wildlife Legal Services	0	110	110
16. Residential Standards Enforcement	0	50	50
<b>Total Policy Changes</b>	<b>1,189</b>	<b>5,567</b>	<b>6,756</b>
<b>2005-07 Revised Appropriations</b>	<b>11,568</b>	<b>201,740</b>	<b>213,308</b>
Fiscal Year 2006 Total	5,724	99,111	104,835
Fiscal Year 2007 Total	5,844	102,629	108,473

**Comments:**

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| <p>1. <b>Pension Plan 1 Unfunded Liabilities</b> - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)</p> <p>2. <b>Central Service Agency Charges</b> - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)</p> <p>3. <b>Liquor Distribution Litigation</b> - Funding is provided for legal services necessary for the state's defense of a lawsuit challenging the method by which wholesale beer and wine sales are conducted in Washington. (Legal Services Revolving Account-State)</p> <p>4. <b>Special Education Litigation</b> - Funding is provided for an ongoing lawsuit regarding the level of state funding dedicated for special education services. Twelve school districts are challenging state funding levels on constitutional grounds.</p> | <p>This funding is for additional lawsuit-related expenses expected to be incurred through June 30, 2007. (Legal Services Revolving Account-State)</p> <p>5. <b>Unfunded Mandates Litigation</b> - Legal services funding is required to defend the state in a lawsuit filed by Spokane County regarding the repayment of costs incurred by the county as a result of newly enacted or amended legislation.</p> <p>6. <b>Fuel Tax Litigation</b> - The Department of Licensing requires additional legal services related to fuel tax and prorate law issues and to defend several motor vehicle fuel tax cases brought by Native American tribes against the state. These cases are pending in federal court. (Legal Services Revolving Account-State)</p> <p>7. <b>Lower Elwha Klallam Tribe v. WA</b> - One-time funding is needed for Assistant Attorney General staff support for the <i>Lower Elwha Klallam Tribe v. Washington State</i> case. Legal services are required for negotiations and possible litigation over a Native American burial site that was disrupted during the construction of a graving dock necessary for the Hood Canal Bridge reconstruction. (Legal Services Revolving Account-State)</p> <p>8. <b>DSHS Juvenile Litigation</b> - Funding is provided for additional legal services needed to address juvenile litigation workload issues handled by the Attorney General's Spokane Office and in King County. (Legal Services Revolving Account-State)</p> |
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## Office of the Attorney General

9. **Tobacco Master Settlement** - Funding is needed for legal services associated with enforcement activities and litigation related to the Tobacco Master Settlement Agreement.
10. **SVP Legal Services** - The Office of the Attorney General will provide additional legal services related to the civil commitment of sexually-violent predators (SVP). (Legal Services Revolving Account-State)
11. **Medicaid Fraud Staffing Enhancement** - The Attorney General's Medicaid Fraud Control Unit has experienced an increased caseload for the investigation and enforcement of Medicaid fraud and patient abuse. (General Fund-State, General Fund-Federal)
12. **Clemency & Pardons Board Workload** - Funding is provided for additional legal staff and resources to review cases and conduct hearings of the Clemency and Pardons Board.
13. **Board of Acct Investigate Workload** - The Board of Accountancy will need additional legal services to support investigations not anticipated in the 2005-07 biennial budget. (Legal Services Revolving Account-State)
14. **Felon Voting Litigation** - Funding is provided for the litigation-related legal costs for the defense of a felon voting rights case against the Secretary of State and the Department of Corrections. (Legal Services Revolving Account-State)
15. **Fish & Wildlife Legal Services** - Additional appropriation authority is provided for increased legal services to the Department of Fish and Wildlife. (Legal Services Revolving Account-State)
16. **Residential Standards Enforcement** - Funding is provided for Attorney General costs to implement Chapter 303, Laws of 2006 (E2SSB 6630), which provides the Department of Social and Health Services with additional means of enforcing certification standards for providers of residential services and support to persons with developmental disabilities. (Legal Services Revolving Account-State)

### Caseload Forecast Council

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>1,433</b>	<b>0</b>	<b>1,433</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	4	4
2. Central Service Agency Charges	2	0	2
<b>Total Policy Changes</b>	<b>2</b>	<b>4</b>	<b>6</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>1,435</b>	<b>4</b>	<b>1,439</b>
Fiscal Year 2006 Total	719	0	719
Fiscal Year 2007 Total	716	4	720

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Department of Community, Trade, & Economic Development

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>133,319</b>	<b>322,591</b>	<b>455,910</b>
<b>Total Maintenance Changes</b>	<b>-374</b>	<b>24,259</b>	<b>23,885</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	154	154
2. Classification Revisions	-3	-4	-7
3. Central Service Agency Charges	43	35	78
4. Affordable Housing Program	0	670	670
5. Aerospace Industry Outreach	157	0	157
6. CTED Administration Assistance	410	0	410
7. Public Works Board Client Services	0	160	160
8. Dept of Archaeology Grant	0	529	529
9. ECEAP to Dept of Early Learning	-29,941	0	-29,941
10. Employment Resource Center	1,600	0	1,600
11. Buildable Lands	150	0	150
12. Cluster-Based Economic Development	400	0	400
13. County Prosecutor Victim/Witness	712	0	712
14. Energy Facilities	0	186	186
15. EFSEC Rule Making	25	0	25
16. Safe and Drug Free Schools Program	200	0	200
17. Asset Building Pilot	118	0	118
18. Transfer of Development Rights	250	0	250
19. 2010 Olympic Games	300	0	300
20. Weed and Seed	375	0	375
21. Main Streets Revitalization	183	0	183
22. Poulso Marine Science Center	250	0	250
23. Long-Term Care Volunteer Ombudsman	200	197	397
24. Daybreak Star Cultural Center	544	0	544
25. Northwest Agriculture Incubator	50	0	50
26. Sexual Assault Services	2,000	0	2,000
27. State Birding Trail	96	0	96
28. Court Appointed Special Advocate	116	0	116
29. Minor League Baseball	7,000	0	7,000
30. Benton-Franklin Juvenile Drug Court	168	0	168
31. Community Services Block Grant	1,000	0	1,000
32. Small Business Incubator	400	0	400
33. Small Ports Dredging	75	0	75
34. Dead Sea Scrolls	250	0	250
35. International Music Festival	5	0	5
36. Grants and Assistance	140	0	140
37. Human Trafficking	149	0	149
38. International Trade Alliance	100	0	100
39. Drug Task Forces	1,658	0	1,658
40. Skate America	100	0	100
41. King County Sexual Assault Resource	150	0	150
42. Korean Cultural Festival	25	0	25
43. Enumclaw Loggers Monument	150	0	150
44. Developmental Disability Legal Svcs	300	0	300
45. Mimms Academy	200	0	200
46. Methamphetamine Study	67	0	67
47. Outdoor Recreation Projects	1,550	0	1,550
48. Pacific Northwest Economic Region	50	0	50
49. Pacific-Algona Senior Center	20	0	20
50. Trade Corp Fellowship Program	265	0	265
51. Tribal Forest and Fish	2,500	0	2,500
52. Domestic Violence Funding Restore	530	0	530
53. Governor Veto	-665	0	-665
<b>Total Policy Changes</b>	<b>-5,578</b>	<b>1,927</b>	<b>-3,651</b>

## Department of Community, Trade, & Economic Development

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Revised Appropriations</b>	<b>127,367</b>	<b>348,777</b>	<b>476,144</b>
Fiscal Year 2006 Total	67,781	173,443	241,224
Fiscal Year 2007 Total	59,586	175,334	234,920

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **Affordable Housing Program** - Appropriation authority and FTEs are provided for the implementation of Chapter 349, Laws of 2006, Partial Veto (E2SHB 2418 - Affordable Housing). (Washington Housing Trust Account-State)
5. **Aerospace Industry Outreach** - Funding is provided for a new position in the Economic Development Division. This position will be responsible for completing the requirements of the Master Site Agreement between the state and Boeing and implementing a statewide aerospace industry strategy.
6. **CTED Administration Assistance** - Funding is provided to facilitate the transition of Department of Community, Trade, and Economic Development's (CTED's) Early Childhood Education Assistance Program (ECEAP) to the newly-created Department of Early Learning (DEL), a cabinet-level agency.
7. **Public Works Board Client Services** - The Drinking Water State Revolving Fund program makes low-interest loans to improve domestic water systems. Capital funds are provided by an annual grant from the Environmental Protection Agency (EPA) and matching funds from the Public Works Assistance Account (PWAA). Administrative funds are provided in the annual EPA grant, PWAA, and Drinking Water Assistance Administrative Account. The annual grant from the federal EPA will decrease in FY 2007. Additionally, the number of loans made by the program is increasing as repayment revenues from previous loans are loaned out again. Additional funds from the Drinking Water Assistance Administrative Account and the PWAA will offset the decrease in federal funding. (Drinking Water Assistance Administrative Account-State, PWAA-State)
8. **Dept of Archaeology Grant** - The Department of Archaeology and Historic Preservation (DAHP) was created and split apart from CTED during the 2005 legislative session. The federal National Parks Service has two open grants with CTED and was unwilling to transfer spending authority to DAHP. These amounts represent a one-time budget transfer of the federal grant funds back to CTED. (General Fund-Federal)
9. **ECEAP to Dept of Early Learning** - ECEAP is transferred to the newly-created DEL.
10. **Employment Resource Center** - Funding is provided for lease costs associated with the Employment Resource Center required by the Master Site Agreement negotiated in 2003. The Center is located close to Paine Field in Everett and will house the workforce training program for the 787 Dreamliner and its suppliers. A Department of Employment Security WorkSource office will be located in the building to provide employment, training, and business services to job seekers and employers in the aerospace and other industries.
11. **Buildable Lands** - Provides one-time funding to assist the Suburban Cities Association, King County, and the cities of Seattle and Bellevue to comply with the most acute Buildable Lands needs countywide. The sum of \$50,000 of these amounts are provided specifically for the Suburban Cities Association to fully fund a Buildable Lands program manager position.
12. **Cluster-Based Economic Development** - Funding is provided pursuant to Chapter 105, Laws of 2006 (2SHB 2498), for the support of an industry cluster-based approach to economic development.
13. **County Prosecutor Victim/Witness** - Funding is allocated to provide each county with an additional 0.5 FTE for prosecutors' victim/witness units.
14. **Energy Facilities** - Funding is provided pursuant to Chapter 205, Laws of 2006 (SHB 2402), for the expedited processing of energy facilities and alternative energy resources. (General Fund-Local)
15. **EFSEC Rule Making** - The Energy Facilities Site Evaluation Council (EFSEC) is provided funding for rule-making required under RCW 80.70.070, the carbon dioxide mitigation statute.

## Department of Community, Trade, & Economic Development

16. **Safe and Drug Free Schools Program** - The federal government has reduced the amount of funding provided to Washington State for the Safe and Drug-Free Schools and Communities (SDFSC) grants by approximately \$1.5 million or 21 percent in FY 2007. The SDFSC grant funding supports prevention and intervention specialists in communities and schools to implement comprehensive assistance programs that address problems associated with substance abuse and violence. One-time state funding is provided to help mitigate the impact of this federal budget reduction.
17. **Asset Building Pilot** - One-time funding is provided for an asset building pilot program and an earned income tax credit marketing campaign pursuant to Chapter 91, Laws of 2006 (HB 3156).
18. **Transfer of Development Rights** - Funding is provided for a pilot demonstration project to examine the use of transfer of development rights projects in the state. A minimum of two projects must be established under the direction and administration of the legislative authority of the county hosting the project. Projects may receive no more than \$100,000.
19. **2010 Olympic Games** - The 2010 Winter Olympic Games in Vancouver, British Columbia, present an opportunity for business, marketing, and tourism in Washington State. Funding is provided for the Department to coordinate efforts geared towards the 2010 Olympics with the regional effort being conducted by the Pacific Northwest Economic Region, a statutory committee.
20. **Weed and Seed** - One-time funding is provided to mitigate a Department of Justice (DOJ) lapse in funds due to a federal audit finding on DOJ. Weed and Seed is a community capacity building program that assists communities in addressing violent crime, gang activity, and drug trafficking in neighborhoods. Three programs (two in Seattle and one in Rochester) that are experiencing the lapse in federal funds will be funded by the state in FY 2007.
21. **Main Streets Revitalization** - The Main Streets Revitalization program will help implement the new commercial district tax credit incentive program created by Chapter 514, Laws of 2005 (ESHB 2314). Funding is provided to support an advisory committee; a tax incentive program to be developed in cooperation with the Department of Revenue; and for the review of applications for the Business and Occupation tax credit.
22. **Poulsbo Marine Science Center** - Funding is provided to the city of Poulsbo for the reopening of the Poulsbo Marine Science Center as an educational facility on the Puget Sound marine environment.
23. **Long-Term Care Volunteer Ombudsman** - One-time funding for the Long-Term Care Volunteer Ombudsman program is provided to increase the number of volunteer ombudsmen in adult family home settings. The funding will be used for outreach and training of new volunteers. (General Fund-State, General Fund-Federal)
24. **Daybreak Star Cultural Center** - One-time funding is provided to the Daybreak Star Cultural Center in Seattle's Discovery Park for an upgrade of the Center's electrical system.
25. **Northwest Agriculture Incubator** - The funding for the Northwest Agriculture Incubator is adjusted. The sum of \$60,000 of the General Fund-State appropriation is transferred from FY 2006 to FY 2007, and the funding for FY 2007 is increased by an additional \$50,000.
26. **Sexual Assault Services** - Funding is provided for sexual assault victim advocates' programs. The funding is for core services, such as a 24-hour hotline, crisis intervention advocates, legal, medical, and general advocacy; specialized therapy and social work services; services targeted to underserved populations; and prevention and community education.
27. **State Birding Trail** - One-time funding is provided for the Olympic Loop of the Great Washington State Birding Trail. The Department of Community, Trade, and Economic Development, in partnership with the Department of Fish and Wildlife, the Department of Transportation, the State Parks and Recreation Commission, and Audubon Washington, will create a statewide trail network to attract nature tourists to Washington State. The Olympic Loop is the fourth loop of the planned seven-loop trail.
28. **Court Appointed Special Advocate** - Funding is provided for an increase to the statewide coordination of volunteer programs for Court Appointed Special Advocates.
29. **Minor League Baseball** - One-time funding is provided to the owners of the following minor league baseball facilities for major and minor restoration and repair of facilities. Facilities include: Tacoma Rainiers (\$2,500,000); Spokane Indians (\$2,000,000); Tri-Cities Dust Devils (\$1,000,000); Yakima Bears (\$750,000); and Everett AquaSox (\$750,000). The Department shall not take any portion of the appropriation for administrative purposes.
30. **Benton-Franklin Juvenile Drug Court** - One-time funding is provided to assist the Benton-Franklin Juvenile Drug Court in continuing its program. Federal funds previously used to fund the program have been exhausted. The counties will provide an equivalent match to the state amount to continue the program.
31. **Community Services Block Grant** - Funding is provided to enhance federal appropriations to assist community action agencies.
32. **Small Business Incubator** - Funding is provided for Third Substitute House Bill 1815 (Small Business Incubator). This bill was not enacted by the Legislature, and the Governor vetoed this appropriation (see veto item below).

## Department of Community, Trade, & Economic Development

33. **Small Ports Dredging** - One-time funding is provided for a contracted study that will provide recommendations on a small harbor dredging cooperative among the port districts of Pacific and Wahkiakum Counties. The consultant performing the study will be selected by the affected port districts.
34. **Dead Sea Scrolls** - One-time funding is provided to assist with activities related to the Dead Sea Scrolls exhibition at the Pacific Science Center in September 2006.
35. **International Music Festival** - One-time funding is provided for the Tacoma International Music Festival.
36. **Grants and Assistance** - Funding is provided for the implementation of Chapter 314, Laws of 2006 (ESB 5330 - Economic Development Grants Program).
37. **Human Trafficking** - Funding is provided to implement SSB 6652 (Human Trafficking) authorizing a task force through June 30, 2011, to provide guidance in responding to the crime of human trafficking and in providing services to human trafficking victims. See Lapse item below.
38. **International Trade Alliance** - One-time funding is provided for the International Trade Alliance of the Spokane Region to partner with other regional governments to strengthen and diversify the regional economy.
39. **Drug Task Forces** - Federal funding for multi-jurisdictional drug task forces has been reduced by 40 percent since FY 2004. Funding is provided for a backfill related to federal funding reductions for drug task forces.
40. **Skate America** - Funding is provided for tourism branding and marketing associated with the January 2007 United States figure skating championships in Spokane. It is the intent of the Legislature to provide additional funding during the 2007-09 biennium for the payment of one-half of the hosting fee if Spokane is designated as the host city of the 2009 world figure skating championships. The funds provided are contingent on an equal amount of matching funds from non-state sources.
41. **King County Sexual Assault Resource** - One-time funding for King County Sexual Assault Resource Center is provided as follows: \$60,000 to fund a Spanish-speaking therapist position to assist child sexual assault victims; \$46,000 to provide parent/child victim education; and \$42,000 for prevention education programs.
42. **Korean Cultural Festival** - One-time funding is provided for the second annual Northwest Korean Sports and Cultural Festival to be held in Federal Way.
43. **Enumclaw Loggers Monument** - One-time funding is provided for costs associated with the Enumclaw Loggers Monument.
44. **Developmental Disability Legal Svcs** - One-time funding is provided to the Developmental Disabilities Council to contract for legal services for individuals with developmental disabilities entering or currently residing in the Department of Social and Health Services Division of Developmental Disabilities Community Protection Program. Services shall be prioritized for individuals needing legal services who do not have a paid legal guardian. However, services are available to all individuals, subject to available funding.
45. **Mimms Academy** - One-time funding is provided to the Mimms Academy in Tacoma, a nonprofit organization, for a pilot project serving expelled and suspended students between the ages of 11 and 17.
46. **Methamphetamine Study** - Funding is provided to study funding levels for methamphetamine action teams and drug task forces as directed by Chapter 339, Laws of 2006 (E2SSB 6239 - Controlled Substances and Methamphetamine). The Department shall report findings and recommendations to the Legislature by November 1, 2006.
47. **Outdoor Recreation Projects** - Funding is provided for the Department to enter into funding agreements with the Mountains-to-Sound Greenway Trust to accomplish the following projects: Squak Mountain Trail Upgrades; Tiger Mountain Trailhead and Trails Upgrades; Rattlesnake Mountain Trail and Trailhead Construction; Mailbox Peak Trail and Trailhead Improvements; MidFork River Basin Access Projects; Greenway Recreational Signage; Greenway Legacy Planning; Snoqualmie Point View Park Construction; and State Route 18/Interstate 90 Interchange Protection.
48. **Pacific Northwest Economic Region** - Funding is provided to the Pacific Northwest Economic Region as matching funds for use in the development and operation of a regional tourism initiative in coordination with the Department and consistent with the Governor's initiatives on marketing, tourism, and trade.
49. **Pacific-Algona Senior Center** - One-time funding is provided to Pacific-Algona Senior Center, a nonprofit program that serves meals to low-income senior citizens.
50. **Trade Corp Fellowship Program** - Funding is provided to implement Substitute Senate Bill 6330 (Washington Trade Corps Fellowship Program) to enhance the work of Washington's trade offices by placing up to five Washington college and graduate students per year in the offices as fellows. The Governor vetoed SSB 6330 and this appropriation (see veto item below).
51. **Tribal Forest and Fish** - One-time funding is provided to allow tribes to participate in forest and fish practices as they relate to the Forests and Fish Report compiled by the federal government and the state. Federal support is anticipated to end October 1, 2006. However, should federal funding be reinstated, state funding will lapse.
52. **Domestic Violence Funding Restore** - Federal reductions in the Justice Assistance Grant have resulted in reduced funding for domestic violence legal advocacy. The grant has been reduced by 40 percent since FY 2004. Additional one-time state funding is provided to mitigate the reductions. A total of

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

\$700,000 is provided for FY 2007, which includes an appropriation of \$170,000 provided in the 2005-07 enacted operating budget.

53. **Governor Veto** - The Governor vetoed Section 126(42) and (63) of Chapter 372, Laws of 2006, Partial Veto (ESSB 6386). Section 126(42) funded 3SHB 1815, which did not pass the Legislature. Section 126(63) provided funding for SSB 6330. This bill was vetoed by the Governor, and therefore, the funding in the supplemental budget is removed.

## Economic & Revenue Forecast Council

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>1,090</b>	<b>0</b>	<b>1,090</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	3	3
2. Central Service Agency Charges	2	0	2
3. Economic Trade Activities	10	0	10
<b>Total Policy Changes</b>	<b>12</b>	<b>3</b>	<b>15</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>1,102</b>	<b>3</b>	<b>1,105</b>
Fiscal Year 2006 Total	579	0	579
Fiscal Year 2007 Total	523	3	526

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Economic Trade Activities** - Funding is provided for two economic trade activities that were not anticipated in the biennial budget.

## Office of Financial Management

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>33,043</b>	<b>72,573</b>	<b>105,616</b>
<b>Total Maintenance Changes</b>	<b>-120</b>	<b>1,216</b>	<b>1,096</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	160	160
2. Classification Revisions	0	-4	-4
3. Central Service Agency Charges	183	0	183
4. Roadmap Feasibility Study	0	1,239	1,239
5. Enterprise Systems	0	3,118	3,118
6. WorkFirst Performance Team Funding	470	0	470
7. Capital Budget System Replacement	0	500	500
8. Fiscal Note Analysis	34	0	34
9. Child Care Collective Bargaining	177	0	177
10. Mgmt & Accountability Proposal	2,718	0	2,718
11. Policy and Consensus Center	200	0	200
12. Capital Predesign Evaluations	200	0	200
13. Regulatory Improvements	550	0	550
14. Affordable Health Care	200	0	200
15. Parks, Fish/Wildlife Capital Study	200	0	200
<b>Total Policy Changes</b>	<b>4,932</b>	<b>5,013</b>	<b>9,945</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>37,855</b>	<b>78,802</b>	<b>116,657</b>
Fiscal Year 2006 Total	17,775	37,431	55,206
Fiscal Year 2007 Total	20,080	41,371	61,451

**Comments:**

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| <p>1. <b>Pension Plan 1 Unfunded Liabilities</b> - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)</p> <p>2. <b>Classification Revisions</b> - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)</p> <p>3. <b>Central Service Agency Charges</b> - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)</p> <p>4. <b>Roadmap Feasibility Study</b> - Funding is provided for a feasibility study to identify the business value that can be achieved through the statewide adoption of best business practices in areas such as procurement, budgeting, asset management, and accounting. The study will recommend</p> | <p>options that provide the best value to the state. (Data Processing Revolving Account-Non-Appropriated)</p> <p>5. <b>Enterprise Systems</b> - Funding is provided for development of an enterprise-wide contracts management system to replace current, independent contracts management systems used by various agencies. The first phase to address grant management will be deployed by the end of the 2005-07 biennium. (Data Processing Revolving Account-Non-Appropriated)</p> <p>6. <b>WorkFirst Performance Team Funding</b> - Funding to maintain the WorkFirst Performance Team within OFM is permanently transferred from the Department of Social and Health Services.</p> <p>7. <b>Capital Budget System Replacement</b> - OFM, in support of a Joint Legislative Audit and Review Committee study, has completed a review of the state's capital budgeting process. Funding is provided for a new capital budget system that will improve capital budgeting and monitoring, streamline budget development tasks, and provide more information needed for decision-making. (Data Processing Revolving Account-Non-Appropriated)</p> <p>8. <b>Fiscal Note Analysis</b> - One-time funding is provided for contracted technical support to the Sentencing Guidelines Commission to assist in preparing fiscal notes on criminal justice legislation. In addition, funding is provided for a project team of legislative and executive branch fiscal staff to review the estimation process for criminal justice sentencing</p> |
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## Office of Financial Management

legislation. The review team will use a contractor to assist in making recommendations with regard to the data, tools, and responsibilities for best determining the bed impact to prisons and jails of policy proposals.

preservation of existing facilities, deferred maintenance, and other capital improvements. One-time funding is provided for a contracted study of the state parks and DFW capital budget programs. The scope of the study will include, but not be limited to, processes for identifying and scoping proposed capital projects, management and administration of funded projects, and implementation of best management practices. Study recommendations will help shape implementation of the agencies' 2007-09 capital budgets.

9. **Child Care Collective Bargaining** - Funding is provided to hire a staff negotiator to support the child care collective bargaining process established under Chapter 54, Laws of 2006 (E2SHB 2353 - Family Child Care Providers).

10. **Mgmt & Accountability Proposal** - Additional funding is provided for the Governor's Management Accountability and Performance process.

11. **Policy and Consensus Center** - Farmers are being asked to improve their environmental stewardship practices while maintaining the economic viability of their farming operations. Pilot projects will be identified to demonstrate ways to improve both the economic bottom line for farmers and environmental outcomes. The Washington State University and University of Washington Policy Consensus Center will provide project coordination and technical assistance to OFM and other state agencies to work with interested parties in this effort.

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

12. **Capital Predesign Evaluations** - Funding is provided to evaluate five major capital project predesigns in the 2005-07 biennium. Selected projects are estimated to cost \$5 million or more and represent a variety of agencies and project complexity. The goal of these studies is to identify cost savings early in the process on a variety of projects and to obtain better cost estimates for use in future budget proposals. OFM will contract with a team of experts to perform an in-depth evaluation of statutorily-required elements of a project.

13. **Regulatory Improvements** - The Office of Regulatory Assistance (ORA) provides facilitation, coordination, and education to improve citizen and business interactions related to state regulatory and rulemaking processes. Funding will support the Governor's Regulatory Improvement Program within ORA to improve the state's regulatory climate. ORA, in coordination with the Department of Ecology, the Department of Fish and Wildlife (DFW), and key business licensing, taxing, and regulatory agencies, will begin implementing specific actions, including: expanded integration of state and local government permit teams for combined environmental review (including private development projects); expanded use of programmatic and general permits; deployment of a single portal for businesses to apply for and track permits and licenses, pay taxes, and obtain relevant regulatory information; and implementation of a broader Wetland or Conservation Banking Off-Site Mitigation program.

14. **Affordable Health Care** - Funding is provided for the one-time expense of staffing and support of a joint legislative and executive task force that, by December 2006, is to recommend to the Governor and the Legislature a five-year action plan for substantially improving access to affordable health care.

15. **Parks, Fish/Wildlife Capital Study** - Washington's state parks system and DFW require capital funding for new facilities,

**Office of Administrative Hearings**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>29,540</b>	<b>29,540</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	77	77
2. Central Service Agency Charges	<u>0</u>	<u>28</u>	<u>28</u>
<b>Total Policy Changes</b>	<b>0</b>	<b>105</b>	<b>105</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>29,645</b>	<b>29,645</b>
Fiscal Year 2006 Total	0	14,705	14,705
Fiscal Year 2007 Total	0	14,940	14,940

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Department of Personnel

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>54,332</b>	<b>54,332</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	102	102
2. Classification Revisions	0	-7	-7
3. Central Service Agency Charges	0	136	136
4. HRMS Renegotiation Costs	0	6,400	6,400
5. Pay Raise Deferral Project	0	7,400	7,400
6. Safety Employees' Retirement Plan	0	125	125
7. Retirement For Justices	0	62	62
8. Voluntary Payroll Deductions	0	300	300
<b>Total Policy Changes</b>	<b>0</b>	<b>14,518</b>	<b>14,518</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>68,850</b>	<b>68,850</b>
Fiscal Year 2006 Total	0	44,672	44,672
Fiscal Year 2007 Total	0	24,178	24,178

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **HRMS Renegotiation Costs** - Funding is provided for the completion of the Human Resource Management System (HRMS). The HRMS project was launched in September 2003. In the spring of 2005, the Department of Personnel renegotiated the project's scope and schedule. The Department is authorized to expend revenue collected from its services charge for costs related to these project changes. (Department of Personnel Service Account-State)
5. **Pay Raise Deferral Project** - Funding is provided to cover the cost of providing cost-of-living adjustments to subgroups of employees based upon union representation. The 2005-07 biennial budget directed that state employee pay increases be implemented in July for represented employees and September for non-represented employees. Accommodating the staggered pay raise required that personnel resources be redirected from the HRMS project to reconfigure the old PAY1 payroll system. This reallocation of resources delayed the HRMS project by four months. (Data Processing Revolving Account-Non-Appropriated)
6. **Safety Employees' Retirement Plan** - Funding is provided to update HRMS to accommodate the Public Safety Employees' Retirement System Plan 2 created during the 2004 legislative session. This plan is for public employees whose jobs contain a high degree of physical risk to their personal safety. (Data Processing Revolving Account-Non-Appropriated)
7. **Retirement For Justices** - Funding is provided solely for administrative costs related to providing an employee-funded enhancement of retirement benefits to judges, pursuant to Chapter 189, Laws of 2006 (SHB 2691). (Department of Retirement Systems Expense Account-State)
8. **Voluntary Payroll Deductions** - Funding is provided solely for the administrative costs associated with providing state employees the option of making voluntary contributions to charities or other funds maintained by labor organizations, pursuant to Chapter 216, Laws of 2006 (SHB 2780). (Data Processing Revolving Account-Non-Appropriated)

**State Lottery Commission**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>735,244</b>	<b>735,244</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	43	43
2. Classification Revisions	0	-1	-1
3. Central Service Agency Charges	0	31	31
<b>Total Policy Changes</b>	<b>0</b>	<b>73</b>	<b>73</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>735,317</b>	<b>735,317</b>
Fiscal Year 2006 Total	0	368,545	368,545
Fiscal Year 2007 Total	0	366,772	366,772

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Washington State Commission on Hispanic Affairs

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>485</b>	<b>0</b>	<b>485</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	1	1
2. Central Service Agency Charges	1	0	1
<b>Total Policy Changes</b>	<b>1</b>	<b>1</b>	<b>2</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>486</b>	<b>1</b>	<b>487</b>
Fiscal Year 2006 Total	238	0	238
Fiscal Year 2007 Total	248	1	249

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

**Washington State Commission on African-American Affairs**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>477</b>	<b>0</b>	<b>477</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	1	1
2. Central Service Agency Charges	<u>1</u>	<u>0</u>	<u>1</u>
<b>Total Policy Changes</b>	<b>1</b>	<b>1</b>	<b>2</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>478</b>	<b>1</b>	<b>479</b>
Fiscal Year 2006 Total	237	0	237
Fiscal Year 2007 Total	241	1	242

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Personnel Appeals Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>1,043</b>	<b>1,043</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>69</b>	<b>69</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	5	5
2. Central Service Agency Charges	0	2	2
<b>Total Policy Changes</b>	<b>0</b>	<b>7</b>	<b>7</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>1,119</b>	<b>1,119</b>
Fiscal Year 2006 Total	0	975	975
Fiscal Year 2007 Total	0	144	144

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Department of Retirement Systems

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>49,396</b>	<b>49,396</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-466</b>	<b>-466</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	118	118
2. Central Service Agency Charges	0	70	70
3. Plan 3 Basis Recovery	0	372	372
4. Plan 3 Five-Year Vesting	0	78	78
5. \$1,000 Minimum Monthly Benefit	0	80	80
6. Retirement for Justices	0	375	375
7. Purchasing Service Credit	0	117	117
8. LEOFF 2 Disability Allowance	0	230	230
9. TRS Out-of-State Service Credit	0	111	111
<b>Total Policy Changes</b>	<b>0</b>	<b>1,551</b>	<b>1,551</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>50,481</b>	<b>50,481</b>
Fiscal Year 2006 Total	0	25,353	25,353
Fiscal Year 2007 Total	0	25,128	25,128

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
3. **Plan 3 Basis Recovery** - The Department will modify its automated systems to adjust the manner in which the taxable basis of Plan 3 members' distribution (either lump sum or installment) is calculated. The calculation of basis recovery can have tax implications for members who have received distributions from the Plan 3 systems. (Department of Retirement Systems Expense Account-State)
4. **Plan 3 Five-Year Vesting** - Funds are appropriated solely to pay for the administrative costs associated with reducing the vesting period in Plan 3 of PERS, TRS, and the School Employees' Retirement System to five years for members who have earned 12 months of service credit after age 44 pursuant to Chapter 33, Laws of 2006 (SHB 2684). (Department of Retirement Systems Expense Account-State)
5. **\$1,000 Minimum Monthly Benefit** - Funding is provided solely for administrative costs related to adding a 3 percent per year annual increase and extending eligibility for the \$1,000 minimum monthly benefit available in the Plan 1 of PERS and TRS, pursuant to Chapter 244, Laws of 2006 (SB 6453). (Department of Retirement Systems Expense Account-State)
6. **Retirement for Justices** - Funding is provided solely for administrative costs related to providing an employee-funded enhancement of retirement benefits to judges, pursuant to Chapter 189, Laws of 2006 (SHB 2691). (Department of Retirement Systems Expense Account-State)
7. **Purchasing Service Credit** - Funds are appropriated solely to pay for the administrative costs associated with providing members the option to purchase up to five years of service credit at full cost in many of the plans and systems of the Washington State retirement systems, pursuant to Chapter 214, Laws of 2006 (HB 2690). (Department of Retirement Systems Expense Account-State)
8. **LEOFF 2 Disability Allowance** - Funding is provided solely for administrative costs related to a catastrophic disability benefit of up to 70 percent of pay for members of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System Plan 2 who are totally incapacitated by an injury sustained in the course of employment, pursuant to Chapter 39, Laws of 2006 (HB 2932). (Department of Retirement Systems Expense Account-State)
9. **TRS Out-of-State Service Credit** - Funds are appropriated solely to pay for the administrative costs associated with providing an option to purchase service credit for periods worked as a public school teacher outside of Washington for members of TRS Plans 2 and 3, pursuant to Chapter 257, Laws 2006 (ESHB 2680). (Department of Retirement Systems Expense Account-State)

## State Investment Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>16,020</b>	<b>16,020</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	37	37
2. Central Service Agency Charges	0	11	11
3. Network Changes	0	55	55
4. DNR Commercial Lands Study	300	0	300
<b>Total Policy Changes</b>	<b>300</b>	<b>103</b>	<b>403</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>300</b>	<b>16,123</b>	<b>16,423</b>
Fiscal Year 2006 Total	0	8,238	8,238
Fiscal Year 2007 Total	300	7,885	8,185

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Network Changes** - The Washington State Investment Board is provided additional funding in order to comply with Department of Information Services' policies and connectivity standards for connections to vendors outside of the state government network. The Board will also increase its network connection capacity. (State Investment Board Expense Account-State)
  
4. **DNR Commercial Lands Study** - Funding is provided to perform an evaluation of the Department of Natural Resources' (DNR) commercial lands holdings. (General Fund-State)

## Department of Revenue

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>185,448</b>	<b>12,039</b>	<b>197,487</b>
<b>Total Maintenance Changes</b>	<b>392</b>	<b>3,900</b>	<b>4,292</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	474	474
2. Classification Revisions	-5	0	-5
3. Central Service Agency Charges	163	5	168
4. Biotechnology Products	43	0	43
5. Farm Machinery Tax Relief	147	0	147
6. Hospital Benefit Zones	176	0	176
7. Local Infrastructure Financing	99	0	99
8. Streamlined Sales Tax	176	0	176
9. Excise Tax Relief for Aerospace	29	0	29
10. 5% Penalty Issuances/Tax Reporting	193	0	193
11. Legislation with Admin Impacts	150	0	150
12. Vehicle Enforcement	114	0	114
13. Governor Veto	-176	0	-176
<b>Total Policy Changes</b>	<b>1,109</b>	<b>479</b>	<b>1,588</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>186,949</b>	<b>16,418</b>	<b>203,367</b>
Fiscal Year 2006 Total	94,295	7,886	102,181
Fiscal Year 2007 Total	92,654	8,532	101,186

**Comments:**

- |  |   |
|--|---|
| <p>1. <b>Pension Plan 1 Unfunded Liabilities</b> - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)</p> <p>2. <b>Classification Revisions</b> - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)</p> <p>3. <b>Central Service Agency Charges</b> - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)</p> <p>4. <b>Biotechnology Products</b> - Funding is provided to implement Chapter 178, Laws of 2006 (SHB 2640), which provides a sales and use tax deferral/exemption for construction or expansion of manufacturing facilities that are used to produce biotechnology products or medical devices.</p> <p>5. <b>Farm Machinery Tax Relief</b> - Funding is provided to implement Chapter 172, Laws of 2006 (SHB 2457), which</p> | <p>exempts farmers from sales and use tax on replacement parts for farm machinery and equipment.</p> <p>6. <b>Hospital Benefit Zones</b> - Funding is provided to implement Chapter 111, Laws of 2006 (SHB 2670), which authorizes hospital benefit zone financing, supporting development of new hospitals.</p> <p>7. <b>Local Infrastructure Financing</b> - Funding is provided for Chapter 181, Laws of 2006, Partial Veto (E2SHB 2673), which creates the infrastructure financing tool demonstration program to finance local public infrastructure projects designed to promote economic development.</p> <p>8. <b>Streamlined Sales Tax</b> - Funding is provided for implementation of Substitute Senate Bill 6594 (Streamlined Sales and Use Tax), which will bring Washington State into full conformity with the Streamlined Sales and Use Tax Administration Agreement. This bill was not enacted by the Legislature, and the Governor vetoed this appropriation (see veto item below).</p> <p>9. <b>Excise Tax Relief for Aerospace</b> - Funding is provided to implement Chapter 177, Laws of 2006 (HB 2466), which reduces the business and occupation tax rate for aviation repair services, requires an accountability report from claimants, and stipulates electronic filing by claimants. The current aerospace tax incentives are also extended to persons engaged in research, design, and engineering of airplanes and airplane components.</p> <p>10. <b>5% Penalty Issuances/Tax Reporting</b> - Funding is provided to implement Chapter 256, Laws of 2006 (HB 2671), which</p> |
|--|---|

## Department of Revenue

narrows the 5 percent assessment penalty on all tax deficiencies instituted in 2003 to be only assessed on businesses if they "substantially underpay" taxes due, which is defined as less than 80 percent of the tax due and is greater than \$1,000. The due date for reporting and paying excise taxes for monthly filers is moved from the 20th of each month to the 25th of each month.

11. **Legislation with Admin Impacts** - Additional funding is provided for the many bills that have passed the Legislature effecting the Department of Revenue's workload.
12. **Vehicle Enforcement** - Additional funding is provided for the Department of Revenue to continue working, in FY 2007, with the Washington State Patrol and the Department of Licensing to increase enforcement for state residents whose vehicles and driver's licenses are illegally registered in another state, pursuant to Chapter 323, Laws of 2005 (EHB 1241).
13. **Governor Veto** - The Governor vetoed Section 137(12) of Chapter 372, Laws of 2006, Partial Veto (ESSB 6386), which provided for implementation of SSB 6594 (Streamlined Sales and Use Tax). SSB 6594 was not passed by the Legislature.

### Board of Tax Appeals

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>2,573</b>	<b>0</b>	<b>2,573</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	6	6
2. Central Service Agency Charges	2	0	2
<b>Total Policy Changes</b>	<b>2</b>	<b>6</b>	<b>8</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>2,575</b>	<b>6</b>	<b>2,581</b>
Fiscal Year 2006 Total	1,362	0	1,362
Fiscal Year 2007 Total	1,213	6	1,219

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Municipal Research Council

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>4,921</b>	<b>4,921</b>
<b>Policy Changes</b>			
1. Special Purpose Districts	0	300	300
2. Governor Veto	0	-300	-300
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>4,921</b>	<b>4,921</b>
Fiscal Year 2006 Total	0	2,455	2,455
Fiscal Year 2007 Total	0	2,466	2,466
<hr/>			

**Comments:**

1. **Special Purpose Districts** - Funding is provided to implement Chapter 328, Laws of 2006, Partial Veto (SSB 6555 - Special Purpose Districts), which authorizes the Municipal Research Council to contract for consulting and research services for special purpose districts. The Governor vetoed this appropriation (see veto item below). (Special Purpose District Research Services Account-State)
  
2. **Governor Veto** - The Governor vetoed Section 139 of Chapter 372, Laws of 2006, Partial Veto (ESSB 6386), which provided funding from the general fund for the Special Purpose District Research Services Account-State to be used for consulting and research services for special purpose districts.

**Office of Minority & Women's Business Enterprises**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>3,186</b>	<b>3,186</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	7	7
2. Central Service Agency Charges	0	3	3
<b>Total Policy Changes</b>	<b>0</b>	<b>10</b>	<b>10</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>3,196</b>	<b>3,196</b>
Fiscal Year 2006 Total	0	1,577	1,577
Fiscal Year 2007 Total	0	1,619	1,619

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

**Department of General Administration**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>554</b>	<b>132,436</b>	<b>132,990</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	207	207
2. Classification Revisions	0	-7	-7
3. Central Service Agency Charges	1	110	111
4. Capitol Projects Advisory Board	125	0	125
5. High Performance Public Buildings	0	256	256
<b>Total Policy Changes</b>	<b>126</b>	<b>566</b>	<b>692</b>
<b>2005-07 Revised Appropriations</b>	<b>680</b>	<b>133,002</b>	<b>133,682</b>
Fiscal Year 2006 Total	321	66,493	66,814
Fiscal Year 2007 Total	359	66,509	66,868

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **Capitol Projects Advisory Board** - Funding is provided for the Capitol Projects Advisory and Review Board to continue to plan for future projects for the Capitol Campus.
5. **High Performance Public Buildings** - Funding and staff are added to support the High Performance Public Buildings legislation enacted in the 2005 legislative session.

## Department of Information Services

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	0	210,065	210,065
<b>Total Maintenance Changes</b>	0	350	350
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	211	211
2. Classification Revisions	0	-17	-17
3. Central Service Agency Charges	0	61	61
4. Digital Learning Commons	1,500	0	1,500
<b>Total Policy Changes</b>	<b>1,500</b>	<b>255</b>	<b>1,755</b>
<b>2005-07 Revised Appropriations</b>	<b>1,500</b>	<b>210,670</b>	<b>212,170</b>
Fiscal Year 2006 Total	0	104,633	104,633
Fiscal Year 2007 Total	1,500	106,037	107,537

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
  
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
4. **Digital Learning Commons** - Funding is provided to support the operations of the Digital Learning Commons (DLC). By September 1, 2006, the DLC shall develop and begin implementation of a plan to become a self-supporting operation. Specifically, the plan shall allow for all DLC operations to be supported by user fees and private contributions by September 1, 2008.

## Office of the Insurance Commissioner

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>40,926</b>	<b>40,926</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>838</b>	<b>838</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	98	98
2. Classification Revisions	0	-27	-27
3. Central Service Agency Charges	0	32	32
4. Service Contracts	0	42	42
5. Independent Analysis of Healthcare	0	200	200
6. Market Analysis Program	0	306	306
7. Insurance Fraud Unit	0	685	685
<b>Total Policy Changes</b>	<b>0</b>	<b>1,336</b>	<b>1,336</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>43,100</b>	<b>43,100</b>
Fiscal Year 2006 Total	0	21,344	21,344
Fiscal Year 2007 Total	0	21,756	21,756

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **Service Contracts** - Funding is provided to implement Chapter 274, Laws of 2006 (SHB 2553), which expands current regulations regarding service contractors and product protection insurance. (Insurance Commissioner's Regulatory Account)
5. **Independent Analysis of Healthcare** - The Office of the Insurance Commissioner (OIC) will retain consultants who will provide independent reviews and industry expertise on issues related to healthcare reform and the regulation of insurers. (Insurance Commissioner's Regulatory Account)
6. **Market Analysis Program** - Funding is provided for OIC to shift from a regulatory model based on market conduct examinations to a model based on analysis of market data to monitor insurer conduct and anticipate regulatory violations. This funding is intended to begin the transition and prepare an implementation plan. (Insurance Commissioner's Regulatory Account)
7. **Insurance Fraud Unit** - Funding is provided for Chapter 284, Laws of 2006, Partial Veto (SSB 6234), which establishes an antifraud unit within OIC. (Insurance Commissioner's Regulatory Account)

**State Board of Accountancy**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>1,962</b>	<b>1,962</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	3	3
2. Central Service Agency Charges	0	3	3
3. Investigative Workload Increase	0	268	268
<b>Total Policy Changes</b>	<b>0</b>	<b>274</b>	<b>274</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>2,236</b>	<b>2,236</b>
Fiscal Year 2006 Total	0	1,059	1,059
Fiscal Year 2007 Total	0	1,177	1,177

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
3. **Investigative Workload Increase** - Additional funding is provided for investigation of potential misconduct cases. (Certified Public Accountants' Account-State)

### Forensic Investigations Council

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>282</b>	<b>282</b>
<b>Policy Changes</b>			
1. Central Service Agency Charges	0	1	1
<b>Total Policy Changes</b>	<b>0</b>	<b>1</b>	<b>1</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>283</b>	<b>283</b>
Fiscal Year 2006 Total	0	266	266
Fiscal Year 2007 Total	0	17	17

**Comments:**

1. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Washington Horse Racing Commission

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>8,609</b>	<b>8,609</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	13	13
2. Central Service Agency Charges	0	5	5
<b>Total Policy Changes</b>	<b>0</b>	<b>18</b>	<b>18</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>8,627</b>	<b>8,627</b>
Fiscal Year 2006 Total	0	4,276	4,276
Fiscal Year 2007 Total	0	4,351	4,351

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Washington State Liquor Control Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>3,445</b>	<b>190,103</b>	<b>193,548</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>527</b>	<b>527</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	282	282
2. Classification Revisions	0	-78	-78
3. Central Service Agency Charges	14	167	181
4. Distribution Center Maintenance	0	1,647	1,647
5. Public Records Officer	0	92	92
6. Training Costs	0	850	850
7. Direct Wine Sales	0	575	575
8. Distribution of Beer and Wine	0	1,864	1,864
<b>Total Policy Changes</b>	<b>14</b>	<b>5,399</b>	<b>5,413</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>3,459</b>	<b>196,029</b>	<b>199,488</b>
Fiscal Year 2006 Total	1,739	95,419	97,158
Fiscal Year 2007 Total	1,720	100,610	102,330

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
4. **Distribution Center Maintenance** - Funding is provided to cover additional costs related to the Seattle distribution center's annual maintenance and service contract needs through FY 2007. (Liquor Revolving Account-State)
5. **Public Records Officer** - One additional full-time employee is added in response to an increasing number of public records requests. (Liquor Revolving Account-State)
6. **Training Costs** - Funding is provided for the costs associated with mandatory training for new and existing employees. (Liquor Revolving Account-State)
7. **Direct Wine Sales** - Funding is provided for Chapter 49, Laws of 2006 (ESB 6537), which requires out-of-state wineries to purchase a permit from the Liquor Control Board. (Liquor Revolving Account-State)
8. **Distribution of Beer and Wine** - Funding is provided for Chapter 302, Laws of 2006 (2SSB 6823), which allows out-of-state beer and wine manufacturers to distribute their product directly to retailers without the use of a distributor. This is a result of the court case *Costco Wholesale Corp. v. Roger Hoen, et al.* (Liquor Revolving Account-State)

## Utilities and Transportation Commission

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>32,848</b>	<b>32,848</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>189</b>	<b>189</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	74	74
2. Central Service Agency Charges	0	29	29
3. Low-Income Home Energy Assistance	0	7,600	7,600
<b>Total Policy Changes</b>	<b>0</b>	<b>7,703</b>	<b>7,703</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>40,740</b>	<b>40,740</b>
Fiscal Year 2006 Total	0	24,085	24,085
Fiscal Year 2007 Total	0	16,655	16,655

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Low-Income Home Energy Assistance** - Chapter 3, Laws of 2006 (SHB 2370), provides funding from the Public Service Revolving Fund to the Washington Utilities and Transportation Commission for allocation to the Department of Community, Trade, and Economic Development for use in the Low-Income Home Energy Assistance Program. (Public Service Revolving Fund-State)

## Board for Volunteer Firefighters

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>843</b>	<b>843</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	1	1
2. Central Service Agency Charges	0	86	86
3. Expanded Duty Classification	0	50	50
<b>Total Policy Changes</b>	<b>0</b>	<b>137</b>	<b>137</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>980</b>	<b>980</b>
Fiscal Year 2006 Total	0	415	415
Fiscal Year 2007 Total	0	565	565

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Expanded Duty Classification** - Funding is provided to support the change in the definition of "performance of duty" for relief benefits administered by the State Board for Volunteer Firefighters and Reserve Officers, pursuant to Chapter 26, Laws of 2006 (SHB 2608). (Volunteer Firefighters' and Reserve Officers' Administrative Account-State)

### Military Department

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>19,446</b>	<b>250,555</b>	<b>270,001</b>
<b>Total Maintenance Changes</b>	<b>52</b>	<b>40,546</b>	<b>40,598</b>
<b>Policy Changes</b>			
1. 2-1-1 Network	2,500	0	2,500
2. Pension Plan 1 Unfunded Liabilities	0	112	112
3. Classification Revisions	3	16	19
4. Central Service Agency Charges	73	0	73
5. Anti-Terrorism Officer	0	170	170
6. Emergency Mgmt and Preparedness	2,000	0	2,000
7. Tsunami Warning Radios	950	0	950
8. 911 Advisory Committee	0	41	41
9. Uranium Exposure Study	150	0	150
<b>Total Policy Changes</b>	<b>5,676</b>	<b>339</b>	<b>6,015</b>
<b>2005-07 Revised Appropriations</b>	<b>25,174</b>	<b>291,440</b>	<b>316,614</b>
Fiscal Year 2006 Total	10,137	161,583	171,720
Fiscal Year 2007 Total	15,037	129,857	144,894

**Comments:**

1. **2-1-1 Network** - Funding is provided for the Emergency Management Division to contract with the Washington Information Network 2-1-1 in FY 2007 for operation of a 2-1-1 statewide system. The 2-1-1 system is designed to be a centralized contact point residents can use for referral to a variety of local and state health and social services. The Military Department shall provide the entire amount for 2-1-1 and shall not take any of the funds for administrative purposes.
2. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
3. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
4. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
5. **Anti-Terrorism Officer** - Funding is provided for the Department to hire an anti-terrorism officer for the Army National Guard. This position is newly created and funded through the Federal-State Cooperative Agreement from the National Guard Bureau. The officer will manage the Washington National Guard's anti-terrorism program. (General Fund-Federal)
6. **Emergency Mgmt and Preparedness** - Funding is provided to enhance emergency management in Washington State. First, \$1.6 million is provided for competitive grants to regional agencies, local governments, tribal governments, regional incident management teams, and private organizations. The grants shall be distributed on a competitive basis and awarded for one or more of the following purposes: development and coordination of emergency management plans; training of elected and appointed officials on disaster response; administration of joint emergency management training exercises; and implementation of projects to strengthen emergency response, mitigation, preparation, and coordination. Second, \$0.4 million is provided to the Department to administer the competitive grants and for implementation of one or more of the following activities: development and coordination of emergency management plans; training of elected and appointed officials on disaster response; and administering joint periodic emergency management training exercises. In addition to these duties, the Department will study the feasibility of having regional disaster medical assistance teams and urban search and rescue teams available within the state to be deployed by the Governor. The Department will report the findings and recommendations to the Legislature by December 1, 2006.
7. **Tsunami Warning Radios** - Funding is provided for the purchase and installation of at least 20 All Hazard Alert Broadcast radios along Washington's coast.

## Military Department

8. **911 Advisory Committee** - Funding is provided for Chapter 210, Laws of 2006 (SHB 2543), which extends the sunset date for the Enhanced 911 Advisory Committee for five years to 2011. (Enhanced 911 Account)
9. **Uranium Exposure Study** - Funding is provided for the Department to study the scope and adequacy of training on exposure to depleted uranium received by Washington State members of the National Guard serving during the first Gulf War or recently in Iraq and Afghanistan. The Department will initiate a health registry, develop an outreach plan for affected military personnel, and prepare a report and recommendations regarding potential exposure to depleted uranium. The Department will submit a report to the Joint Veterans' and Military Affairs Committee by October 1, 2006. By January 31, 2007, the Joint Veterans' and Military Affairs Committee will submit recommendations, if any, to the appropriate committees of the Legislature.

## Public Employment Relations Commission

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>5,600</b>	<b>2,945</b>	<b>8,545</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	24	24
2. Central Service Agency Charges	6	0	6
3. Child Care Collective Bargaining	92	0	92
<b>Total Policy Changes</b>	<b>98</b>	<b>24</b>	<b>122</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>5,698</b>	<b>2,969</b>	<b>8,667</b>
Fiscal Year 2006 Total	2,808	1,435	4,243
Fiscal Year 2007 Total	2,890	1,534	4,424

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
3. **Child Care Collective Bargaining** - Funding is provided for costs pursuant to Chapter 54, Laws of 2006 (E2SHB 2353 - Family Child Care Providers), which requires the state to bargain with a single statewide unit of family child care providers over subsidy rates and other economic-related personnel matters. The Public Employee Relations Commission will need to add a labor-management negotiator and cover the statewide election costs to elect the sole bargaining representative for the child care providers. (General Fund-State)

## Growth Management Hearings Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>3,158</b>	<b>0</b>	<b>3,158</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	8	8
2. Central Service Agency Charges	3	0	3
<b>Total Policy Changes</b>	<b>3</b>	<b>8</b>	<b>11</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>3,161</b>	<b>8</b>	<b>3,169</b>
Fiscal Year 2006 Total	1,571	0	1,571
Fiscal Year 2007 Total	1,590	8	1,598

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

### State Convention and Trade Center

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>76,982</b>	<b>76,982</b>
<b>Policy Changes</b>			
1. Central Service Agency Charges	<u>0</u>	<u>21</u>	<u>21</u>
<b>Total Policy Changes</b>	<b>0</b>	<b>21</b>	<b>21</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>77,003</b>	<b>77,003</b>
Fiscal Year 2006 Total	0	37,809	37,809
Fiscal Year 2007 Total	0	39,194	39,194

**Comments:**

- 1. Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## Department of Archaeology & Historic Preservation

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>1,099</b>	<b>1,460</b>	<b>2,559</b>
<b>Total Maintenance Changes</b>	<b>374</b>	<b>116</b>	<b>490</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	7	7
2. Federal Funding Adjustment	0	-529	-529
<b>Total Policy Changes</b>	<b>0</b>	<b>-522</b>	<b>-522</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>1,473</b>	<b>1,054</b>	<b>2,527</b>
Fiscal Year 2006 Total	745	259	1,004
Fiscal Year 2007 Total	728	795	1,523

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Federal Funding Adjustment** - A federal funding adjustment from two National Park Service grants is recognized. The Department was created during the 2005 session. Previously, the Department's functions were part of the Department of Community, Trade, and Economic Development (CTED). As a result of the new Department, CTED's federal spending appropriation was reduced for the 2005-07 biennium. The National Park Service currently has two grants open with CTED and will not re-assign those grants to the Department. CTED will provide the grant funds to the Department via an interagency agreement. A corresponding, one-time reduction of \$529,000 is made to the Department. (General Fund-Federal)

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

## Department of Financial Institutions

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>37,490</b>	<b>37,490</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	81	81
2. Classification Revisions	0	-4	-4
3. Central Service Agency Charges	0	33	33
4. Mortgage Broker Practices Act	0	804	804
5. Mortgage Lending Fraud Prosecution	0	430	430
<b>Total Policy Changes</b>	<b>0</b>	<b>1,344</b>	<b>1,344</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>38,834</b>	<b>38,834</b>
Fiscal Year 2006 Total	0	18,302	18,302
Fiscal Year 2007 Total	0	20,532	20,532

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Classification Revisions** - Funding is provided to cover changes in the cost of state merit system classifications resulting from implementation of collective bargaining agreements and personnel rules. (various funds)
  
3. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)
  
4. **Mortgage Broker Practices Act** - Funding is included to implement Chapter 19, Laws of 2006 (EHB 2340), which establishes a licensing system and rules of practice and conduct for mortgage brokers and loan originators. (Financial Services Regulation Account-Non-Appropriated)
  
5. **Mortgage Lending Fraud Prosecution** - Funding is included to implement Chapter 21, Laws of 2006 (HB 2338), which extends the Mortgage Lending Fraud Prosecution Account through FY 2011. The account is used only for criminal prosecution of fraudulent activities related to mortgage lending. The Attorney General and local prosecutors use the funds for prosecution of mortgage lending fraud cases. (Mortgage Lending Fraud Protection Account-Non-Appropriated)

## Washington State Gambling Commission

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>29,954</b>	<b>29,954</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	74	74
2. Central Service Agency Charges	0	34	34
<b>Total Policy Changes</b>	<b>0</b>	<b>108</b>	<b>108</b>
<hr/>			
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>30,062</b>	<b>30,062</b>
Fiscal Year 2006 Total	0	14,209	14,209
Fiscal Year 2007 Total	0	15,853	15,853

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

**Public Printer**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>65,767</b>	<b>65,767</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	46	46
2. Central Service Agency Charges	<u>0</u>	<u>17</u>	<u>17</u>
<b>Total Policy Changes</b>	<b>0</b>	<b>63</b>	<b>63</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>65,830</b>	<b>65,830</b>
Fiscal Year 2006 Total	0	32,938	32,938
Fiscal Year 2007 Total	0	32,892	32,892

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)

## LEOFF 2 Retirement Board

(Dollars in Thousands)

	GF-S	Other	Total
<b>2005-07 Original Appropriations</b>	<b>0</b>	<b>1,908</b>	<b>1,908</b>
<b>Policy Changes</b>			
1. Pension Plan 1 Unfunded Liabilities	0	3	3
2. Central Service Agency Charges	0	1	1
<b>Total Policy Changes</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>2005-07 Revised Appropriations</b>	<b>0</b>	<b>1,912</b>	<b>1,912</b>
Fiscal Year 2006 Total	0	949	949
Fiscal Year 2007 Total	0	963	963

**Comments:**

1. **Pension Plan 1 Unfunded Liabilities** - Funding is provided to cover the cost of increased employer pension contributions resulting from additional contribution rates established to make payments towards the unfunded accrued actuarial liabilities in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1). Contributions that would have been made from the General Fund-State are paid from the newly-established Pension Funding Stabilization Account. (various funds)
  
2. **Central Service Agency Charges** - Funding is provided to pay increased service charges by the Department of Personnel and the Office of Financial Management (OFM). The service charges reflect increased costs associated with the development of the new Human Resource Management System, improvements to the state's capital budgeting systems, and the completion of OFM's Roadmap Feasibility Study. (various funds)