

# 2014 Supplemental Omnibus Budget Overview

## *Operating Only*

### **Fiscal Context**

The 2013-15 biennial budget adopted by the Legislature in June 2013 left a projected ending fund balance in the Near General Fund-State (NGF-S) and Opportunity Pathways accounts of \$58 million. Total reserves, which include the Budget Stabilization Account, were projected to be \$635 million. Since then, forecasted revenue has increased and fiscal year 2013 lapses were larger than previously assumed. After accounting for these changes, the net result is that prior to the 2014 supplemental omnibus operating budget being written by the Legislature, the 2013-15 projected NGF-S + Opportunity Pathways ending fund balance grew to \$441 million, and total reserves were \$1.02 billion.

### **Enacted 2014 Supplemental Omnibus Operating Budget**

The legislature met in a November 2013 special session. In that session, the legislature adopted Chapter 1, Laws of 2013, 3<sup>rd</sup> sp.s. (ESHB 2088), which appropriated \$10 million for various aerospace related training activities. In addition, the legislature passed Chapter 2, laws of 2013, 3<sup>rd</sup> sp.s. (ESSB 5952) relating to tax preferences for aerospace manufacturing.

In developing the 2014 supplemental omnibus operating budget, the cost of maintaining current services (updated caseloads and other maintenance level changes) was estimated to increase by a net of \$89 million. The major changes to maintenance level include: mandatory caseload, utilization, and federal match rate adjustments in health care; staff mix and enrollment changes in K-12; College Bound Scholarship adjustments in higher education; caseload adjustments in TANF/WCCC; Hospital Safety Net Assessment and Affordable Care Act implementation adjustments; and self-insurance and workers compensation premium adjustments.

Finally, in addition to funding the maintenance level changes, the 2014 supplemental omnibus operating budget as passed the legislature had \$66 million in net policy level increases (NGF-S + Opportunity Pathways); veto actions reduced this to \$63 million.

Some of the larger policy increases include:

- \$58 million to increase the materials, supplies, and operating costs (MSOC) allocations to public schools;
- \$25 million for the Opportunity Scholarship Program (public-private scholarship program);
- \$23 million to fund the child care collective bargaining agreement with family home providers and to provide a rate increase for child care center providers;
- \$20 million in various increases in mental health including the children's mental health lawsuit settlement, a variety of community mental health enhancements, and overtime costs at Eastern and Western State hospitals;
- \$10 million to restore health care savings previously assumed in the biennial budget (offset by newly assumed health care savings);
- \$7 million for fire suppression costs in the Department of Fish and Wildlife and the Department of Natural Resources that exceed the existing appropriation in the biennial budget; and
- \$5 million for increased capacity for adult offenders by opening the remaining 256-bed unit at the Washington State Penitentiary and leasing 75 jail beds for female offenders.

Some of the larger policy savings include:

- \$61 million in state employee health care savings through a reduction in the employer funding rates utilizing a one-time fund balance and better-than-expected claims rates;
- \$25 million in savings by responding to the delay in the implementation of the Hospital Safety Net Assessment changes made in 2013, restoring the expected benefits to hospitals and the state;
- \$11 million in savings from maintaining managed care rates for low income health insurance at calendar year 2014 levels (rather than assuming a 2% increase in rates);
- \$10 million in savings from a one-time fund shift related to the WorkFirst and Working Connections Child Care programs; and
- \$10 million in savings is assumed from LEAN management efficiencies (this is in addition to the \$30 million assumed in the underlying biennial budget).

The legislature also assumed resource changes that include:

- Liquor Control Board budget driven revenue of \$8 million;
- A correction in the amount of the Liquor Excise tax going to local governments, which costs the state \$9 million;
- An update to the amount transferred into the Child and Family Reinvestment Account, which adds \$4 million in resources;
- A transfer of \$20 million from the Life Sciences Discovery Fund to the General Fund-State; this item was subsequently vetoed by the Governor; and
- Transfers from several other dedicated accounts that total \$6 million.

### **Ending Balances**

The supplemental budget passed by the legislature was balanced under the terms of the four-year outlook balanced budget (applicable to both the 2013-15 and 2015-17 biennia). For the enacted budget, the NGF-S + Opportunity Pathways ending fund balance for the 2013-15 biennium is projected to be \$296 million (total reserves are projected to be \$878 million). For 2015-17, the NGF-S + Opportunity Pathways ending fund balance (based on the enacted budget and using the approach defined in statute) is projected to be \$20 million; total reserves are projected to be \$962 million.

**2013-15 Balance Sheet**  
**Including The Enacted 2014 Supplemental Budget (ESSB 6002)**  
**General Fund-State, Education Legacy Trust, and Opportunity Pathways Accounts**  
**(and Budget Stabilization Account)**  
Dollars In Millions

	<b>2013-15</b>
<b>RESOURCES</b>	
<b>Beginning Fund Balance</b>	<b>156.4</b>
November 2013 Forecast	33,576.4
February 2014 Forecast Update	60.4
Transfer to Budget Stabilization Account	(312.2)
Other Enacted Fund Transfers	417.7
Alignment to the Comprehensive Financial Statements	40.8
<b>2014 Supplemental Changes</b>	
Fund Transfers & Redirections (Net)	<b>27.0</b>
Revenue Legislation & Budget Driven Revenue (Net)	<b>4.9</b>
Impact of Governor Vetoes & Lapses	<b>(21.0)</b>
<b>Total Resources (including beginning fund balance)</b>	<b>33,950.4</b>
<b>EXPENDITURES</b>	
<b>2013-15 Enacted Budget</b>	
Enacted Budget	33,631.3
Early Action/Aerospace (Fall 2013)	10.5
Anticipated Reversions	(140.0)
2014 Supp: Maintenance Level Changes	<b>89.2</b>
2014 Supp: Policy Changes	<b>60.7</b>
2014: Appropriations in Other Legislation	<b>5.2</b>
2014: Impact of Governor Vetoes & Lapses	<b>(2.8)</b>
<b>Total Expenditures</b>	<b>33,654.1</b>
<b>RESERVES</b>	
<b>Projected Ending Balance</b>	<b>296.3</b>
Budget Stabilization Account Beginning Balance	269.7
Transfer from General Fund and Interest Earnings	312.9
<b>Projected Budget Stabilization Account Ending Balance</b>	<b>582.5</b>
<b>Total Reserves (Near General Fund plus Budget Stabilization)</b>	<b>878.8</b>

# Fund Transfers, Revenue Legislation and Budget Driven Revenues

Dollars In Millions

<b>Fund Transfers/Redirections to Education Legacy Trust Account</b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>2013-15</u></b>
Unclaimed Lottery Prizes	4.000	-	4.000
Life Sciences Discovery Fund <sup>(1)</sup>	0.600	19.415	20.015
<b>Subtotal</b>	<b>4.600</b>	<b>19.415</b>	<b>24.015</b>
<b>Fund Transfers To GFS</b>			
Energy Freedom Account <sup>(1)</sup>	0.500	0.500	1.000
Business & Professions	1.000	1.000	2.000
<b>Subtotal</b>	<b>1.500</b>	<b>1.500</b>	<b>3.000</b>
<b>Legislation, Budget Driven &amp; Other (General Fund Unless Otherwise Noted)</b>			
ESHB 1287: Indian tribes/property tax	-	0.048	0.048
SHB 2146: L&I Appeal Bonds		(0.005)	(0.005)
SB 5630: Unpaid Wage Collection		(0.025)	(0.025)
SB 6505: Marijuana Industry Tax Preference	-	2.725	2.725
Revision to Child and Family Reinvestment Account	2.144	1.699	3.843
Budget Driven: Liquor Excise Distribution (Local Government) <sup>(2)</sup>	(4.611)	(4.806)	(9.417)
Budget Driven: DNR PILT Correction	(0.154)	-	(0.154)
Budget Driven: Liquor Control Board	4.195	3.683	7.878
<b>Subtotal</b>	<b>1.574</b>	<b>3.319</b>	<b>4.893</b>
<b>Total As Passed Legislature</b>	<b>7.674</b>	<b>24.234</b>	<b>31.908</b>
<b>Impact of Vetoes (Life Sciences Discovery &amp; Energy Freedom Acct)</b>	<b>(1.100)</b>	<b>(19.915)</b>	<b>(21.015)</b>
<b>Total Enacted Budget</b>	<b>6.574</b>	<b>4.319</b>	<b>10.893</b>

**Notes:**

(1) Transfer was vetoed by the Governor.

(2) As part of the 2013-15 budget, the legislature intended to transfer \$24.7 million to the General Fund-State (based on the March 2013 revenue forecast). Because of a drafting error in the underlying budget, the amount expected to actually be transferred is estimated to be \$34.0 million. This corrects that error.

**2013-15 Washington State Budget**  
**Appropriations Contained Within Other Legislation**  
(Dollars in Thousands)

Bill Number and Subject	Session Law	Agency	GF-S	Total
<b>2014 Legislative Session</b>				
SSB 6129 K-12 - Paraeducator Develop	C 136 L 14 PV	Public Schools	150	150
SB 6523 Real Hope Act	C 1 L 14	Student Achievement Council	5,000	5,000
<b>Changes to ESSB 5912 contained in ESSB 6002 (Omnibus Operating Budget)</b>				
ESSB 6002 Omnibus Operating Budget	C 221 L 14 PV	WA Traffic Safety Commission	-982	-982
		Criminal Justice Training Commission	352	352
		Special Approps to the Governor	630	630
<b>November 2013 Legislative Session</b>				
EHB 2088 Aerospace Industry Approps	C 1 L 13 E3	Department of Commerce	2,000	2,000
		Community & Technical Colleges	8,500	8,500
<b>2013 Legislative Session</b>				
E2SSB 5912 Driving Under the Influence	C 35 L 13	WA Traffic Safety Commission	982	982
		Special Approps to the Governor	2,542	2,542
		Department of Corections	222	222
		DSHS - Alcohol & Substance Abuse	1,237	2,715

Note: Appropriations in other legislation made in the 2013 legislative session are incorporated in the 2013-15 original appropriation amounts.

# Revenues

The February 2014 forecast for the Near General Fund-State and Opportunities Pathways Account is \$33.6 billion for the 2013-15 biennium and \$36.3 billion for the 2015-17 biennium. Since the adoption of the 2013-15 biennial budget in June of 2013, the 2013-15 forecast for the Near General Fund-State and Opportunities Pathways Account has increased by \$0.4 billion. The net total of all the revenue-related bills during the 2014 legislative session was just over a \$2.7 million increase.

There were few tax related bills enacted during the 2014 session in comparison to past years. The most significant bill in terms of fiscal impact was Chapter 140, Laws of 2014 (SB 6505), which eliminated the ability of marijuana producers, processors, or retailers to take advantage of over 30 tax preferences. As a result of Initiative 502, which legalized recreational marijuana, these marijuana-related businesses will start receiving licenses to operate during the first six months of 2014. The bill raises \$2.7 million in fiscal year 2015.

There were eight bills that dealt with various property tax related issues during the 2014 session. A more detailed description of the legislation can be found on the following pages.

## **November 2013 Special Session**

On November 7, 2013, Governor Inslee called the Legislature back into session to pass several bills to help ensure that Boeing's new 777X and composite wing will be built in Washington State. As part of the package of bills passed by the Legislature during the special session, Chapter 2, Laws of 2013, 3rd sp.s (ESSB 5952) extends the expiration date of aerospace industry tax exemptions by 16 years to 2040. The legislation is estimated to decrease state sales tax revenues by \$9 million in the 2015-17 biennium and decrease state revenues by approximately \$9 billion from fiscal year 2025 through fiscal year 2040.

**2014 Revenue Legislation**  
**Near General Fund-State and Opportunity Pathways Account**  
Dollars in Millions

<b>Bill Number</b>	<b>Brief Title</b>	<b>2013-15</b>
SB 6505	Marijuana industry/tax prefs	2.7
ESHB 1287	Indian tribes/property tax	0.0
SHB 1634	Property tax levy limit	0.0
SHB 2309	Property taxes, payment of	0.0
HB 2446	Property tax refund order	0.0
E2SHB 2493	Land use/horticulture	0.0
SB 6180	Forest lands & timber lands	0.0
2SSB 6330	Housing/urban growth areas	0.0
SSB 6333	Tax statutes	0.0
SB 6405	Nonprofit tax-exempt proppty	0.0
2SHB 2457	Derelict & abandoned vessels	0.0
ESSB 6440	Natural gas/fuel taxes	0.0
SHB 2146	L&I appeal bonds	0.0
SSB 5360	Unpaid wages collection	0.0
<b>Total</b>		<b>2.7</b>

## Revenue Legislation

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The legislation listed below is a summary of bills passed during the 2014 session that affect state revenues or state or local tax statutes but may not cover all revenue-related bills.

### **EXCLUDING MARIJUANA PRODUCTS FROM EXISTING TAX PREFERENCES - \$2.725 MILLION GENERAL FUND-STATE**

Chapter 140, Laws of 2014 (SB 6505) clarifies that marijuana, useable marijuana, or marijuana-infused products are not agricultural products and, as such, businesses manufacturing or selling marijuana products do not qualify for tax preferences provided to the agriculture industry. Other tax preferences are also not allowed for the marijuana industry.

### **EXEMPTING CERTAIN TRIBALLY OWNED LAND FROM PROPERTY TAX - \$.048 MILLION GENERAL FUND-STATE INCREASE**

Chapter 207, Laws of 2014 (ESHB 1287) exempts property owned by a federally recognized Indian tribe from the property tax if it is used for economic development purposes and is owned by the tribe prior to March 1, 2014. Such land is subject to the leasehold excise tax for private leasehold interests in the land. If there is no private leasehold interest, it is subject to payment in lieu of taxes to the county.

### **INCLUDING THE VALUE OF SOLAR, BIOMASS, AND GEOTHERMAL FACILITIES IN THE PROPERTY TAX LEVY LIMIT CALCULATION - INDETERMINATE IMPACT TO GENERAL FUND-STATE**

Chapter 4, Laws of 2014 (SHB 1634) increases the property tax revenue limit by the value resulting from new solar, biomass, and geothermal facilities that generate electricity.

### **PAYMENT OF PROPERTY TAXES - NO IMPACT TO GENERAL FUND-STATE**

Chapter 13, Laws of 2014 (SHB 2309) requires that interest and penalties for unpaid property tax only apply to the unpaid balance and not the full amount. A county treasurer may accept partial payment of current and delinquent property taxes including penalties and interest. Interest and penalties may be waived on delinquent property taxes paid due to taxpayer error if the delinquent taxes are paid within 30 days.

### **SIMPLIFYING PROCEDURES FOR OBTAINING A REFUND OF PROPERTY TAXES - NO IMPACT TO GENERAL FUND-STATE**

Chapter 16, Laws of 2014 (HB 2446) eliminates the requirement that a taxpayer file a petition for a property tax refund under the following circumstances: (1) an issued by a board of equalization, the State Board of Tax Appeals, or a court of competent jurisdiction; (2) a decision is issued by a county treasurer or assessor justifying the refund upon statutory ground; or (3) a property tax exemption application is approved by a county assessor or the Department of Revenue.

### **CONCERNING CURRENT USE VALUATION FOR COMMERCIAL HORTICULTURAL PURPOSES - NO IMPACT TO GENERAL FUND-STATE**

Chapter 125, Laws of 2014 (E2SHB 2493) allows land on which commercial horticultural plants are grown in containers to qualify for the current use open space farm and agriculture property tax treatment.

### **CONSOLIDATING DESIGNATED FOREST LANDS AND OPEN SPACE TIMBER - NO IMPACT TO GENERAL FUND-STATE**

Chapter 137, Laws of 2014 (SB 6180) allows a county to merge its designated forest land program with its open space timber program.



**PROMOTING AFFORDABLE HOUSING IN UNINCORPORATED AREAS OF RURAL COUNTIES  
WITHIN URBAN GROWTH AREAS - NO IMPACT TO GENERAL FUND-STATE**

Chapter 96, Laws of 2014 (2SSB 6330) expands the exemption provided for affordable multi-unit housing for low and moderate-income households in an unincorporated area of an urban growth area, that was designated before January 1, 2013, within a rural county that has a population between 50,000 and 71,000 that borders the Puget Sound and has a sewer service. This exemption expires January 1, 2020.

**CONCERNING TAX STATUTE CLARIFICATIONS, SIMPLIFICATIONS, AND TECHNICAL CORRECTIONS - NO  
IMPACT TO GENERAL FUND-STATE**

Chapter 97, Laws of 2014 (SSB 6333) makes several tax statute clarifications, repeals outdated statutes, makes simplifications, and makes technical corrections.

**CLARIFYING HOW NONPROFIT TAX-EXEMPT PROPERTY CAN BE USED - INDETERMINATE  
IMPACT TO GENERAL FUND-STATE**

Chapter 99, Laws of 2014 (SB 6405) allows nonprofit tax-exempt property to be rented or used for nonexempt purposes for 50 days if the property is used for profit or to promote business activities for 15 days or less and the rent or donations received for nonexempt purposes do not exceed maintenance or operational costs for that property.

**CONCERNING DERELICT AND ABANDONED VESSELS - NO IMPACT TO GENERAL FUND-STATE**

Chapter 195, Laws of 2014 (2SHB 2457) addresses many policies regarding derelict and abandoned vessels, including imposing a new fee of one dollar per vessel foot collected by the Department of Revenue at the same time personal property taxes for the vessel are due. Additionally, penalties are imposed on vessels not properly registered at the time the watercraft excise tax is due.

**FUEL TAXES AND FEES ON NATURAL GAS - NO IMPACT TO GENERAL FUND-STATE**

Chapter 216, Laws of 2014 (ESSB 6440) modifies the taxation of liquefied and compressed natural gas. Liquefied and compressed natural gas sold as transportation fuel is exempt from public utility taxes and instead is taxed under the business and occupation tax. Such fuel is also subject to transportation taxes and fees.

**LABOR AND INDUSTRIES APPEAL BONDS - \$.005 MILLION GENERAL FUND-STATE DECREASE**

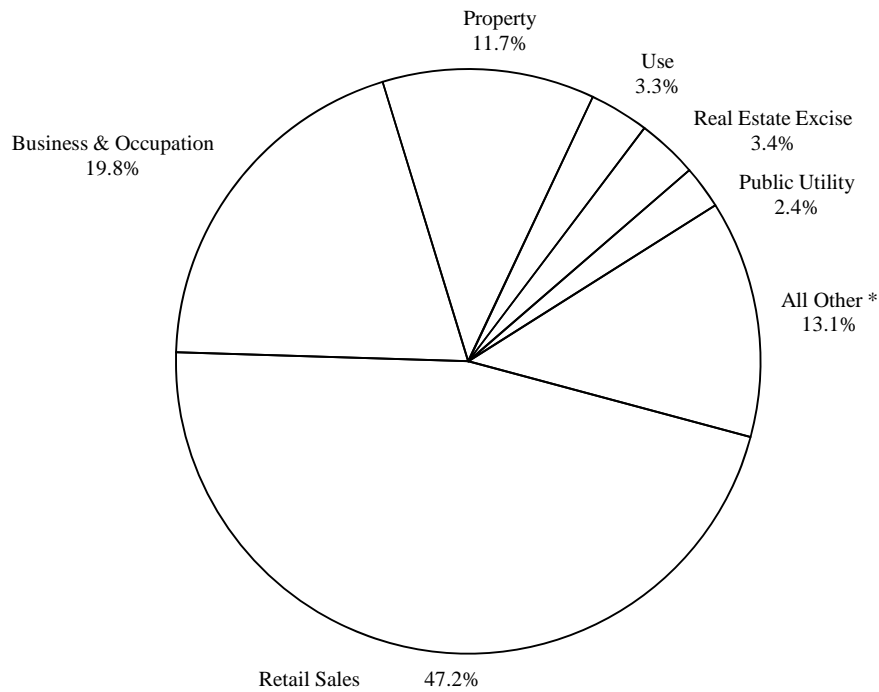
Chapter 190, Laws of 2014 (SHB 2146) changes the amount of an appeal bond for contractors to 10 percent of the penalty amount or \$200, whichever is less, subject to a \$100 minimum.

**ADDRESSING THE COLLECTION OF UNPAID WAGES - \$.025 MILLION GENERAL FUND-STATE DECREASE**

Chapter 210, Laws of 2014 (SSB 5360) allows the Department of Labor and Industries to electronically serve notices of withhold and deliver to financial institutions by providing a list of outstanding warrants to the Department of Revenue.

**Washington State Revenue Forecast - February 2014 2013-15**  
**Near General Fund-State and Opportunity Pathways Account**  
**Revenues by Source**

(Dollars in Millions)



Sources of Revenue	
Retail Sales	15,583.6
Business & Occupation	6,650.8
Property	3,949.1
Use	1,106.9
Real Estate Excise	1,127.9
Public Utility	800.1
All Other *	4,418.3
<b>Total</b>	<b>33,636.7</b>

Note: Reflects the February 2014 Revenue Forecast.

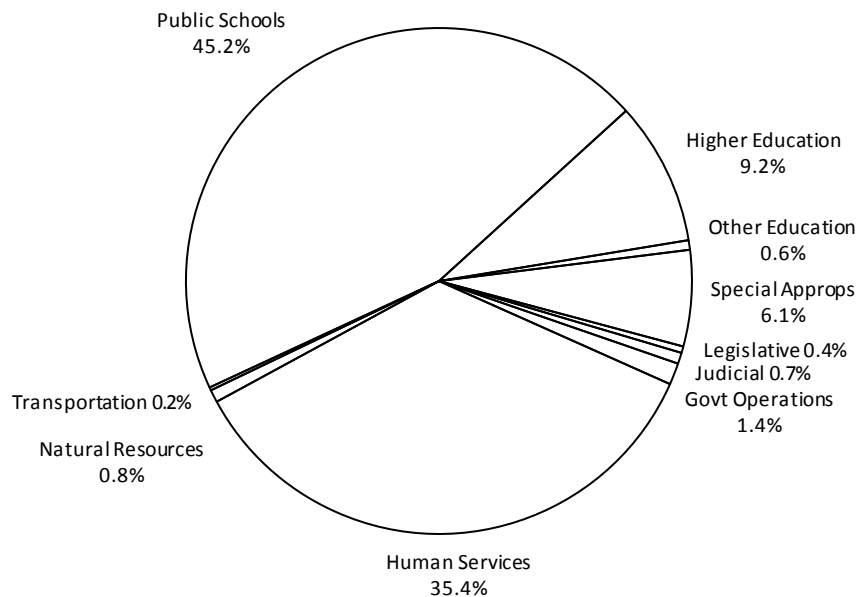
\* Revenues to Education Legacy Trust Account (Estate Taxes) and Opportunity Pathways Account (State Lottery) are included in All Other.

# 2013-15 Omnibus Operating Budget Comparisons

(Dollars in Thousands)

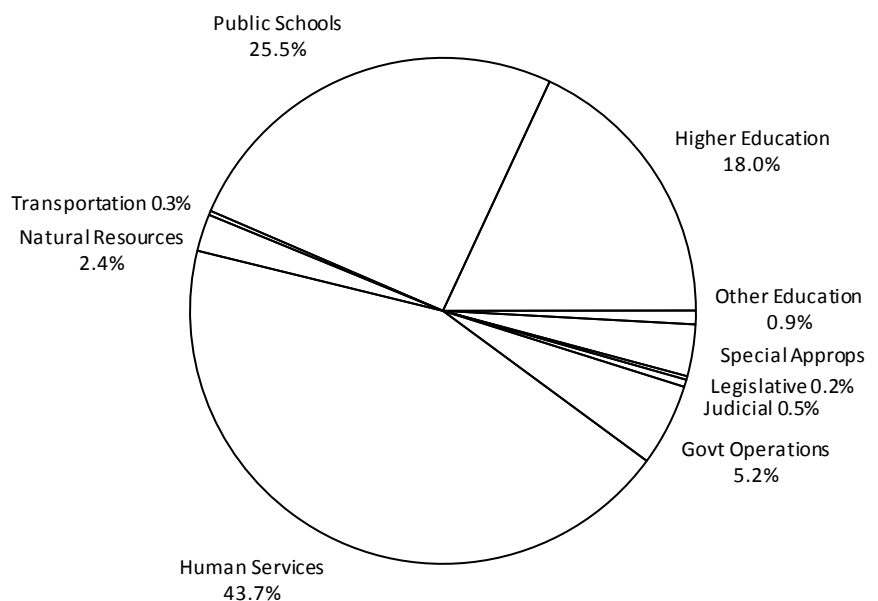
## NGF-S + Opportunity Pathways

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Total All Funds

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



Note: These charts reflect appropriated and budgeted amounts; reversions to the General Fund-State are not included.

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**TOTAL STATE**  
(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Legislative	141,400	-269	141,131	155,455	-268	155,187
Judicial	237,851	4,467	242,318	299,190	11,521	310,711
Governmental Operations	459,114	6,399	465,513	3,499,248	47,985	3,547,233
Other Human Services	6,116,614	91,634	6,208,248	16,764,586	751,829	17,516,415
DSHS	5,787,914	-32,356	5,755,558	11,919,981	127,558	12,047,539
Natural Resources	262,680	7,764	270,444	1,587,441	16,165	1,603,606
Transportation	70,564	-1,215	69,349	181,919	-483	181,436
Public Schools	15,208,877	54,005	15,262,882	17,097,327	118,219	17,215,546
Higher Education	3,073,070	25,178	3,098,248	12,203,622	-3,766	12,199,856
Other Education	204,674	-109	204,565	588,624	4,111	592,735
Special Appropriations	2,068,516	7,300	2,075,816	2,225,073	15,300	2,240,373
<b>Statewide Total</b>	<b>33,631,274</b>	<b>162,798</b>	<b>33,794,072</b>	<b>66,522,466</b>	<b>1,088,171</b>	<b>67,610,637</b>

*Note: Includes only appropriations from the Omnibus Operating Budget enacted through the 2014 legislative session and appropriations contained in other legislation shown on page 14.*

# Washington State Omnibus Operating Budget

## 2014 Supplemental Budget

### LEGISLATIVE AND JUDICIAL

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
House of Representatives	61,864	-131	61,733	63,629	-131	63,498
Senate	44,555	-99	44,456	46,069	-99	45,970
Jt Leg Audit & Review Committee	173	-26	147	6,478	-26	6,452
LEAP Committee	3,464	-34	3,430	3,464	-34	3,430
Office of the State Actuary	0	0	0	3,529	-2	3,527
Office of Legislative Support Svcs	7,370	8	7,378	7,421	8	7,429
Joint Legislative Systems Comm	15,977	61	16,038	15,977	61	16,038
Statute Law Committee	7,997	-48	7,949	8,888	-45	8,843
<b>Total Legislative</b>	<b>141,400</b>	<b>-269</b>	<b>141,131</b>	<b>155,455</b>	<b>-268</b>	<b>155,187</b>
Supreme Court	13,747	94	13,841	13,747	94	13,841
State Law Library	2,949	-8	2,941	2,949	-8	2,941
Court of Appeals	31,376	300	31,676	31,376	300	31,676
Commission on Judicial Conduct	2,062	6	2,068	2,062	6	2,068
Administrative Office of the Courts	101,856	534	102,390	157,941	7,437	165,378
Office of Public Defense	64,129	2,258	66,387	67,929	2,410	70,339
Office of Civil Legal Aid	21,732	1,283	23,015	23,186	1,282	24,468
<b>Total Judicial</b>	<b>237,851</b>	<b>4,467</b>	<b>242,318</b>	<b>299,190</b>	<b>11,521</b>	<b>310,711</b>
<b>Total Legislative/Judicial</b>	<b>379,251</b>	<b>4,198</b>	<b>383,449</b>	<b>454,645</b>	<b>11,253</b>	<b>465,898</b>

# Washington State Omnibus Operating Budget

## 2014 Supplemental Budget

### GOVERNMENTAL OPERATIONS

(Dollars in Thousands)

	NGF-S + Opportunity Pathways			Total All Funds		
	2013-15	2014 Supp *	Rev 13-15	2013-15	2014 Supp *	Rev 13-15
Office of the Governor	10,726	14	10,740	14,726	14	14,740
Office of the Lieutenant Governor	1,312	-1	1,311	1,407	-1	1,406
Public Disclosure Commission	4,097	31	4,128	4,097	31	4,128
Office of the Secretary of State	20,891	362	21,253	80,900	1,290	82,190
Governor's Office of Indian Affairs	501	-2	499	501	-2	499
Asian-Pacific-American Affrs	420	-2	418	420	-2	418
Office of the State Treasurer	0	0	0	14,924	-52	14,872
Office of the State Auditor	1,461	48	1,509	75,841	-68	75,773
Comm Salaries for Elected Officials	312	-4	308	312	-4	308
Office of the Attorney General	20,588	1,234	21,822	228,251	15,641	243,892
Caseload Forecast Council	2,490	0	2,490	2,490	0	2,490
Dept of Financial Institutions	0	0	0	47,883	77	47,960
Department of Commerce	123,227	3,713	126,940	515,885	3,916	519,801
Economic & Revenue Forecast Council	1,566	-3	1,563	1,616	-3	1,613
Office of Financial Management	35,956	-475	35,481	119,926	5,338	125,264
Office of Administrative Hearings	0	0	0	37,822	239	38,061
State Lottery Commission	0	0	0	810,516	-89	810,427
Washington State Gambling Comm	0	0	0	29,984	-15	29,969
WA State Comm on Hispanic Affairs	473	0	473	473	0	473
African-American Affairs Comm	457	14	471	457	14	471
Department of Retirement Systems	0	0	0	57,297	-148	57,149
State Investment Board	0	0	0	36,035	-68	35,967
Innovate Washington	0	0	0	3,377	6	3,383
Department of Revenue	214,286	-660	213,626	253,027	-739	252,288
Board of Tax Appeals	2,395	-18	2,377	2,395	-18	2,377
Minority & Women's Business Enterp	0	0	0	4,077	-78	3,999
Office of Insurance Commissioner	400	127	527	55,126	210	55,336
Consolidated Technology Services	0	0	0	230,197	-111	230,086
State Board of Accountancy	0	0	0	2,699	-19	2,680
Forensic Investigations Council	0	0	0	498	0	498
Dept of Enterprise Services	7,282	2,242	9,524	451,353	1,296	452,649
Washington Horse Racing Commission	0	0	0	5,724	-116	5,608
WA State Liquor Control Board	0	0	0	66,998	-528	66,470
Utilities and Transportation Comm	0	0	0	52,620	-67	52,553
Board for Volunteer Firefighters	0	0	0	1,044	-85	959
Military Department	3,726	-253	3,473	273,568	21,964	295,532
Public Employment Relations Comm	4,013	38	4,051	7,834	57	7,891
LEOFF 2 Retirement Board	0	0	0	2,249	8	2,257
Archaeology & Historic Preservation	2,535	-6	2,529	4,699	97	4,796
<b>Total Governmental Operations</b>	<b>459,114</b>	<b>6,399</b>	<b>465,513</b>	<b>3,499,248</b>	<b>47,985</b>	<b>3,547,233</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**HUMAN SERVICES**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
WA State Health Care Authority	4,245,757	60,973	4,306,730	12,448,344	722,901	13,171,245
Human Rights Commission	4,073	13	4,086	6,258	-1	6,257
Bd of Industrial Insurance Appeals	0	0	0	39,536	-170	39,366
Criminal Justice Training Comm	28,416	533	28,949	40,680	1,854	42,534
Department of Labor and Industries	34,683	196	34,879	656,795	3,478	660,273
Department of Health	119,428	1,233	120,661	1,043,149	-2,501	1,040,648
Department of Veterans' Affairs	14,674	247	14,921	132,503	-13,372	119,131
Department of Corrections	1,665,144	28,471	1,693,615	1,686,929	28,730	1,715,659
Dept of Services for the Blind	4,439	-32	4,407	27,488	-164	27,324
Employment Security Department	0	0	0	682,904	11,074	693,978
<b>Total Other Human Services</b>	<b>6,116,614</b>	<b>91,634</b>	<b>6,208,248</b>	<b>16,764,586</b>	<b>751,829</b>	<b>17,516,415</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**DEPARTMENT OF SOCIAL & HEALTH SERVICES**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Children and Family Services	594,317	1,617	595,934	1,104,082	3,023	1,107,105
Juvenile Rehabilitation	180,222	-1,939	178,283	189,047	-1,942	187,105
Mental Health	916,582	25,109	941,691	1,724,299	135,983	1,860,282
Developmental Disabilities	1,075,071	17,324	1,092,395	2,082,080	32,895	2,114,975
Long-Term Care	1,792,846	-18,664	1,774,182	3,848,450	-28,323	3,820,127
Economic Services Administration	807,523	-60,806	746,717	2,049,891	-26,362	2,023,529
Alcohol & Substance Abuse	135,742	2,051	137,793	444,040	6,355	450,395
Vocational Rehabilitation	32,937	-5,286	27,651	132,350	-5,302	127,048
Administration/Support Svcs	59,460	-1,374	58,086	97,264	-1,457	95,807
Special Commitment Center	72,233	2,055	74,288	72,233	2,055	74,288
Payments to Other Agencies	120,981	7,557	128,538	176,245	10,633	186,878
<b>Total DSHS</b>	<b>5,787,914</b>	<b>-32,356</b>	<b>5,755,558</b>	<b>11,919,981</b>	<b>127,558</b>	<b>12,047,539</b>
<b>Total Human Services</b>	<b>11,904,528</b>	<b>59,278</b>	<b>11,963,806</b>	<b>28,684,567</b>	<b>879,387</b>	<b>29,563,954</b>



**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**NATURAL RESOURCES**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Columbia River Gorge Commission	891	1	892	1,796	2	1,798
Department of Ecology	51,435	-428	51,007	458,113	1,540	459,653
WA Pollution Liab Insurance Program	0	0	0	1,587	7	1,594
State Parks and Recreation Comm	8,508	178	8,686	128,452	2,651	131,103
Rec and Conservation Funding Board	1,638	98	1,736	9,855	348	10,203
Environ & Land Use Hearings Office	4,374	-13	4,361	4,374	-13	4,361
State Conservation Commission	13,579	-52	13,527	16,880	-2	16,878
Dept of Fish and Wildlife	59,320	1,521	60,841	374,747	737	375,484
Puget Sound Partnership	4,734	91	4,825	18,900	102	19,002
Department of Natural Resources	87,607	5,742	93,349	418,580	11,100	429,680
Department of Agriculture	30,594	626	31,220	154,157	-307	153,850
<b>Total Natural Resources</b>	<b>262,680</b>	<b>7,764</b>	<b>270,444</b>	<b>1,587,441</b>	<b>16,165</b>	<b>1,603,606</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**TRANSPORTATION**  
(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Washington State Patrol	67,138	-240	66,898	138,577	658	139,235
WA Traffic Safety Commission	982	-982	0	982	-982	0
Department of Licensing	2,444	7	2,451	42,360	-159	42,201
<b>Total Transportation</b>	<b>70,564</b>	<b>-1,215</b>	<b>69,349</b>	<b>181,919</b>	<b>-483</b>	<b>181,436</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**PUBLIC SCHOOLS**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
OSPI & Statewide Programs	53,305	1,084	54,389	127,657	8,159	135,816
General Apportionment	11,305,188	60,627	11,365,815	11,305,188	60,627	11,365,815
Pupil Transportation	792,528	1,832	794,360	792,528	1,832	794,360
School Food Services	14,222	0	14,222	632,560	28,000	660,560
Special Education	1,486,343	-3,955	1,482,388	1,948,365	10,145	1,958,510
Educational Service Districts	16,294	-49	16,245	16,294	-49	16,245
Levy Equalization	646,707	5,619	652,326	646,707	5,619	652,326
Elementary/Secondary School Improv	0	0	0	4,052	250	4,302
Institutional Education	30,784	-2,852	27,932	30,784	-2,852	27,932
Ed of Highly Capable Students	19,232	-8	19,224	19,232	-8	19,224
Education Reform	227,963	-10,489	217,474	438,199	1,083	439,282
Transitional Bilingual Instruction	201,620	6,260	207,880	272,636	7,360	279,996
Learning Assistance Program (LAP)	414,691	-5,086	409,605	863,125	-2,986	860,139
Washington Charter School Comm	0	1,022	1,022	0	1,039	1,039
<b>Total Public Schools</b>	<b>15,208,877</b>	<b>54,005</b>	<b>15,262,882</b>	<b>17,097,327</b>	<b>118,219</b>	<b>17,215,546</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**EDUCATION**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Student Achievement Council	683,457	42,591	726,048	724,990	42,850	767,840
University of Washington	506,095	-5,562	500,533	6,359,033	-29,461	6,329,572
Washington State University	348,312	-3,344	344,968	1,404,880	-3,978	1,400,902
Eastern Washington University	78,763	-628	78,135	297,749	-1,318	296,431
Central Washington University	78,328	-32	78,296	325,152	-82	325,070
The Evergreen State College	41,512	-340	41,172	130,596	-388	130,208
Western Washington University	101,969	-1,212	100,757	368,287	-1,717	366,570
Community/Technical College System	1,234,634	-6,295	1,228,339	2,592,935	-9,672	2,583,263
<b>Total Higher Education</b>	<b>3,073,070</b>	<b>25,178</b>	<b>3,098,248</b>	<b>12,203,622</b>	<b>-3,766</b>	<b>12,199,856</b>
State School for the Blind	11,837	-110	11,727	13,818	1,954	15,772
Childhood Deafness & Hearing Loss	17,206	80	17,286	17,774	80	17,854
Workforce Trng & Educ Coord Board	3,060	-80	2,980	57,839	498	58,337
Department of Early Learning	162,942	-1	162,941	482,645	1,570	484,215
Washington State Arts Commission	2,226	-40	2,186	4,312	-26	4,286
Washington State Historical Society	4,273	-10	4,263	6,574	-14	6,560
East Wash State Historical Society	3,130	52	3,182	5,662	49	5,711
<b>Total Other Education</b>	<b>204,674</b>	<b>-109</b>	<b>204,565</b>	<b>588,624</b>	<b>4,111</b>	<b>592,735</b>
<b>Total Education</b>	<b>18,486,621</b>	<b>79,074</b>	<b>18,565,695</b>	<b>29,889,573</b>	<b>118,564</b>	<b>30,008,137</b>

**Washington State Omnibus Operating Budget**  
**2014 Supplemental Budget**  
**SPECIAL APPROPRIATIONS**

(Dollars in Thousands)

	<b>NGF-S + Opportunity Pathways</b>			<b>Total All Funds</b>		
	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>	<b>2013-15</b>	<b>2014 Supp *</b>	<b>Rev 13-15</b>
Bond Retirement and Interest	1,846,874	1,042	1,847,916	2,003,431	9,042	2,012,473
Special Approps to the Governor	90,142	-3,975	86,167	90,142	-3,975	86,167
Sundry Claims	0	233	233	0	233	233
State Employee Compensation Adjust	-10,000	10,000	0	-10,000	10,000	0
Contributions to Retirement Systems	141,500	0	141,500	141,500	0	141,500
<b>Total Special Appropriations</b>	<b>2,068,516</b>	<b>7,300</b>	<b>2,075,816</b>	<b>2,225,073</b>	<b>15,300</b>	<b>2,240,373</b>

# Omnibus Appropriations Act - Agency Detail

## DIRECTORY

Agency	Page
<i>Operating Budget Agency Detail pages begin with O -</i>	
Accountancy, State Board of	90
Actuary, Office of the State	43
Administrative Hearings, Office of	76
Administrative Office of the Courts	53
African-American Affairs, Washington State Commission on	79
Agriculture, Department of	167
Archaeology & Historic Preservation, Department of	95
Arts Commission, Washington State	219
Asian-Pacific-American Affairs, Washington State Commission on	65
Attorney General, Office of the	69
Auditor, Office of the State	67
Bond Retirement & Interest	225
Caseload Forecast Council	71
Center for Childhood Deafness & Hearing Loss, WA State	218
Central Washington University	207
Columbia River Gorge Commission	157
Commerce, Department of	72
Community & Technical College System	203
Conservation Commission, State	163
Consolidated Technology Services	99
Corrections, Department of	148
Court of Appeals	52
Criminal Justice Training Commission, Washington State	143
Early Learning, Department of	215
Eastern Washington State Historical Society	221
Eastern Washington University	206
Ecology, Department of	158
Economic & Revenue Forecast Council	73
Employee Compensation Adjustments, State	228
Employment Security Department	152
Enterprise Services, Department of	92
Environmental and Land Use Hearings Office	162
Financial Institutions, Department of	96

<b>Agency</b>	<b>Page</b>
Financial Management, Office of .....	74
Fish and Wildlife, Department of .....	164
Gambling Commission, Washington State .....	97
Governor, Office of the .....	60
Health, Department of .....	146
Health Care Authority, Washington State .....	138
Hispanic Affairs, Washington State Commission on .....	78
Horse Racing Commission, Washington .....	91
House of Representatives .....	38
Human Rights Commission .....	141
Indian Affairs, Governor's Office of .....	64
Industrial Insurance Appeals, Board of .....	142
Innovate Washington .....	98
Insurance Commissioner, Office of the .....	84
Investment Board, State .....	85
Joint Legislative Audit & Review Committee .....	40
Joint Legislative Systems Committee .....	42
Judicial Conduct, Commission on .....	51
Labor & Industries, Department of .....	144
Legislative Evaluation & Accountability Program Committee .....	41
LEOFF 2 Retirement Board .....	100
Licensing, Department of .....	175
Lieutenant Governor, Office of the .....	61
Liquor Control Board, Washington State .....	86
Lottery Commission, State .....	77
Military Department .....	88
Minority & Women's Business Enterprises, Office of .....	83
Natural Resources, Department of .....	166
Parks and Recreation Commission, State .....	160
Pollution Liability Insurance Program, Washington .....	168
Public Defense, Office of .....	54
Public Disclosure Commission .....	62
Public Employment Relations Commission .....	89
Public Schools	
OSPI & Statewide Programs .....	181
General Apportionment .....	183
Pupil Transportation .....	184
School Food Services .....	185

<b>Agency</b>	<b>Page</b>
Special Education .....	186
Educational Service Districts .....	187
Levy Equalization .....	188
Institutional Education .....	189
Education of Highly Capable Students .....	190
Elementary & Secondary School Improvement.....	191
Education Reform .....	192
Transitional Bilingual Instruction .....	194
Learning Assistance Program (LAP) .....	195
Puget Sound Partnership .....	169
Recreation and Conservation Funding Board .....	161
Retirement Systems, Department of .....	80
Revenue, Department of .....	81
Salaries for Elected Officials, Citizens' Commission on .....	68
School for the Blind, State .....	217
Secretary of State, Office of the .....	63
Senate .....	39
Services for the Blind, Department of .....	151
Social & Health Services, Department of	
Children & Family Services .....	110
Juvenile Rehabilitation .....	114
Mental Health .....	116
Developmental Disabilities .....	119
Long-Term Care .....	122
Economic Services Administration .....	125
Alcohol & Substance Abuse .....	128
Vocational Rehabilitation .....	130
Special Commitment Center .....	131
Administration & Supporting Services .....	133
Payments to Other Agencies .....	134
Special Appropriations to the Governor .....	227
State Law Library .....	50
State Patrol, Washington .....	173
Statute Law Committee .....	44
Student Achievement Council .....	210
Sundry Claims .....	226
Supreme Court .....	49
Tax Appeals, Board of .....	82
The Evergreen State College .....	208
Treasurer, Office of the State .....	66



<b>Agency</b>	<b>Page</b>
University of Washington .....	204
Utilities and Transportation Commission .....	87
Veterans' Affairs, Department of .....	145
Volunteer Firefighters, Board for .....	94
Washington Charter School Commission .....	196
Washington State Historical Society .....	220
Washington State University .....	205
Washington Traffic Safety Commission .....	174
Western Washington University .....	209
Workforce Training & Education Coordinating Board .....	214

# Legislative

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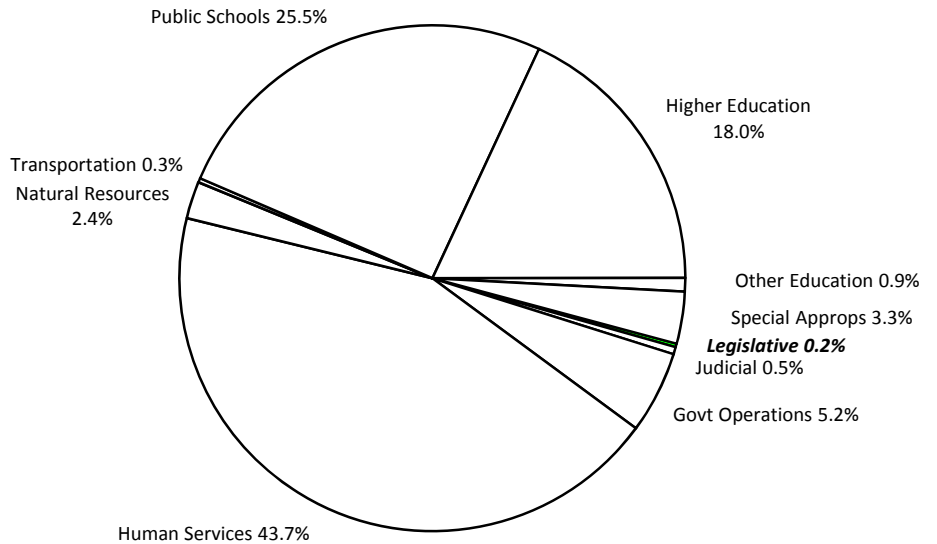
Appropriations for legislative agencies did not authorize any ongoing program enhancements.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

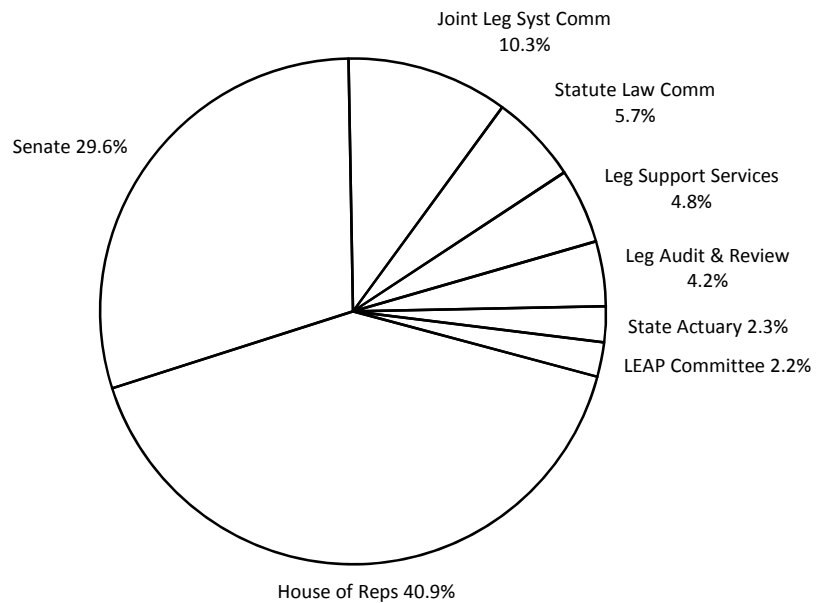
(Dollars in Thousands)

<b>Legislative</b>	<b>155,187</b>
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

House of Representatives	63,498
Senate	45,970
Jt Leg Systems Comm	16,038
Statute Law Committee	8,843
Leg Support Services	7,429
Jt Leg Audit & Rev Comm	6,452
State Actuary	3,527
LEAP Committee	3,430
<b>Legislative</b>	<b>155,187</b>



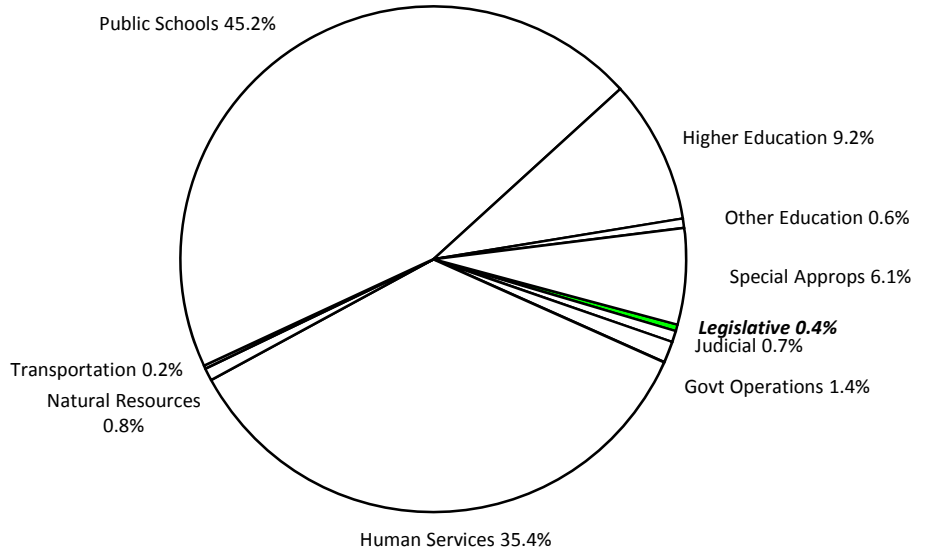
## Legislative

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

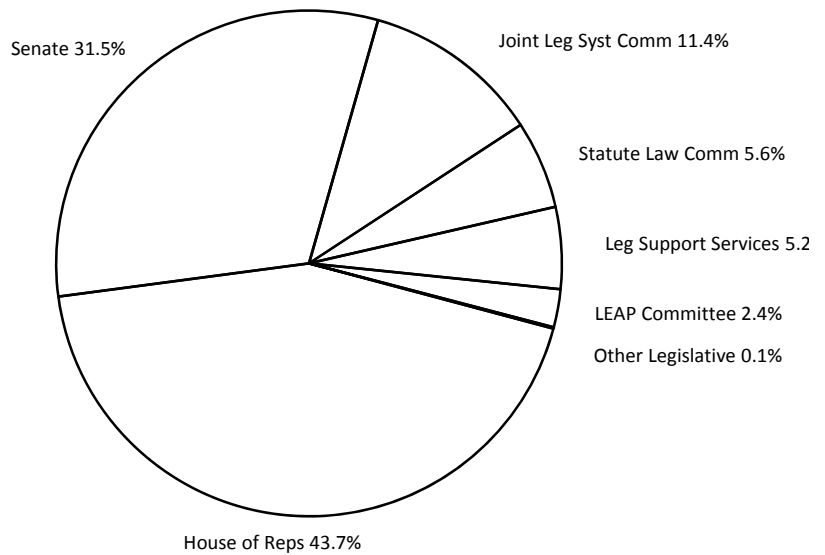
(Dollars in Thousands)

<b>Legislative</b>	<b>141,131</b>
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

House of Representatives	61,733
Senate	44,456
Jt Leg Systems Comm	16,038
Statute Law Committee	7,949
Leg Support Services	7,378
LEAP Committee	3,430
Other Legislative	147
<b>Legislative</b>	<b>141,131</b>



## Legislative

**House of Representatives**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>61,864</b>	<b>1,765</b>	<b>63,629</b>
<b>Total Maintenance Changes</b>	<b>266</b>	<b>0</b>	<b>266</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-397	0	-397
<b>Policy -- Comp Total</b>	<b>-397</b>	<b>0</b>	<b>-397</b>
<b>2013-15 Revised Appropriations</b>	<b>61,733</b>	<b>1,765</b>	<b>63,498</b>
Fiscal Year 2014 Total	30,923	874	31,797
Fiscal Year 2015 Total	30,810	891	31,701

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Senate**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>44,555</b>	<b>1,514</b>	<b>46,069</b>
<b>Total Maintenance Changes</b>	<b>180</b>	<b>0</b>	<b>180</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-279	0	-279
<b>Policy -- Comp Total</b>	<b>-279</b>	<b>0</b>	<b>-279</b>
<b>2013-15 Revised Appropriations</b>	<b>44,456</b>	<b>1,514</b>	<b>45,970</b>
Fiscal Year 2014 Total	21,240	757	21,997
Fiscal Year 2015 Total	23,216	757	23,973

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Joint Legislative Audit & Review Committee

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>173</b>	<b>6,305</b>	<b>6,478</b>
<b>Total Maintenance Changes</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-28	0	-28
<b>Policy -- Comp Total</b>	<b>-28</b>	<b>0</b>	<b>-28</b>
<b>2013-15 Revised Appropriations</b>	<b>147</b>	<b>6,305</b>	<b>6,452</b>
Fiscal Year 2014 Total	62	3,108	3,170
Fiscal Year 2015 Total	85	3,197	3,282

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Legislative Evaluation & Accountability Program

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>3,464</b>	<b>0</b>	<b>3,464</b>
<b>Total Maintenance Changes</b>	<b>-21</b>	<b>0</b>	<b>-21</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-13	0	-13
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>0</b>	<b>-13</b>
<b>2013-15 Revised Appropriations</b>	<b>3,430</b>	<b>0</b>	<b>3,430</b>
Fiscal Year 2014 Total	1,642	0	1,642
Fiscal Year 2015 Total	1,788	0	1,788

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Legislative Evaluation & Accountability Program's budget is shown in the Transportation Budget Section of this document.



## Joint Legislative Systems Committee

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>15,977</b>	<b>0</b>	<b>15,977</b>
<b>Total Maintenance Changes</b>	<b>116</b>	<b>0</b>	<b>116</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-55	0	-55
<b>Policy -- Comp Total</b>	<b>-55</b>	<b>0</b>	<b>-55</b>
<b>2013-15 Revised Appropriations</b>	<b>16,038</b>	<b>0</b>	<b>16,038</b>
Fiscal Year 2014 Total	8,062	0	8,062
Fiscal Year 2015 Total	7,976	0	7,976

**Comments:**

1. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of the State Actuary

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>3,529</b>	<b>3,529</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>14</b>	<b>14</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1	1
2. Health Care Actuarial Support	163	390	553
3. Governor Veto	-163	-390	-553
<b>Policy -- Other Total</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	0	-17	-17
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-17</b>	<b>-17</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>3,527</b>	<b>3,527</b>
Fiscal Year 2014 Total	0	1,803	1,803
Fiscal Year 2015 Total	0	1,724	1,724

*Comments:*

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (DRS Expense Account-State)
- 2. Health Care Actuarial Support** - Funding is provided to improve the Legislature's access to independent and objective health care actuarial analysis on state Medicaid and Public Employees Benefits. The Office of State Actuary will review for reasonableness the actuarial analysis prepared by the Health Care Authority's (HCA) retained actuary, respond to questions from the Legislature regarding HCA's actuarial analysis including fiscal notes, and prepare independent, objective, and confidential actuarial analysis for the Legislature on state healthcare benefits as may be requested from time to time. However, this item was vetoed by the Governor. (General Fund-State, General Fund-Federal, St Health Care Authority Admin Acct-State)
- 3. Governor Veto** - The Governor partially vetoed Section 106, eliminating funding for the State Actuary to provide the Legislature additional access to independent and objective health care actuarial analysis on state Medicaid and Public Employees Benefits. The Office of State Actuary was required by the vetoed language to review for reasonableness the actuarial analysis prepared by the Health Care Authority's (HCA) retained actuary, respond to questions from the Legislature regarding HCA's actuarial analysis including fiscal notes, and prepare independent, objective, and confidential actuarial analysis for the Legislature on state healthcare benefits as may be requested from time to time. (General Fund-State, General Fund-Federal, State Health Care Authority Administrative Account-State)
- 4. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015

from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Statute Law Committee

(Dollars in Thousands)

	<u>NGF-P</u>	<u>Other</u>	<u>Total</u>
<b>2013-15 Original Appropriations</b>	<b>7,997</b>	<b>891</b>	<b>8,888</b>
<b>Total Maintenance Changes</b>	<b>2</b>	<b>3</b>	<b>5</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-50	0	-50
<b>Policy -- Comp Total</b>	<b>-50</b>	<b>0</b>	<b>-50</b>
<b>2013-15 Revised Appropriations</b>	<b>7,949</b>	<b>894</b>	<b>8,843</b>
Fiscal Year 2014 Total	3,896	277	4,173
Fiscal Year 2015 Total	4,053	617	4,670

**Comments:**

1. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Office of Legislative Support Services

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>7,370</b>	<b>51</b>	<b>7,421</b>
<b>Total Maintenance Changes</b>	<b>46</b>	<b>0</b>	<b>46</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-38	0	-38
<b>Policy -- Comp Total</b>	<b>-38</b>	<b>0</b>	<b>-38</b>
<b>2013-15 Revised Appropriations</b>	<b>7,378</b>	<b>51</b>	<b>7,429</b>
Fiscal Year 2014 Total	3,558	26	3,584
Fiscal Year 2015 Total	3,820	25	3,845

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Judicial

## **Superior Court Case Management System**

An additional \$5.3 million from the Judicial Information Systems Account is provided on a one-time basis in the Administrative Office of the Courts (AOC) to continue implementation of the new commercial off-the-shelf (COTS) case management system for the superior courts. Total funding for the project in the 2013-15 biennium is \$16.6 million from the Judicial Information Systems Account. The AOC must develop a revised charter for the Superior Court Case Management System Steering Committee, which will continue to provide oversight of the project. Voting members of the Steering Committee must be from AOC and those courts that have implemented, or have committed to implement, the statewide superior court vendor solution as selected by the Judicial Information Systems Committee.

## **Appellate Court Case Management System**

An additional \$1.1 million from the Judicial Information Systems Account is provided in the AOC to acquire a COTS Enterprise Content Management System (ECMS) and the services required to implement, validate, and deploy the ECMS in the Supreme Court and the three divisions of the Court of Appeals. Total funding for the project in the 2013-15 biennium is \$1.4 million from the Judicial Information Systems Account.

## **Child Dependency Representation Program**

A total of \$1 million is provided in the Office of Civil Legal Aid to implement Chapter 108, Laws of 2014 (E2SSB 6126), which requires a court to appoint an attorney for a child in a dependency proceeding six months after granting a petition to terminate the parent and child relationship and when there is no remaining parent with parental rights. The state may pay the cost of the legal services under certain conditions. The provided funding will pay a portion of the county's cost to provide legal services to eligible children.

## **Parents Representation Program**

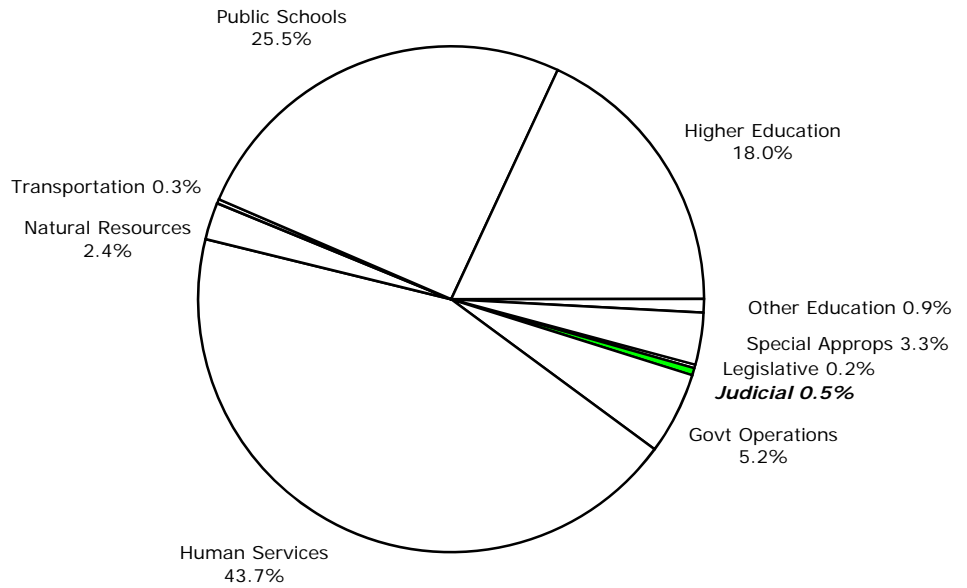
The Parents Representation Program in the Office of Public Defense (OPD) funds contract attorneys for indigent parents in dependency and parental termination cases. A total of \$1.9 million is provided on a one-time basis for the anticipated increase in case filings related to the Department of Social and Health Services Child Permanency Initiative. OPD assumes that increased filings will require legal services for an additional 556 parents.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

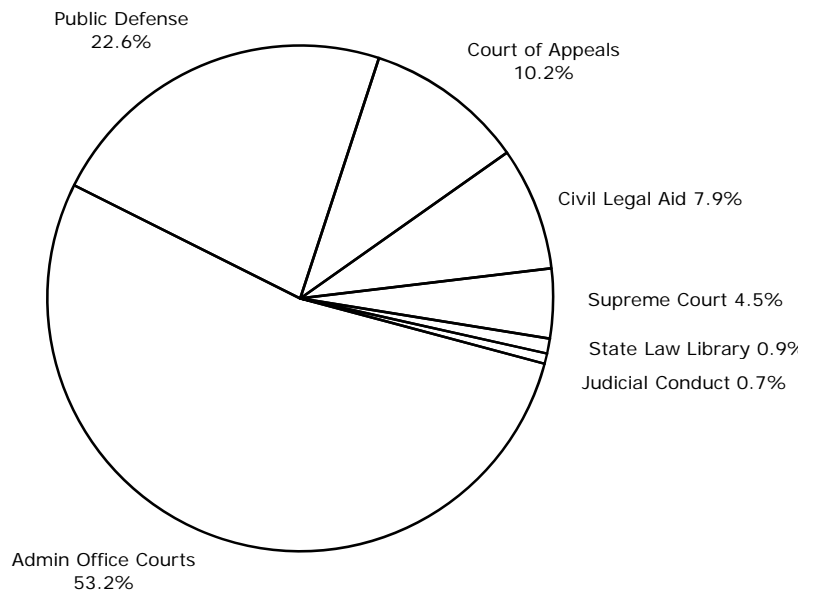
(Dollars in Thousands)

Legislative	155,187
<b>Judicial</b>	<b>310,711</b>
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

Admin Office Courts	165,378
Office of Public Defense	70,339
Court of Appeals	31,676
Civil Legal Aid	24,468
Supreme Court	13,841
State Law Library	2,941
Judicial Conduct Comm	2,068
<b>Judicial</b>	<b>310,711</b>



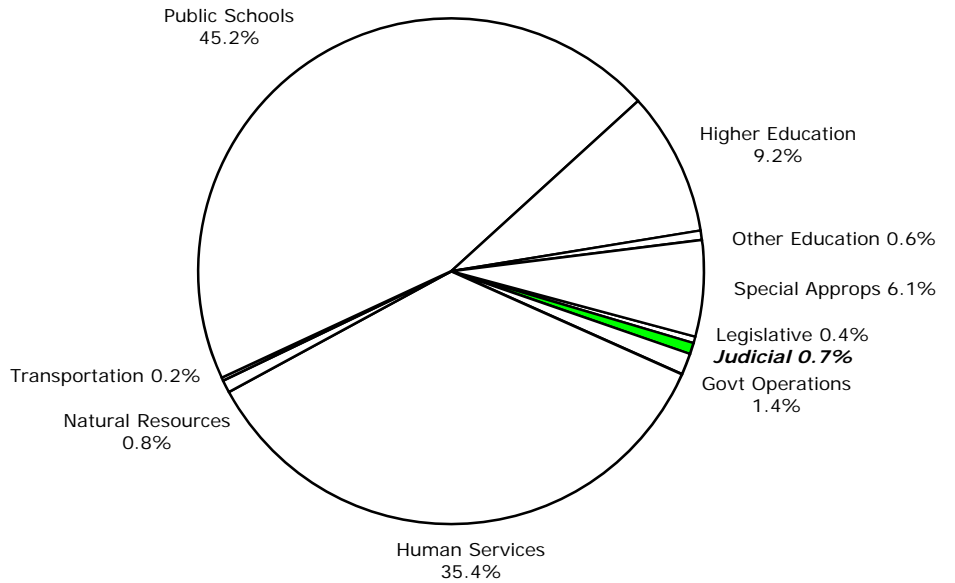
## Judicial

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

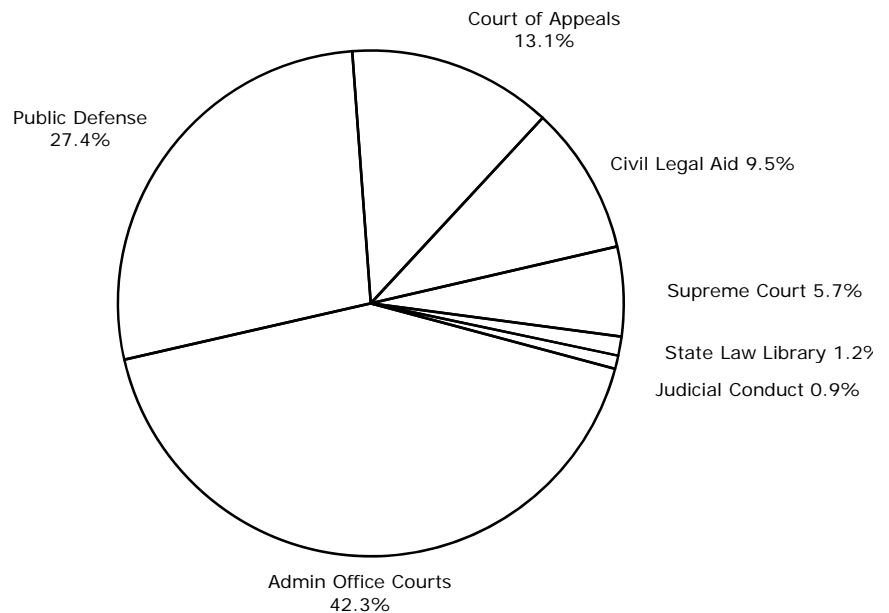
(Dollars in Thousands)

Legislative	141,131
<b>Judicial</b>	<b>242,318</b>
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

Admin Office Courts	102,390
Office of Public Defense	66,387
Court of Appeals	31,676
Civil Legal Aid	23,015
Supreme Court	13,841
State Law Library	2,941
Judicial Conduct Comm	2,068
<b>Judicial</b>	<b>242,318</b>



## Judicial

**Supreme Court**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>13,747</b>	<b>0</b>	<b>13,747</b>
<b>Total Maintenance Changes</b>	<b>227</b>	<b>0</b>	<b>227</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. Leave Buyout	-58	0	-58
<b>Policy -- Other Total</b>	<b>-57</b>	<b>0</b>	<b>-57</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-76	0	-76
<b>Policy -- Comp Total</b>	<b>-76</b>	<b>0</b>	<b>-76</b>
<b>2013-15 Revised Appropriations</b>	<b>13,841</b>	<b>0</b>	<b>13,841</b>
Fiscal Year 2014 Total	7,028	0	7,028
Fiscal Year 2015 Total	6,813	0	6,813

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
- 2. Leave Buyout** - Funding for a leave buyout obligation for an employee who has been with the Supreme Court for many years is not provided.
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



**State Law Library**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>2,949</b>	<b>0</b>	<b>2,949</b>
<b>Total Maintenance Changes</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-13	0	-13
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>0</b>	<b>-13</b>
<b>2013-15 Revised Appropriations</b>	<b>2,941</b>	<b>0</b>	<b>2,941</b>
Fiscal Year 2014 Total	1,484	0	1,484
Fiscal Year 2015 Total	1,457	0	1,457

**Comments:**

1. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Commission on Judicial Conduct**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>2,062</b>	<b>0</b>	<b>2,062</b>
<b>Total Maintenance Changes</b>	<b>15</b>	<b>0</b>	<b>15</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-9	0	-9
<b>Policy -- Comp Total</b>	<b>-9</b>	<b>0</b>	<b>-9</b>
<b>2013-15 Revised Appropriations</b>	<b>2,068</b>	<b>0</b>	<b>2,068</b>
Fiscal Year 2014 Total	1,071	0	1,071
Fiscal Year 2015 Total	997	0	997

**Comments:**

1. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Court of Appeals**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>31,376</b>	<b>0</b>	<b>31,376</b>
<b>Total Maintenance Changes</b>	<b>355</b>	<b>0</b>	<b>355</b>
<b>Policy Changes - Other</b>			
1. Division 1 Lease Costs	114	0	114
<b>Policy -- Other Total</b>	<b>114</b>	<b>0</b>	<b>114</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-169	0	-169
<b>Policy -- Comp Total</b>	<b>-169</b>	<b>0</b>	<b>-169</b>
<b>2013-15 Revised Appropriations</b>	<b>31,676</b>	<b>0</b>	<b>31,676</b>
Fiscal Year 2014 Total	15,865	0	15,865
Fiscal Year 2015 Total	15,811	0	15,811

**Comments:**

- Division 1 Lease Costs** - Funding is provided for contractual lease increases for Court of Appeals Division I.
- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Administrative Office of the Courts

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>101,856</b>	<b>56,085</b>	<b>157,941</b>
<b>Total Maintenance Changes</b>	<b>1,371</b>	<b>-126</b>	<b>1,245</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. Superior Court CMS	0	5,306	5,306
3. Enterprise Content CMS	0	1,093	1,093
4. IT Security Enhancements	0	750	750
5. Legal Financial Obligation Grants	-441	0	-441
6. Office of Public Guardianship	200	0	200
7. Superior Ct Judge Benton/Franklin	-108	0	-108
8. Superior Court Judge Whatcom County	-108	0	-108
<b>Policy -- Other Total</b>	<b>-456</b>	<b>7,149</b>	<b>6,693</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-381	-120	-501
<b>Policy -- Comp Total</b>	<b>-381</b>	<b>-120</b>	<b>-501</b>
<b>2013-15 Revised Appropriations</b>	<b>102,390</b>	<b>62,988</b>	<b>165,378</b>
Fiscal Year 2014 Total	51,403	31,374	82,777
Fiscal Year 2015 Total	50,987	31,614	82,601

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **Superior Court CMS** - Funding is provided to continue implementation of the new commercial off-the-shelf (COTS) Case Management System for the superior courts. The Administrative Office of the Courts (AOC) will complete Phase 2 (Statewide Configuration and Validation) and begin Phases 3 (Local Implementation Preparation), 4 (Pilot Implementation), and 5 (Statewide Rollout) of the project. The AOC estimates that statewide implementation will be completed in FY 2019. (Judicial Information Systems Account-State)
3. **Enterprise Content CMS** - Funding is provided to acquire a commercial off-the-shelf Enterprise Content Management System (ECMS) and the services required to implement, validate, and deploy the ECMS in the Washington Supreme Court and the three divisions of the Washington Court of Appeals. (Judicial Information Systems Account-State)
4. **IT Security Enhancements** - Funding is provided to implement information technology security enhancements as identified by an independent information technology security firm. (Judicial Information Systems Account-State)
5. **Legal Financial Obligation Grants** - Grants provided to county clerks for collection of court-ordered legal financial obligations are reduced 50 percent.
6. **Office of Public Guardianship** - Funding is provided to the Office of Public Guardianship for the purpose of providing guardianship services to low income and indigent incapacitated persons.
7. **Superior Ct Judge Benton/Franklin** - The 2013-15 operating budget appropriates funding for an additional superior court judge position in Benton and Franklin Counties combined, pursuant to Chapter 142, Laws of 2013 (HB 1175). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits. Funding is reduced because the new judicial position will not be appointed and serve on the bench in FY 2014.
8. **Superior Court Judge Whatcom County** - The 2013-15 operating budget appropriates funding for an additional superior court judge position in Whatcom County, pursuant to Chapter 210, Laws of 2013 (SB 5052). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits. Funding is reduced because the new judicial position will not be appointed and serve on the bench in FY 2014.
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of Public Defense

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>64,129</b>	<b>3,800</b>	<b>67,929</b>
<b>Total Maintenance Changes</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Policy Changes - Other</b>			
1. Child Permanency Initiative	1,946	0	1,946
2. Immigration Consequences	100	0	100
3. Federal Grant Authority	0	152	152
4. Appellate Indigent Funding-Death Pe	225	0	225
<b>Policy -- Other Total</b>	<b>2,271</b>	<b>152</b>	<b>2,423</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	-18	0	-18
<b>Policy -- Comp Total</b>	<b>-18</b>	<b>0</b>	<b>-18</b>
<b>2013-15 Revised Appropriations</b>	<b>66,387</b>	<b>3,952</b>	<b>70,339</b>
Fiscal Year 2014 Total	30,912	1,976	32,888
Fiscal Year 2015 Total	35,475	1,976	37,451

**Comments:**

- 1. Child Permanency Initiative** - One-time funding is provided for the anticipated increase in case filings related to the Department of Social and Health Services Child Permanency Initiative. The Office of Public Defense (OPD) provides legal services to parents in child dependency proceedings and assumes that increased filings will require legal services for an additional 556 parents.
- 2. Immigration Consequences** - Funding is provided to continue the Washington Defender Association's Immigration Consequences Program. The Program provides training and responses to questions for public defense attorneys on how to effectively counsel noncitizen clients of the immigration consequences of convictions.
- 3. Federal Grant Authority** - The Office of Public Defense was awarded a federal grant under the Capital Case Litigation Initiative for a death penalty trial training program. Additional expenditure authority is provided to expend federal funding in FY 2015, the last year of the federal grant. (General Fund-Federal)
- 4. Appellate Indigent Funding-Death Pe** - One-time funding is provided to pay the attorney costs for indigent appellate death penalty cases. In 2013 attorneys were appointed for three death penalty cases, increasing expenditures for FY 2014.
- 5. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of Civil Legal Aid

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>21,732</b>	<b>1,454</b>	<b>23,186</b>
<b>Total Maintenance Changes</b>	<b>-1</b>	<b>0</b>	<b>-1</b>
<b>Policy Changes - Other</b>			
1. Temporary Vendor Rate Increase	280	0	280
2. Child Dependency Representation	1,004	0	1,004
<b>Policy -- Other Total</b>	<b>1,284</b>	<b>0</b>	<b>1,284</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-1	-1
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-1</b>	<b>-1</b>
<b>2013-15 Revised Appropriations</b>	<b>23,015</b>	<b>1,453</b>	<b>24,468</b>
Fiscal Year 2014 Total	10,910	727	11,637
Fiscal Year 2015 Total	12,105	726	12,831

**Comments:**

- 1. Temporary Vendor Rate Increase** - Funding is provided for a one-time vendor rate increase to replace and upgrade the telecommunications infrastructure for the statewide Coordinated Legal Education, Advice and Referral System (CLEAR) operated by the Northwest Justice Project.
- 2. Child Dependency Representation** - Funding is provided to implement Chapter 108, Laws of 2014 (E2SSB 6126), which requires a court to appoint an attorney for a child in a dependency proceeding six months after granting a petition to terminate the parent and child relationship and when there is no remaining parent with parental rights. The state may pay the cost of the legal services under certain conditions. Funding is provided to pay a portion of the county's cost to provide legal services to legally free children.
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Governmental Operations

## **Department of Commerce**

The Department of Commerce administers a variety of state programs focused on enhancing and promoting sustainable community and economic vitality in Washington. In the November 2013 third special session, \$2 million General Fund-State funding was provided for grants to local governments to reduce environmental review costs related to the permitting of aerospace and other large manufacturing sites. Additionally, \$5 million from the State Building Construction Account-State was provided for the construction of the Renton Aerospace Training Center.

In the 2014 supplemental budget, General Fund-State funding is increased by \$506,000 to provide additional naturalization services to legal permanent residents through the New Americans Program and to improve access of adult family home and assisted living residents to the Long-Term Care Ombuds Program.

## **Innovate Washington**

Chapter 174, Laws of 2014 (E2SSB 6518) eliminates Innovate Washington as a state agency, and its real property is assigned and transferred to Washington State University effective June 12, 2014. Authority over the Investing in Innovation Account is transferred from Innovate Washington to the Department of Commerce, which may use the funds to administer the Innovate Washington Program created in the Department of Commerce until June 30, 2015.

## **Liquor Control Board**

Funding is provided to the Liquor Control Board (LCB) to continue implementation efforts related to Initiative 502 (an act relating to marijuana). The funding is for LCB to acquire and maintain information technology systems related to: licensing producers, processors, and retailers; tracking marijuana from seed-to-sale; and collecting and reporting information related to excise taxes.

Additionally, funding is provided for the LCB to hire enforcement officers and fiscal and audit staff. Enforcement officers will address public safety concerns, including product theft and under age consumption. Audit staff will conduct financial audits of Initiative 502 producers, processors, and retailers.

## **Attorney General**

An additional \$3.4 million in expenditure authority from the Legal Services Revolving Account-State is provided to adjust salaries of assistant attorneys general in the first six years of their employment to address recruitment and retention issues. State agency appropriations are increased to fund the salary adjustments that will be included in billings for legal services.

### **Office of the Chief Information Officer**

Development of a one-stop business portal to allow businesses to interact with the state through a single online resource is continued at the Office of the Chief Information Officer. Funding of \$737,000 is provided from the Data Processing Revolving Account-Non-Appropriated through central service charges to eight state agencies with which businesses will primarily interact through the portal.

### **Department of Enterprise Services**

Certificate of Participation authority is increased from \$10 million to \$13.5 million for the Department of Enterprise Services (DES) time, leave, and attendance pilot project to reflect updated cost estimates of project components that may be financed. Implementation of this enterprise system is expected to be completed within the 2013-15 biennium at a revised estimated cost of \$18.7 million.

To facilitate the purchase of electricity from in-state alternative power sources for use by state agencies, \$2.3 million in one-time General Fund-State is provided to DES. DES may solicit proposals from local utilities that currently serve state operations for such purchases.

### **Office of Minority and Women's Business Enterprises**

Expenditure authority is increased by \$539,000 for payments to the Office of the Attorney General and the Office of Administrative Hearings. Appeals of denied applications and decertification actions have increased, requiring additional expenditures for administrative hearings and legal representation.

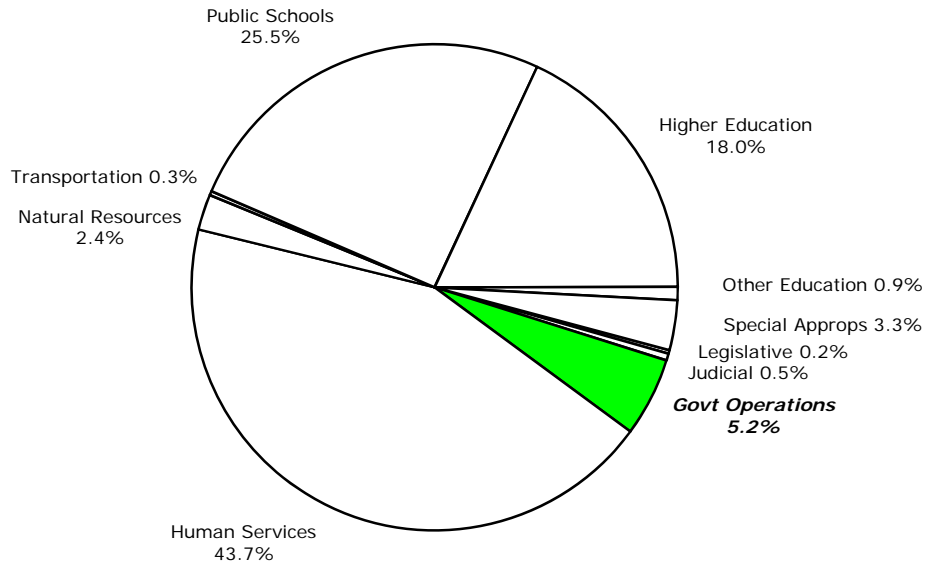


## 2013-15 Washington State Omnibus Operating Budget

### Total Budgeted Funds

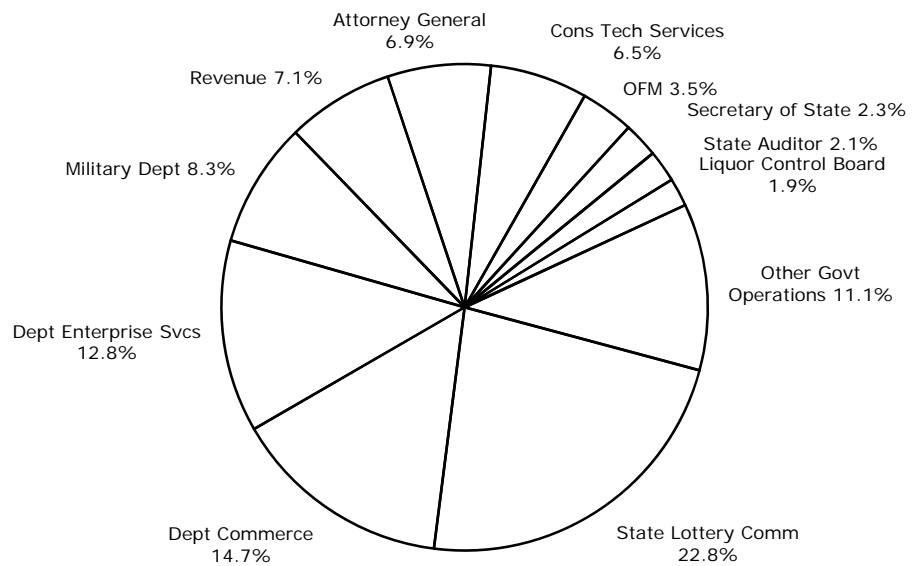
(Dollars in Thousands)

Legislative	155,187
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Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



### Washington State

Lottery Commission	810,427
Dept Commerce	519,801
Dept Enterprise Svcs	452,649
Military Department	295,532
Revenue	252,288
Attorney General	243,892
Cons Tech Services	230,086
OFM	125,264
Secretary of State	82,190
State Auditor	75,773
Liquor Control Board	66,470
Other Govt Operations	392,861
<b>Governmental Operations</b>	<b>3,547,233</b>



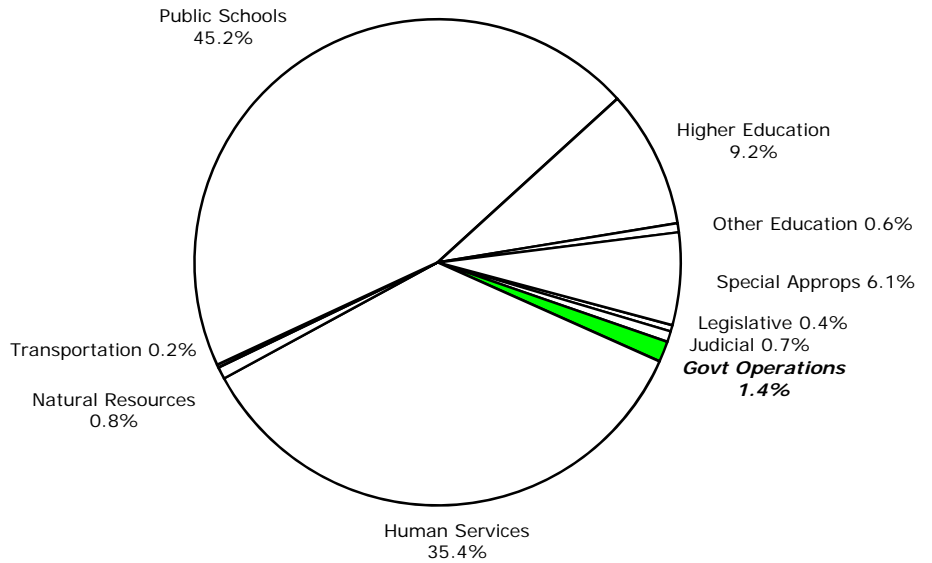
### Governmental Operations

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

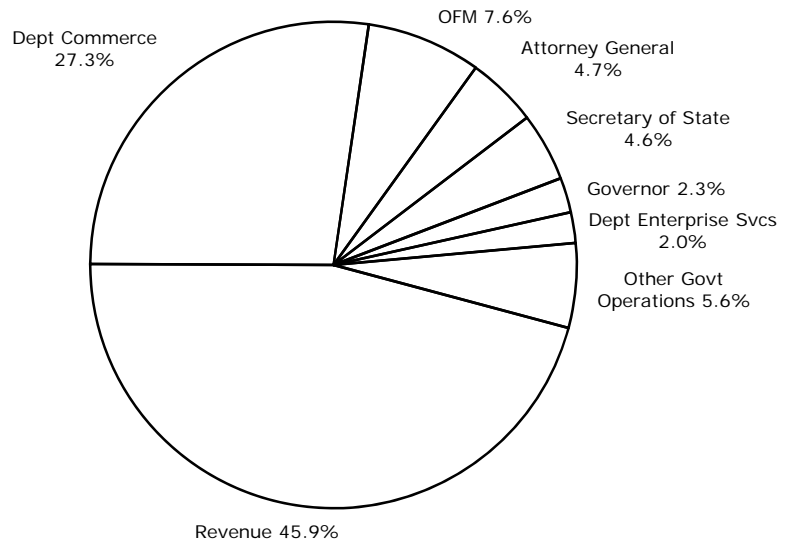
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
<b>Governmental Operations</b>	<b>465,513</b>
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

Revenue	213,626
Dept Commerce	126,940
OFM	35,481
Attorney General	21,822
Secretary of State	21,253
Office of the Governor	10,740
Dept Enterprise Svcs	9,524
Other Govt Operations	26,127
<b>Governmental Operations</b>	<b>465,513</b>



## Governmental Operations

## Office of the Governor

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>10,726</b>	<b>4,000</b>	<b>14,726</b>
<b>Total Maintenance Changes</b>	<b>31</b>	<b>0</b>	<b>31</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. Interpreter Training Program	35	0	35
<b>Policy -- Other Total</b>	<b>36</b>	<b>0</b>	<b>36</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-53	0	-53
<b>Policy -- Comp Total</b>	<b>-53</b>	<b>0</b>	<b>-53</b>
<b>Policy Changes - Transfers</b>			
4. Special Education Ombuds	50	0	50
5. Governor Veto	-50	0	-50
<b>2013-15 Revised Appropriations</b>	<b>10,740</b>	<b>4,000</b>	<b>14,740</b>
Fiscal Year 2014 Total	5,565	2,000	7,565
Fiscal Year 2015 Total	5,175	2,000	7,175

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
- 2. Interpreter Training Program** - Funding is provided for a study to develop a state foreign language education interpreter training program in accordance with Chapter 150, Laws of 2014, Partial Veto (2SHB 1709).
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.
- 4. Special Education Ombuds** - The Special Education Ombuds is transferred from the Office of the Superintendent of Public Instruction (OSPI) to the Office of the Education Ombuds (OEO). The Superintendent of Public Instruction is directed to contract with OEO, using up to \$50,000 of General Fund-Federal appropriations to provide for any additional Special Education Ombuds services currently provided through OSPI. This item was vetoed by the Governor.
- 5. Governor Veto** - The Governor vetoed Section 116(5) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which would have increased the General Fund-State appropriation for the OEO for additional special education ombuds services by \$50,000.

## Office of the Lieutenant Governor

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,312</b>	<b>95</b>	<b>1,407</b>
<b>Total Maintenance Changes</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-8	0	-8
<b>Policy -- Comp Total</b>	<b>-8</b>	<b>0</b>	<b>-8</b>
<b>2013-15 Revised Appropriations</b>	<b>1,311</b>	<b>95</b>	<b>1,406</b>
Fiscal Year 2014 Total	654	47	701
Fiscal Year 2015 Total	657	48	705

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Public Disclosure Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,097</b>	<b>0</b>	<b>4,097</b>
<b>Total Maintenance Changes</b>	<b>73</b>	<b>0</b>	<b>73</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	6	0	6
2. DES Central Services	-24	0	-24
<b>Policy -- Other Total</b>	<b>-18</b>	<b>0</b>	<b>-18</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-24	0	-24
<b>Policy -- Comp Total</b>	<b>-24</b>	<b>0</b>	<b>-24</b>
<b>2013-15 Revised Appropriations</b>	<b>4,128</b>	<b>0</b>	<b>4,128</b>
Fiscal Year 2014 Total	2,084	0	2,084
Fiscal Year 2015 Total	2,044	0	2,044

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
- 2. DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of the Secretary of State

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>20,891</b>	<b>60,009</b>	<b>80,900</b>
<b>Total Maintenance Changes</b>	<b>445</b>	<b>65</b>	<b>510</b>
<b>Policy Changes - Other</b>			
1. State Records Center Stockpickers	0	162	162
2. Archives Vehicle Replacement	0	38	38
3. Attorney General Legal Services	4	5	9
4. DES Central Services	11	17	28
5. Additional Archives Space	0	813	813
6. Address Confidentiality Program	47	0	47
<b>Policy -- Other Total</b>	<b>62</b>	<b>1,035</b>	<b>1,097</b>
<b>Policy Changes - Comp</b>			
7. State Employee Health Insurance	-145	-172	-317
<b>Policy -- Comp Total</b>	<b>-145</b>	<b>-172</b>	<b>-317</b>
<b>2013-15 Revised Appropriations</b>	<b>21,253</b>	<b>60,937</b>	<b>82,190</b>
Fiscal Year 2014 Total	11,813	31,626	43,439
Fiscal Year 2015 Total	9,440	29,311	38,751

**Comments:**

- 1. State Records Center Stockpickers** - The Secretary of State (SOS) will use the existing fund balance to replace existing stockpickers that have outlived their useful life and for which finding replacement parts is difficult. (Public Records Efficiency, Preservation, and Access Account-State)
- 2. Archives Vehicle Replacement** - The SOS will use the existing fund balance to replace the Eastern Regional Branch Archive's van. (Local Government Archives Account-State)
- 3. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- 4. DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
- 5. Additional Archives Space** - Funds are provided for short-term storage of state records. (Public Records Efficiency, Preservation, and Access Account-State)
- 6. Address Confidentiality Program** - Funding is provided to restore one FTE staff position in the Address Confidentiality Program.
- 7. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to

fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Governor's Office of Indian Affairs

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>501</b>	<b>0</b>	<b>501</b>
<b>Total Maintenance Changes</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-2	0	-2
<b>Policy -- Other Total</b>	<b>-2</b>	<b>0</b>	<b>-2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-3	0	-3
<b>Policy -- Comp Total</b>	<b>-3</b>	<b>0</b>	<b>-3</b>
<b>2013-15 Revised Appropriations</b>	<b>499</b>	<b>0</b>	<b>499</b>
Fiscal Year 2014 Total	249	0	249
Fiscal Year 2015 Total	250	0	250

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

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

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>420</b>	<b>0</b>	<b>420</b>
<b>Total Maintenance Changes</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-2	0	-2
<b>Policy -- Other Total</b>	<b>-2</b>	<b>0</b>	<b>-2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-3	0	-3
<b>Policy -- Comp Total</b>	<b>-3</b>	<b>0</b>	<b>-3</b>
<b>2013-15 Revised Appropriations</b>	<b>418</b>	<b>0</b>	<b>418</b>
Fiscal Year 2014 Total	210	0	210
Fiscal Year 2015 Total	208	0	208

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Office of the State Treasurer

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>14,924</b>	<b>14,924</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>21</b>	<b>21</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	8	8
<b>Policy -- Other Total</b>	<b>0</b>	<b>8</b>	<b>8</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-81	-81
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-81</b>	<b>-81</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>14,872</b>	<b>14,872</b>
Fiscal Year 2014 Total	0	7,477	7,477
Fiscal Year 2015 Total	0	7,395	7,395

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (State Treasurer's Service Account-State)
- 2. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of the State Auditor

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,461</b>	<b>74,380</b>	<b>75,841</b>
<b>Total Maintenance Changes</b>	<b>57</b>	<b>-5</b>	<b>52</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	8	8
2. Higher Education Audit	0	300	300
<b>Policy -- Other Total</b>	<b>0</b>	<b>308</b>	<b>308</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-9	-419	-428
<b>Policy -- Comp Total</b>	<b>-9</b>	<b>-419</b>	<b>-428</b>
<b>2013-15 Revised Appropriations</b>	<b>1,509</b>	<b>74,264</b>	<b>75,773</b>
Fiscal Year 2014 Total	755	37,087	37,842
Fiscal Year 2015 Total	754	37,177	37,931

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- 2. Higher Education Audit** - Funding is provided for an audit of the dedicated local and operating fee accounts of the state's institutions of higher education to improve accounting practices, transparency, and accuracy. Each four-year institution shall be audited, and the Auditor shall select two community and technical colleges for audit. The cost of the audit shall be recovered from each of the four-year institutions and from the State Board for Community and Technical Colleges. It is the intent of the Legislature that the individual community and technical colleges selected for audit not be solely responsible for the cost of the audit. (State Auditing Services Revolving Account-State)
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Citizens' Commission on Salaries for Elected Officials

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>312</b>	<b>0</b>	<b>312</b>
<b>Total Maintenance Changes</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-2	0	-2
<b>Policy -- Other Total</b>	<b>-2</b>	<b>0</b>	<b>-2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-3	0	-3
<b>Policy -- Comp Total</b>	<b>-3</b>	<b>0</b>	<b>-3</b>
<b>2013-15 Revised Appropriations</b>	<b>308</b>	<b>0</b>	<b>308</b>
Fiscal Year 2014 Total	138	0	138
Fiscal Year 2015 Total	170	0	170

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of the Attorney General

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>20,588</b>	<b>207,663</b>	<b>228,251</b>
<b>Total Maintenance Changes</b>	<b>1,126</b>	<b>412</b>	<b>1,538</b>
<b>Policy Changes - Other</b>			
1. Anti-Trust Litigation Increase	0	528	528
2. Increased Legal Svcs to Specif Agys	0	5,075	5,075
3. Moore v. HCA Litigation	0	2,414	2,414
4. Fill Held Vacancies	0	1,719	1,719
5. Child Permanency Initiative	0	2,444	2,444
6. WA Servicemember Civil Relief Act	69	0	69
7. Medical Marijuana	0	80	80
8. Governor Veto	0	-80	-80
<b>Policy -- Other Total</b>	<b>69</b>	<b>12,180</b>	<b>12,249</b>
<b>Policy Changes - Comp</b>			
9. Recruitment and Retention	182	3,220	3,402
10. State Employee Health Insurance	-143	-1,405	-1,548
<b>Policy -- Comp Total</b>	<b>39</b>	<b>1,815</b>	<b>1,854</b>
<b>2013-15 Revised Appropriations</b>	<b>21,822</b>	<b>222,070</b>	<b>243,892</b>
Fiscal Year 2014 Total	11,019	109,724	120,743
Fiscal Year 2015 Total	10,803	112,346	123,149

**Comments:**

- 1. Anti-Trust Litigation Increase** - Additional expenditure authority is provided from the Anti-Trust Revolving Account to cover direct litigation costs for pending cases. (Anti-Trust Revolving Account-Nonappropriated)
- 2. Increased Legal Svcs to Specif Agys** - Ongoing legal expenses that were previously managed through interagency agreements will be incorporated into the regular expenditure and recovery process of the Legal Services Revolving Account. This will eliminate eight interagency agreements and incorporate these regular and ongoing legal expenditures into the budgets approved by the Legislature for both client agencies and the Office of the Attorney General (AGO). Additional funding is also provided for increased legal services billings to the Office of Minority and Women's Business Enterprises for increased standard legal services and the Department of Corrections for litigation related to interest arbitration. (Legal Services Revolving Account-State)
- 3. Moore v. HCA Litigation** - Additional billing authority is provided for litigation costs associated with a major class action lawsuit against the Health Care Authority (HCA) entitled Moore, et al. v. Health Care Authority. Plaintiffs claim the state failed to provide statutorily mandated health benefits to non full-time state employees who worked at least half time over a certain period of time (e.g., over nine months for career seasonal employees). (Legal Services Revolving Account-State)
- 4. Fill Held Vacancies** - Funding is provided for filling assistant attorney general positions that have been held vacant to fund recruitment and retention compensation increases. (Legal Services Revolving Account)
- 5. Child Permanency Initiative** - Expenditure authority is provided to AGO to bill the Department of Social and Health Services for legal services to meet parental rights termination caseloads. (Legal Services Revolving Account-State)
- 6. WA Servicemember Civil Relief Act** - Funding is provided for investigations and lawsuits related to the Washington Servicemember Civil Relief Act, pursuant to Chapter 65, Laws of 2014 (SHB 2171).
- 7. Medical Marijuana** - Funding is provided for legal services relating to implementation of E3SSB 5887 (Medical Marijuana). This item was vetoed by the Governor. (Legal Services Revolving Account-State)
- 8. Governor Veto** - The Governor vetoed Section 125(14) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which would have increased the Legal Services Revolving Account appropriation for AGO by \$80,000 to support E3SSB 5887 (merging medical and recreational marijuana systems). E3SSB 5887 did not pass the Legislature.
- 9. Recruitment and Retention** - To address attorney recruitment and retention issues, attorney salaries at AGO will be increased to levels more competitive with other public law offices in Washington. (General Fund-State, Public Service Revolving Account-State, Medicaid Fraud Penalty Account-State, Legal Services Revolving Account-State, Anti-Trust Revolving Account-Nonappropriated)

## Office of the Attorney General

10. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Caseload Forecast Council

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>2,490</b>	<b>0</b>	<b>2,490</b>
<b>Total Maintenance Changes</b>	<b>-63</b>	<b>0</b>	<b>-63</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-11	0	-11
2. Governor Veto	87	0	87
<b>Policy -- Other Total</b>	<b>76</b>	<b>0</b>	<b>76</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-13	0	-13
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>0</b>	<b>-13</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>2,490</b>	<b>0</b>	<b>2,490</b>
Fiscal Year 2014 Total	1,260	0	1,260
Fiscal Year 2015 Total	1,230	0	1,230

**Comments:**

All changes in this section were vetoed by the Governor.

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
2. **Governor Veto** - The Governor vetoed Section 126 of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which would have decreased the General Fund-State appropriation for the Caseload Forecast Council by \$87,000.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Commerce

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>123,227</b>	<b>392,658</b>	<b>515,885</b>
<b>Total Maintenance Changes</b>	<b>1,351</b>	<b>-114</b>	<b>1,237</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	4	8	12
2. DES Central Services	8	17	25
3. Homeless Certifications	0	26	26
4. Local Gov Enviro Permit Assistance	2,000	0	2,000
5. New Americans Program	198	0	198
6. Long Term Care Ombudsman	306	0	306
7. Meth Remediation	0	466	466
<b>Policy -- Other Total</b>	<b>2,516</b>	<b>517</b>	<b>3,033</b>
<b>Policy Changes - Comp</b>			
8. State Employee Health Insurance	-154	-200	-354
<b>Policy -- Comp Total</b>	<b>-154</b>	<b>-200</b>	<b>-354</b>
<b>2013-15 Revised Appropriations</b>	<b>126,940</b>	<b>392,861</b>	<b>519,801</b>
Fiscal Year 2014 Total	62,296	201,146	263,442
Fiscal Year 2015 Total	64,644	191,715	256,359

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Homeless Certifications** - Funding is provided to implement a pilot program to assist homeless individuals in establishing an address that can be used for employment purposes. (Home Security Fund Account-State)
4. **Local Gov Enviro Permit Assistance** - Chapter 1, Laws of 2013, 3rd sp.s. (EHB 2088), provides funding to the Department of Commerce for grants to counties and cities for their costs of preparing an environmental analysis that advances permitting activities around manufacturing sites for aerospace and other key economic growth centers.
5. **New Americans Program** - Funding is increased for the New Americans Program, which provides naturalization assistance for legal permanent residents who are eligible to become United States citizens.
6. **Long Term Care Ombudsman** - Funding is increased for the Long-Term Care Ombuds Program to improve the program's access to long-term care residents in community-based settings such as adult family homes and assisted living facilities.
7. **Meth Remediation** - One-time funding is provided to offset extraordinary expenses incurred by the Tacoma Housing Authority because of aggressive testing of low-income housing for methamphetamine contamination. These funds may be used to assist with the costs associated with re-mediating units of low-income housing to meet public safety standards. (Housing Trust Account-State)
8. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Economic & Revenue Forecast Council**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>1,566</b>	<b>50</b>	<b>1,616</b>
<b>Total Maintenance Changes</b>	<b>10</b>	<b>0</b>	<b>10</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-7	0	-7
<b>Policy -- Other Total</b>	<b>-7</b>	<b>0</b>	<b>-7</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-6	0	-6
<b>Policy -- Comp Total</b>	<b>-6</b>	<b>0</b>	<b>-6</b>
<b>2013-15 Revised Appropriations</b>	<b>1,563</b>	<b>50</b>	<b>1,613</b>
Fiscal Year 2014 Total	758	25	783
Fiscal Year 2015 Total	805	25	830

**Comments:**

- DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Office of Financial Management

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>35,956</b>	<b>83,970</b>	<b>119,926</b>
<b>Total Maintenance Changes</b>	<b>-950</b>	<b>2,986</b>	<b>2,036</b>
<b>Policy Changes - Other</b>			
1. Education Research Data Center	0	316	316
2. Statewide Jail Study	300	0	300
3. Attorney General Legal Services	9	0	9
4. DES Central Services	17	0	17
5. State Agency Permitting	0	37	37
6. Student Success Report	262	0	262
7. Education Research & Data Center	46	0	46
8. Business One-Stop Portal	0	737	737
<b>Policy -- Other Total</b>	<b>634</b>	<b>1,090</b>	<b>1,724</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-159	-108	-267
<b>Policy -- Comp Total</b>	<b>-159</b>	<b>-108</b>	<b>-267</b>
<b>Policy Changes - Transfers</b>			
10. Small Agency Client Services (SACS)	0	1,845	1,845
<b>Policy -- Transfer Total</b>	<b>0</b>	<b>1,845</b>	<b>1,845</b>
<b>2013-15 Revised Appropriations</b>	<b>35,481</b>	<b>89,783</b>	<b>125,264</b>
Fiscal Year 2014 Total	17,942	43,470	61,412
Fiscal Year 2015 Total	17,539	46,313	63,852

**Comments:**

- 1. Education Research Data Center** - Funding is provided to the Education Research and Data Center (ERDC) within the Forecasting and Research Division of the Office of Financial Management (OFM) to retain three staff positions currently funded by a federal grant ending June 30, 2014. These positions are necessary to meet customer demand for data sets, add data sources, continue identity matching, prepare dashboards, and analyze longitudinal education data across multiple education and human service programs. (Data Processing Revolving Account-State)
- 2. Statewide Jail Study** - OFM will conduct an analysis of statewide jail needs to examine how regional capacity is being used at the state and local levels, how operational costs are incurred by local governments, and the financial impact to counties of providing juvenile and felon detention.
- 3. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
- 4. DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
- 5. State Agency Permitting** - Funding is provided for the agency to make information about permitting assistance and timelines more readily available to the public pursuant to Chapter 68, Laws of 2014 (E2SHB 2192). (Data Processing Revolving Account-State)
- 6. Student Success Report** - Pursuant to Chapter 196, Laws of 2014 (EHB 2739), funding is provided for staffing and a contract with Washington State University to complete a report analyzing the correlation of certain family factors with academic and behavioral indicators of student success.
- 7. Education Research & Data Center** - Funding is provided for ERDC to: (1) collect and publish on its website short-term and long-term earnings and employment data for completers of higher education degrees, apprenticeships, and certificates; (2) with the assistance of the Legislative Evaluation and Accountability Program (LEAP) Committee, publish on ERDC's website a detailed inventory of the data that are contained in the data warehouse and collaborate with LEAP to broadly disseminate meaningful information on the website by expanding and increasing interactive web-based reporting; and (3) prepare, or contract with an entity to prepare, an economic success metrics report of employment and earnings outcomes for degrees, apprenticeships, and certificates earned at institutions of higher education with the final report published on the website and submitted to the Governor and the higher education committees of the Legislature by November 1, 2014.

## Office of Financial Management

8. **Business One-Stop Portal** - The Office of the Chief Information Officer (OCIO) will continue work on a business one-stop portal that will provide a single online resource for small businesses to interact with the state. Funding is provided to allow the OCIO to reduce or eliminate duplicative websites with redundant or conflicting information and reach out to business owners to identify their highest priority changes. (Data Processing Revolving Fund-Nonappropriated)

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.

9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

10. **Small Agency Client Services (SACS)** - The Department of Enterprise Services Small Agency Client Services is transferred to the OFM. The requirement to transfer the service was vetoed by the Governor. However, OFM retains authority for funding small agency services. (Enterprise Services Account-Nonappropriated)

## Office of Administrative Hearings

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>37,822</b>	<b>37,822</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>280</b>	<b>280</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1	1
2. DES Central Services	0	-52	-52
3. OMWBE Support	0	67	67
4. Equipment Replacement	0	137	137
<b>Policy -- Other Total</b>	<b>0</b>	<b>153</b>	<b>153</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	0	-194	-194
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-194</b>	<b>-194</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>38,061</b>	<b>38,061</b>
Fiscal Year 2014 Total	0	19,171	19,171
Fiscal Year 2015 Total	0	18,890	18,890

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Administrative Hearing Revolving Account-State)
- 2. DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (Administrative Hearing Revolving Account-State)
- 3. OMWBE Support** - Funding is provided for the Office of Administrative Hearings (OAH) to provide additional services to the Office of Minority and Women's Business Enterprises (OMWBE) for adjudication hearings expenses. (Administrative Hearings Revolving Account-State)
- 4. Equipment Replacement** - Ongoing funding is provided to OAH to replace outdated laptops and desktop computers. Computers will be leased from a vendor approved by the Department of Enterprise Services. (Administrative Hearings Revolving Account-State)
- 5. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## State Lottery Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>810,516</b>	<b>810,516</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>86</b>	<b>86</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	2	2
<b>Policy -- Other Total</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-177	-177
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-177</b>	<b>-177</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>810,427</b>	<b>810,427</b>
Fiscal Year 2014 Total	0	401,903	401,903
Fiscal Year 2015 Total	0	408,524	408,524

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Lottery Administrative Account-State)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Commission on Hispanic Affairs

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>473</b>	<b>0</b>	<b>473</b>
<b>Total Maintenance Changes</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-2	0	-2
<b>Policy -- Other Total</b>	<b>-2</b>	<b>0</b>	<b>-2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-3	0	-3
<b>Policy -- Comp Total</b>	<b>-3</b>	<b>0</b>	<b>-3</b>
<b>2013-15 Revised Appropriations</b>	<b>473</b>	<b>0</b>	<b>473</b>
Fiscal Year 2014 Total	235	0	235
Fiscal Year 2015 Total	238	0	238

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Commission on African-American Affairs

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>457</b>	<b>0</b>	<b>457</b>
<b>Total Maintenance Changes</b>	<b>19</b>	<b>0</b>	<b>19</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-2	0	-2
<b>Policy -- Other Total</b>	<b>-2</b>	<b>0</b>	<b>-2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-3	0	-3
<b>Policy -- Comp Total</b>	<b>-3</b>	<b>0</b>	<b>-3</b>
<b>2013-15 Revised Appropriations</b>	<b>471</b>	<b>0</b>	<b>471</b>
Fiscal Year 2014 Total	238	0	238
Fiscal Year 2015 Total	233	0	233

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Retirement Systems

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>57,297</b>	<b>57,297</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>94</b>	<b>94</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1	1
2. Life Annuity Option	0	57	57
<b>Policy -- Other Total</b>	<b>0</b>	<b>58</b>	<b>58</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-300	-300
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-300</b>	<b>-300</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>57,149</b>	<b>57,149</b>
Fiscal Year 2014 Total	0	29,063	29,063
Fiscal Year 2015 Total	0	28,086	28,086

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Department of Retirement Systems Expense Account-State)
2. **Life Annuity Option** - Funding is provided for the implementation of Chapter 91, Laws of 2014 (SB 6201), which will permit members of Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System to purchase actuarially equivalent life annuities from the LEOFF 2 fund. (Department of Retirement Systems Expense Account-State)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Revenue

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>214,286</b>	<b>38,741</b>	<b>253,027</b>
<b>Total Maintenance Changes</b>	<b>63</b>	<b>47</b>	<b>110</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	73	9	82
2. DES Central Services	92	12	104
3. Unpaid Wage Collection	340	0	340
4. Implementation Funding	47	0	47
<b>Policy -- Other Total</b>	<b>552</b>	<b>21</b>	<b>573</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	-1,275	-147	-1,422
<b>Policy -- Comp Total</b>	<b>-1,275</b>	<b>-147</b>	<b>-1,422</b>
<b>2013-15 Revised Appropriations</b>	<b>213,626</b>	<b>38,662</b>	<b>252,288</b>
Fiscal Year 2014 Total	108,115	14,418	122,533
Fiscal Year 2015 Total	105,511	24,244	129,755

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Unpaid Wage Collection** - Funding is provided to implement Chapter 210, Laws of 2014 (SSB 5360). The Department of Labor & Industries (L&I) may electronically serve a financial institution with a Notice to Withhold and Deliver (NWD) by providing a list of outstanding warrants to the Department of Revenue (DOR). DOR may include the warrants from L&I in a NWD it sends to a financial institution.
4. **Implementation Funding** - One-time funding is provided to DOR to implement the following legislation: Chapter 207, Laws of 2014 (ESHB 1287); Chapter 125, Laws of 2014 (E2SHB 2493); and Chapter 4, Laws of 2014 (SHB 1634).
5. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



**Board of Tax Appeals**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>2,395</b>	<b>0</b>	<b>2,395</b>
<b>Total Maintenance Changes</b>	<b>9</b>	<b>0</b>	<b>9</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-13	0	-13
<b>Policy -- Other Total</b>	<b>-13</b>	<b>0</b>	<b>-13</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-14	0	-14
<b>Policy -- Comp Total</b>	<b>-14</b>	<b>0</b>	<b>-14</b>
<b>2013-15 Revised Appropriations</b>	<b>2,377</b>	<b>0</b>	<b>2,377</b>
Fiscal Year 2014 Total	1,203	0	1,203
Fiscal Year 2015 Total	1,174	0	1,174

**Comments:**

- DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of Minority & Women's Business Enterprises

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>4,077</b>	<b>4,077</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-577</b>	<b>-577</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	472	472
2. Administrative Hearings	0	67	67
3. DES Central Services	0	-20	-20
<b>Policy -- Other Total</b>	<b>0</b>	<b>519</b>	<b>519</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	0	-20	-20
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-20</b>	<b>-20</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>3,999</b>	<b>3,999</b>
Fiscal Year 2014 Total	0	1,996	1,996
Fiscal Year 2015 Total	0	2,003	2,003

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (OMWBE Enterprises Account-State)
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases. (OMWBE Enterprises Account-State)
3. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (OMWBE Enterprises Account-State)
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Office of the Insurance Commissioner

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>400</b>	<b>54,726</b>	<b>55,126</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>130</b>	<b>130</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	237	237
2. Financial Solvency	0	498	498
3. Public School Employees Study	127	0	127
4. Governor Veto	0	-498	-498
<b>Policy -- Other Total</b>	<b>127</b>	<b>237</b>	<b>364</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	0	-284	-284
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-284</b>	<b>-284</b>
<b>2013-15 Revised Appropriations</b>	<b>527</b>	<b>54,809</b>	<b>55,336</b>
Fiscal Year 2014 Total	300	27,733	28,033
Fiscal Year 2015 Total	227	27,076	27,303

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Insurance Commissioner's Regulatory Account-State)
- 2. Financial Solvency** - Funding is provided for staffing costs related to implementation of SHB 2461 (insurance company solvency), which makes changes to the statutory framework that governs insurance holding companies. This item was vetoed by the Governor. (Insurance Commissioner's Regulatory Account-State)
- 3. Public School Employees Study** - Ongoing funding is adjusted for the Public School Employee Health Benefit Audit program for the Office of the Insurance Commissioner to adopt rules and carry out oversight and reporting responsibilities pursuant to Chapter 3, Laws of 2012, 2nd sp.s. (ESSB 5940), on public school employees' insurance benefits. (General Fund-State)
- 4. Governor Veto** - The Governor vetoed Section 138(3) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which would have increased the Insurance Commissioner's Regulatory Account appropriation by \$498,000 to support SHB 2461 (insurance company solvency). SHB 2461 did not pass the Legislature.
- 5. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## State Investment Board

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>36,035</b>	<b>36,035</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>24</b>	<b>24</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	9	9
<b>Policy -- Other Total</b>	<b>0</b>	<b>9</b>	<b>9</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-101	-101
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-101</b>	<b>-101</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>35,967</b>	<b>35,967</b>
Fiscal Year 2014 Total	0	17,079	17,079
Fiscal Year 2015 Total	0	18,888	18,888

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (State Investment Board Expense Account-State)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Liquor Control Board

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>66,998</b>	<b>66,998</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-6,701</b>	<b>-6,701</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1,612	1,612
2. Medical Marijuana	0	786	786
3. Marijuana License Software	0	210	210
4. Marijuana Traceability System	0	782	782
5. Marijuana Tax System	0	378	378
6. Additional Staffing	0	3,486	3,486
7. Governor Veto	0	-786	-786
<b>Policy -- Other Total</b>	<b>0</b>	<b>6,468</b>	<b>6,468</b>
<b>Policy Changes - Comp</b>			
8. State Employee Health Insurance	0	-295	-295
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-295</b>	<b>-295</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>66,470</b>	<b>66,470</b>
Fiscal Year 2014 Total	0	34,274	34,274
Fiscal Year 2015 Total	0	32,196	32,196

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Liquor Revolving Account-State)
2. **Medical Marijuana** - Funding is provided to the Liquor Control Board (LCB) for staffing and for one-time information technology costs to modify the Initiative 502 licensing system and the Seed-to-Sale traceability system required as a result of E3SSB 5887 (medical and recreational marijuana). This item was vetoed by the Governor. Please see Governor Veto item below. (Dedicated Marijuana Account-State)
3. **Marijuana License Software** - The LCB was provided start-up funding in the 2013-15 biennial operating budget for regulating the recreational marijuana market. The LCB used part of that funding to procure cloud-based licensure software. Ongoing funding is provided for maintenance and support of the software system. (Dedicated Marijuana Account-State)
4. **Marijuana Traceability System** - Funding is provided for a seed-to-sale inventory tracking system, which will be used to track and monitor recreational marijuana plants and products through all stages of the supply chain in order to prevent diversion and promote public safety. (Dedicated Marijuana Account-State)
5. **Marijuana Tax System** - The LCB is required to collect sales information on recreational marijuana sold in Washington. Funding is provided to develop an automated process for gathering and reporting this information to enable the collection of state tax revenue. (Dedicated Marijuana Account-State)
6. **Additional Staffing** - The LCB is required to regulate the recreational marijuana market in Washington State. The start-up funding provided to the LCB in the 2013-15 biennial operating budget was used for the procurement of information technology systems and for staffing to launch the regulatory effort. Additional funding is provided to the LCB to hire enforcement officers, auditors, and fiscal staff. (Dedicated Marijuana Account-State)
7. **Governor Veto** - The Governor vetoed the appropriation in Section 140(3) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), to implement E3SSB 5887 (medical and recreational marijuana) because the bill did not pass the Legislature during the 2014 session. (Dedicated Marijuana Account-State)
8. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Utilities and Transportation Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>52,620</b>	<b>52,620</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>58</b>	<b>58</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	71	71
<b>Policy -- Other Total</b>	<b>0</b>	<b>71</b>	<b>71</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-196	-196
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-196</b>	<b>-196</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>52,553</b>	<b>52,553</b>
Fiscal Year 2014 Total	0	23,850	23,850
Fiscal Year 2015 Total	0	28,703	28,703

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Other Funds)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Military Department**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>3,726</b>	<b>269,842</b>	<b>273,568</b>
<b>Total Maintenance Changes</b>	<b>-106</b>	<b>22,053</b>	<b>21,947</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	8	8
2. State Emergency Operations Center	0	388	388
<b>Policy -- Other Total</b>	<b>0</b>	<b>396</b>	<b>396</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-147	-232	-379
<b>Policy -- Comp Total</b>	<b>-147</b>	<b>-232</b>	<b>-379</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>3,473</b>	<b>292,059</b>	<b>295,532</b>
Fiscal Year 2014 Total	1,833	135,417	137,250
Fiscal Year 2015 Total	1,640	156,642	158,282

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Enhanced 911 Account-State)
- 2. State Emergency Operations Center** - The State Emergency Operations Center received funding in the 2011-13 operating budget for the first two years of its four-year equipment replacement plan. This additional funding will allow the Military Department to continue the third and fourth years of the equipment replacement plan. (Worker and Community Right-to-Know Account)
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Public Employment Relations Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,013</b>	<b>3,821</b>	<b>7,834</b>
<b>Total Maintenance Changes</b>	<b>59</b>	<b>35</b>	<b>94</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
<b>Policy -- Other Total</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-22	-16	-38
<b>Policy -- Comp Total</b>	<b>-22</b>	<b>-16</b>	<b>-38</b>
<b>2013-15 Revised Appropriations</b>	<b>4,051</b>	<b>3,840</b>	<b>7,891</b>
Fiscal Year 2014 Total	1,993	1,919	3,912
Fiscal Year 2015 Total	2,058	1,921	3,979

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## State Board of Accountancy

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>2,699</b>	<b>2,699</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>6</b>	<b>6</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	3	3
2. DES Central Services	0	-15	-15
<b>Policy -- Other Total</b>	<b>0</b>	<b>-12</b>	<b>-12</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-13	-13
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-13</b>	<b>-13</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>2,680</b>	<b>2,680</b>
Fiscal Year 2014 Total	0	1,308	1,308
Fiscal Year 2015 Total	0	1,372	1,372

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Certified Public Accountants' Account-State)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington Horse Racing Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>5,724</b>	<b>5,724</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-77</b>	<b>-77</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	2	2
2. DES Central Services	0	-19	-19
<b>Policy -- Other Total</b>	<b>0</b>	<b>-17</b>	<b>-17</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-22	-22
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-22</b>	<b>-22</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>5,608</b>	<b>5,608</b>
Fiscal Year 2014 Total	0	2,797	2,797
Fiscal Year 2015 Total	0	2,811	2,811

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Horse Racing Commission Operating Account-State)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (Horse Racing Commission Operating Account-State)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Enterprise Services

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>7,282</b>	<b>444,071</b>	<b>451,353</b>
<b>Total Maintenance Changes</b>	<b>16</b>	<b>1,161</b>	<b>1,177</b>
<b>Policy Changes - Other</b>			
1. Time, Leave, and Attendance	0	-951	-951
2. Attorney General Legal Services	0	21	21
3. DES Central Services	1	92	93
4. McNeil Is Boundary Survey/Appraisal	0	75	75
5. Commercial Insurance	0	2,278	2,278
6. Master Address Service	0	189	189
7. Elimination of Small Agency HR	0	-693	-693
8. Electricity Purchasing	2,250	0	2,250
<b>Policy -- Other Total</b>	<b>2,251</b>	<b>1,011</b>	<b>3,262</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-25	-1,273	-1,298
<b>Policy -- Comp Total</b>	<b>-25</b>	<b>-1,273</b>	<b>-1,298</b>
<b>Policy Changes - Transfers</b>			
10. Transfer SACS to OFM	0	-1,845	-1,845
<b>Policy -- Transfer Total</b>	<b>0</b>	<b>-1,845</b>	<b>-1,845</b>
<b>2013-15 Revised Appropriations</b>	<b>9,524</b>	<b>443,125</b>	<b>452,649</b>
Fiscal Year 2014 Total	3,661	222,754	226,415
Fiscal Year 2015 Total	5,863	220,371	226,234

### Comments:

1. **Time, Leave, and Attendance** - Expenditure authority is reduced to reflect a later than expected issuance of the Certificate of Participation (COP) for the time, leave, and attendance project. Total COP authority for the project is increased by \$3.5 million to reflect a better estimate of project costs that may be paid for with the COP. (Data Processing Revolving Account-State)
2. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
3. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
4. **McNeil Is Boundary Survey/Appraisal** - The 2013-15 operating budget requires the Department of Enterprise Services (DES) to coordinate with the federal government to obtain an appraisal determining the fair market value of Parcel Number One and surrounding property on McNeil Island. The state needs to complete an independent boundary survey to define the scope and legal description of the property before completing an appraisal of the property. One-time funding is provided to complete both of these assessments. (Enterprise Services Account-Nonappropriated)
5. **Commercial Insurance** - Expenditure authority is increased in the Risk Management Administrative Account to allow for the payment and full recovery of commercial insurance premiums, fees, and taxes. (Risk Management Administrative Account-Nonappropriated)
6. **Master Address Service** - Expenditure authority is provided to establish a master address file database for Washington addresses and make it available as an enterprise system. This system will enable state and local agencies to store address data in accordance with federal data standards, improving the accuracy of address and mapping data throughout the state. Agencies will fund this increase in expenditure authority through the savings generated from using this service. (Data Processing Revolving Account-Nonappropriated)
7. **Elimination of Small Agency HR** - The Small Agency Human Resources (HR) service is eliminated July 1, 2014. The requirement to eliminate the service was vetoed by the Governor. In his veto message, the Governor directed the agency to provide both finance and human resources services to all current small agency customers within the \$1.8 million provided to the Office of Financial Management for small agency services. (Enterprise Services Account-Nonappropriated)

## Department of Enterprise Services

8. **Electricity Purchasing** - One-time funding is provided to facilitate the purchasing of electricity for use in state government operations from in-state alternative power sources. This funding shall be provided on a temporary basis to assist state agencies to make purchases from in-state alternative power sources. DES may solicit proposals from local electric utilities that currently serve state operations.
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.
10. **Transfer SACS to OFM** - The Small Agency Client Services (SACS) is transferred to OFM. The requirement to transfer the service was vetoed by the Governor. However, OFM retains authority for funding small agency services. (Enterprise Services Account-Nonappropriated)

## Board for Volunteer Firefighters

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>1,044</b>	<b>1,044</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-77</b>	<b>-77</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	2	2
2. DES Central Services	0	-5	-5
<b>Policy -- Other Total</b>	<b>0</b>	<b>-3</b>	<b>-3</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-5	-5
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-5</b>	<b>-5</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>959</b>	<b>959</b>
Fiscal Year 2014 Total	0	477	477
Fiscal Year 2015 Total	0	482	482

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Volunteer Firefighters' and Reserve Officers' Administrative Account-State)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (Volunteer Firefighters' and Reserve Officers' Administrative Account-State)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Archaeology & Historic Preservation

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>2,535</b>	<b>2,164</b>	<b>4,699</b>
<b>Total Maintenance Changes</b>	<b>28</b>	<b>0</b>	<b>28</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	3	0	3
2. DES Central Services	-24	0	-24
3. Assistant State Phy Anthropologist	0	109	109
<b>Policy -- Other Total</b>	<b>-21</b>	<b>109</b>	<b>88</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-13	-6	-19
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>-6</b>	<b>-19</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>2,529</b>	<b>2,267</b>	<b>4,796</b>
Fiscal Year 2014 Total	1,271	1,083	2,354
Fiscal Year 2015 Total	1,258	1,184	2,442

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
3. **Assistant State Phy Anthropologist** - One-time funding is provided for an Assistant State Physical Anthropologist to eliminate a backlog of case reports and assist the State Physical Anthropologist with meeting statutory timelines on new cases. (Skeletal Human Remains Assistance Account-Nonappropriated)
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

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)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>47,883</b>	<b>47,883</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>285</b>	<b>285</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	22	22
<b>Policy -- Other Total</b>	<b>0</b>	<b>22</b>	<b>22</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-230	-230
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-230</b>	<b>-230</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>47,960</b>	<b>47,960</b>
Fiscal Year 2014 Total	0	23,827	23,827
Fiscal Year 2015 Total	0	24,133	24,133

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Financial Services Regulation Account-Nonappropriated)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Gambling Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>29,984</b>	<b>29,984</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>163</b>	<b>163</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	8	8
<b>Policy -- Other Total</b>	<b>0</b>	<b>8</b>	<b>8</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-186	-186
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-186</b>	<b>-186</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>29,969</b>	<b>29,969</b>
Fiscal Year 2014 Total	0	15,219	15,219
Fiscal Year 2015 Total	0	14,750	14,750

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Gambling Revolving Account-Nonappropriated)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



**Innovate Washington**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>3,377</b>	<b>3,377</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>6</b>	<b>6</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>3,383</b>	<b>3,383</b>
Fiscal Year 2014 Total	0	1,702	1,702
Fiscal Year 2015 Total	0	1,681	1,681

**Comments:**

None.

## Consolidated Technology Services

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>230,197</b>	<b>230,197</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>198</b>	<b>198</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	2	2
2. DES Central Services	0	24	24
<b>Policy -- Other Total</b>	<b>0</b>	<b>26</b>	<b>26</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-335	-335
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-335</b>	<b>-335</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>230,086</b>	<b>230,086</b>
Fiscal Year 2014 Total	0	123,580	123,580
Fiscal Year 2015 Total	0	106,506	106,506

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Data Processing Revolving Account-Nonappropriated)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**LEOFF 2 Retirement Board**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>2,249</b>	<b>2,249</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>16</b>	<b>16</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	0	-8	-8
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-8</b>	<b>-8</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>2,257</b>	<b>2,257</b>
Fiscal Year 2014 Total	0	1,135	1,135
Fiscal Year 2015 Total	0	1,122	1,122

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Human Services

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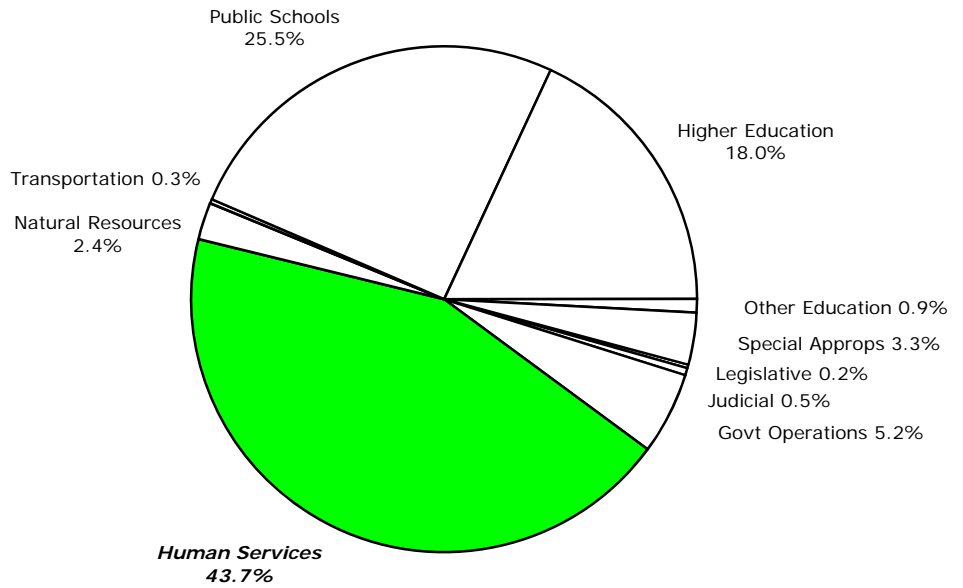
The Human Services section is separated into two sections: the Department of Social and Health Services (DSHS) and Other Human Services. The DSHS budget is displayed by program division to most efficiently describe the costs of particular services provided by DSHS. The Other Human Services section displays budgets at the agency level and includes the Department of Corrections, Employment Security Department, Department of Veterans' Affairs, Department of Labor and Industries, Criminal Justice Training Commission, Department of Health, and other human services related agencies.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

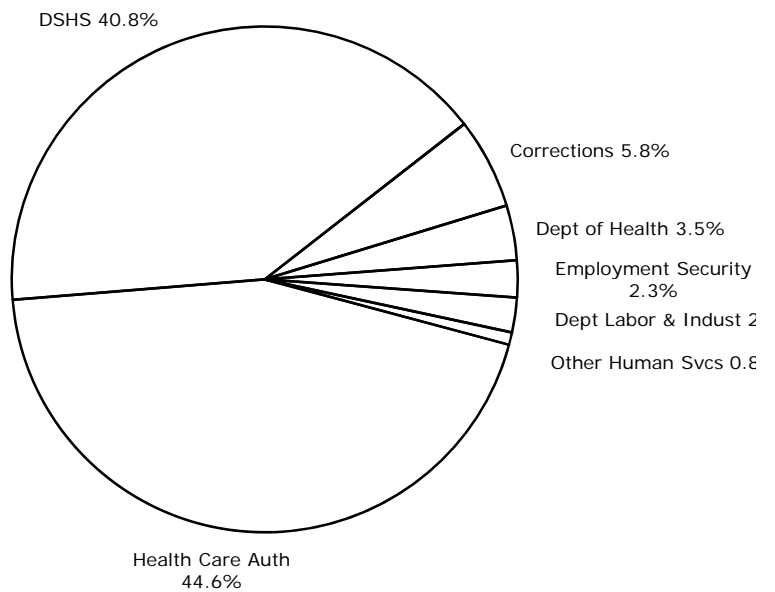
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
<b>Human Services</b>	<b>29,563,954</b>
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

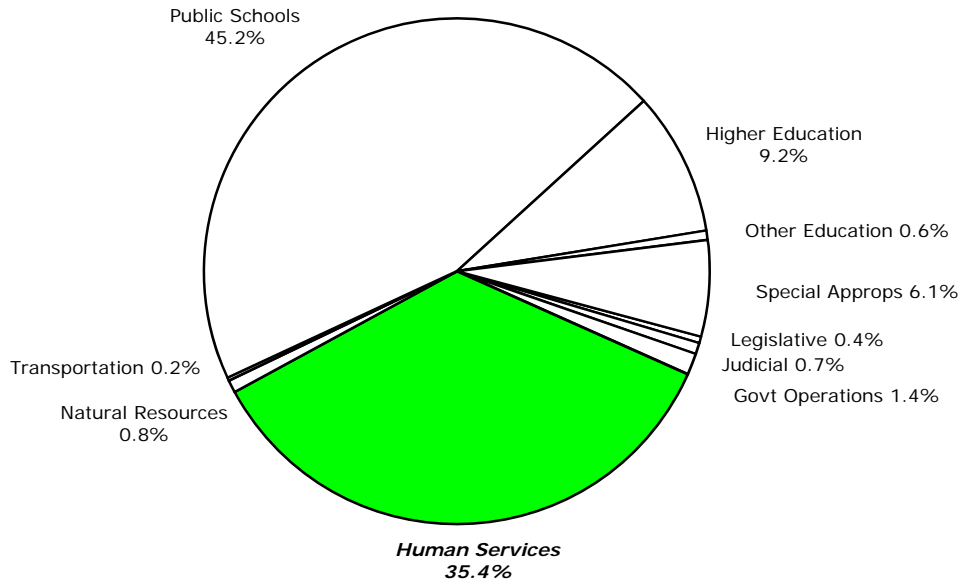
Health Care Authority	13,171,245
DSHS	12,047,539
Dept of Corrections	1,715,659
Dept of Health	1,040,648
Employment Security	693,978
Dept of Labor & Indust	660,273
Other Human Svcs	234,612
<b>Human Services</b>	<b>29,563,954</b>



## Human Services

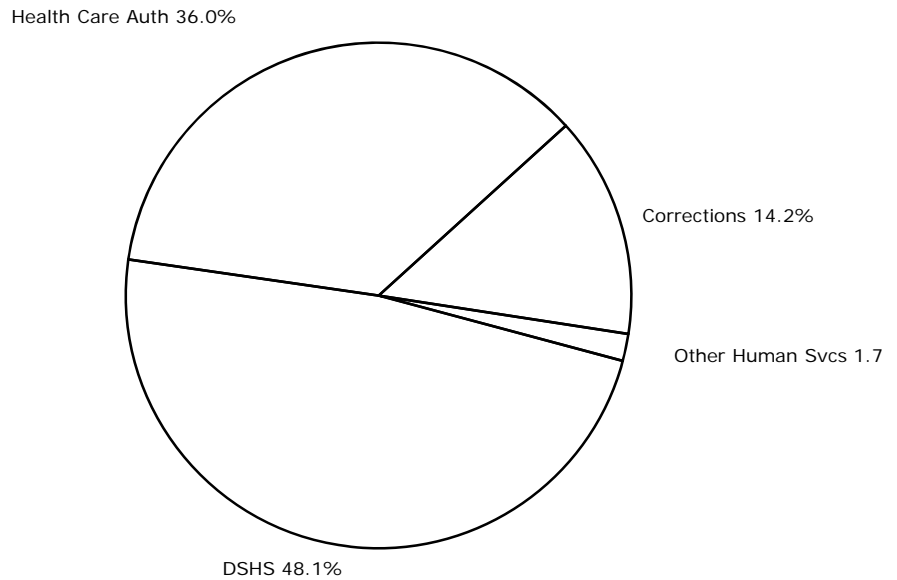
**2013-15 Washington State Omnibus Operating Budget**  
**NGF-S + Opportunity Pathways**  
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
<b><i>Human Services</i></b>	<b><i>11,963,806</i></b>
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



**Washington State**

DSHS	5,755,558
Health Care Authority	4,306,730
Dept of Corrections	1,693,615
Other Human Svcs	207,903
<b><i>Human Services</i></b>	<b><i>11,963,806</i></b>



***Human Services***

# Department of Social and Health Services

## **Children's Administration**

The Department of Social and Health Services (DSHS) Children's Administration (CA) administers Child Protective Services, which responds to reports of child abuse or neglect through investigations or Family Assessment Response (FAR). CA also administers the foster care system for children in out-of-home placements with caregivers and the adoption support program for special needs children adopted from state foster care. Additionally, CA contracts for a variety of prevention services, early intervention services, and services to children and families involved in the child welfare system. A total of \$1.1 billion (\$596 million General Fund-State) is provided for services to children and families. This represents a \$3 million increase (0.3 percent) in total funds from amounts appropriated in the 2013-15 biennial budget.

A total of \$3.9 million (\$1.9 million General Fund-State) is provided for a federally-required evaluation of FAR and for information technology modifications to CA's Famlink system.

The 2014 supplemental operating budget also provides a total of \$1.9 million (\$1.6 million General Fund-State) to CA for base rate increases and a tiered reimbursement pilot for family home and center child care providers. This includes \$1.3 million General Fund-State (\$934,000 for centers and \$381,000 for family home providers as part of the collective bargaining agreement) to increase base rates for child care providers serving children in child welfare-involved families or in the care of employed foster parents. The remaining \$329,000 General-Fund State is provided to implement a tiered reimbursement pilot project for child care providers.

## **Mental Health**

Mental health services for those living with severe, chronic, or acute mental illnesses are administered primarily through DSHS. These services include operation of two adult state hospitals that deliver psychiatric treatment to clients on civil or forensic commitment orders and for the Child Study Treatment Center, which is a small psychiatric inpatient facility for children and adolescents. In addition, DSHS contracts with 11 Regional Support Networks (RSNs) as local administrative entities to coordinate crisis response, community support, and residential and resource management services through a network of community providers. Services for Medicaid-eligible consumers within each RSN are provided through a capitated Prepaid Inpatient Health Plan. Limited services that cannot be reimbursed through the Medicaid program are provided within available state and local resources.

A total of \$1.9 billion (\$941.7 million General Fund-State) is provided for operation of the public mental health system during the 2013-15 biennium. This is an increase of \$136 million in total funds (8 percent) from the amount originally appropriated for the biennium. Approximately \$102.6 million of this change (\$3.1 million General Fund-State) is due to technical adjustments to the number of people expected to qualify for Medicaid-funded services, higher than expected capitation rates developed by actuaries for newly eligible clients receiving services through the Patient Protection and Affordable Care Act (ACA) Medicaid expansion, and a technical correction to reflect the proper payment methodology for the purchase of an electronic medical record system that was authorized in the underlying budget. There was an additional increase of \$36.7 million in total funds (\$25 million General Fund-State) for policy changes not related to state employee compensation as follows:

- \$15.5 million in total funds (\$8.2 million General Fund-State) is provided to develop infrastructure and provide for a phased implementation of statewide intensive mental health services for high needs youth in accordance with commitments in the *T.R. v. Dreyfus and Porter* Settlement Agreement (Settlement Agreement). Of the funded amount, \$1.2 million previously provided for children's wraparound pilot projects is repurposed toward the costs of phasing in the statewide Wraparound with Intensive Services (WISe) program as specified in the Settlement Agreement.
- An increase of \$11.9 million in total funds (\$7.3 million General Fund-State) is provided for a variety of community enhancements, including operating funds for an evaluation and treatment facility in three RSNs, program of assertive community treatment teams in three RSNs, and recovery supportive service teams in three RSNs.
- A one-time restoration of \$4.5 million General Fund-State is provided to help RSNs facilitate the transition of non-Medicaid clients to Medicaid eligibility and to develop Medicaid resources to serve the expanded Medicaid eligible population related to the ACA implementation.
- An increase of \$3.1 million in total funds (\$1.5 million General-Fund State) is provided for staffing and actuarial work required for implementation of Chapter 225, Laws of 2014 (SSB 6312) and Chapter 71, Laws of 2014 (ESHB 2315). Requirements of these two bills include (i) integration of mental health and chemical dependency services by April 1, 2016; (ii) support for counties that wish to become early adopters of health and behavioral health integration; and (iii) development of a plan to create a pilot project to support primary care providers in the assessment and treatment of adults with mental or other behavioral health disorders.
- An increase of \$2.9 million in total funds (\$4.6 million General Fund-State) is provided for the state hospitals, primarily to assist with projected over-expenditures driven by increases in overtime at Eastern and Western State hospitals and to support staff training related to a new electronic medical records system that must be implemented by October 1, 2014.

### **Aging and Disabilities Services Programs (Developmental Disabilities and Long-Term Care)**

Within DSHS, the Developmental Disabilities Administration administers the Developmental Disabilities (DD) program, and the Aging and Long-Term Support Administration administers the Long-Term Care (LTC) program. These programs provide long-term supports and services to vulnerable adults and children in residential, community, and in-home settings. While these programs serve two distinct populations, they are both institutionally-based Medicaid "entitlement" programs with options for home and community services that share some vendors including represented homecare workers and adult family homes. The entitlement program in LTC is the nursing home or skilled nursing facility program. The entitlement program in DD is the state-operated Residential Habilitation Centers (RHCs). Total funding for these two programs combined is approximately \$5.9 billion (\$2.9 billion General Fund-State) in budgeted expenditures for the 2014 supplemental budget. Funding remained relatively flat from the 2013-15 operating budgeted level resulting in less than a 1 percent increase.

The 2014 supplemental budget includes the following items (which impact both programs):

- A total of \$706,000 (\$364,000 General Fund-State) is provided pursuant to Chapter 166, Laws of 2014 (ESHB 2746) for staffing costs necessary to refinance personal care services under the Community First Choice Option (CFCO) by August 30, 2015. Because CFCO earns an enhanced 6 percent federal match, approximately \$160 million General Fund-State will be freed up per biennium from this refinance. Of that amount, approximately \$84 million will be reinvested into the CFCO benefit design. Pursuant to Chapter 139, Laws of 2014 (SSB 6387) some of the additional savings from CFCO must be used as a cost offset for services to 5,000 individuals with developmental disabilities who have requested a service and are waiting because there are no available service slots. After paying for the new service slots for individuals with



developmental disabilities, the refinance to CFCO is expected to result in a net savings of approximately \$49 million General Fund-State in the 2015-17 biennium.

- A one-time savings of \$13.2 million total (\$3.2 million General Fund-State) results from a six-month delay in implementation of the provider compensation system.

The following items from the 2013-15 operating budget are unique to each program and are therefore described separately:

### **Developmental Disabilities**

- A total of \$5.9 million (\$3 million General Fund-State) is provided for a vendor rate increase of approximately 2 percent for residential providers of services to people with developmental disabilities.
- A total of \$2.2 million (\$738,000 General Fund-State) is provided for additional staff to perform Preadmission Screening and Resident Review (PASRR) for 225 nursing home clients in RHCs and for 320 clients with developmental disabilities in community nursing facilities. On November 7, 2013, the federal Center for Medicare and Medicaid Services (CMS) found the state in violation of rules for PASRR and issued a potential disallowance unless corrective action was taken.
- A one-time savings of \$2.4 million total (\$2.2 million General Fund-State) is achieved in fiscal year 2014 due to unfilled vacancies in field services and lower than expected utilization in the employment services program.

### **Long Term Care**

A total of \$45.4 million is provided in Skilled Nursing Facility Net Trust Account-State funds and federal matching funds for an increase in nursing home rates of \$7.24 per Medicaid patient day. This assessment fee is increased from \$14 per patient day to \$21 per patient day beginning July 1, 2014. Assessment revenue and federal matching funds are used to increase the low-wage worker add-on and to provide new rate add-ons for direct care, support services, and therapy care.

### **Economic Services Administration**

The Economic Services Administration (ESA) operates a variety of programs for low-income persons and families. These programs include the federal Supplemental Nutritional Assistance Program (SNAP), the State Food Assistance Program, the Aged, Blind, or Disabled Assistance Program, the WorkFirst/Temporary Assistance for Needy Families Program (TANF) Program, and assistance to refugees. ESA also determines eligibility for a variety of state assistance programs, including Medicaid for certain classic clients and the Working Connections Child Care (WCCC) Program.

A total of \$2 billion (\$746.7 million General Fund-State) is provided to ESA for administration of programs and delivery of services. This reflects a reduction in total funds of \$26.4 million (1.3 percent decrease) from the appropriated amount in the underlying 2013-15 biennial budget for services and activities.

State general fund savings of \$77.8 million are achieved through forecasted caseload reductions in the WorkFirst/TANF Assistance Program, the WCCC Program, and a one-time use of the Administrative Contingency account and federal contingency funds to offset state expenditures. Other major policy changes for these programs include a base rate increase for WCCC providers, including family homes and child care centers (\$16.6 million General Fund-State). Additionally, \$5.8 million is provided for implementation of policy changes to the WorkFirst program.

Major policy changes in other programs include:

- In accordance with Chapter 218, Laws of 2014 (SB 6573), the disability standard applied by DSHS in making disability determinations for the Aged, Blind, or Disabled Assistance program is modified on July 1, 2014, rather than July 1, 2015, reducing the General Fund-State by \$850,000.
- \$1.4 million in total funds (\$521,000 General Fund-State) is provided to ESA to increase staffing in its call center, which handles eligibility and client inquiries. ESA will ramp up in staffing to reach 40 additional FTEs over fiscal year 2015.
- As the Patient Protection and Affordable Care Act is implemented, the cost sharing for eligibility related work is shifting as the eligibility process has changed. Adjustments are made to the funding sources for eligibility related work.
- Funding \$16.7 million (\$1.4 million General Fund-State) is provided to continue modification of the client eligibility information technology (IT) system and \$3.3 million (\$1.5 million General Fund-State) for disaster recovery for the IT system.

### **Payments to Other Agencies**

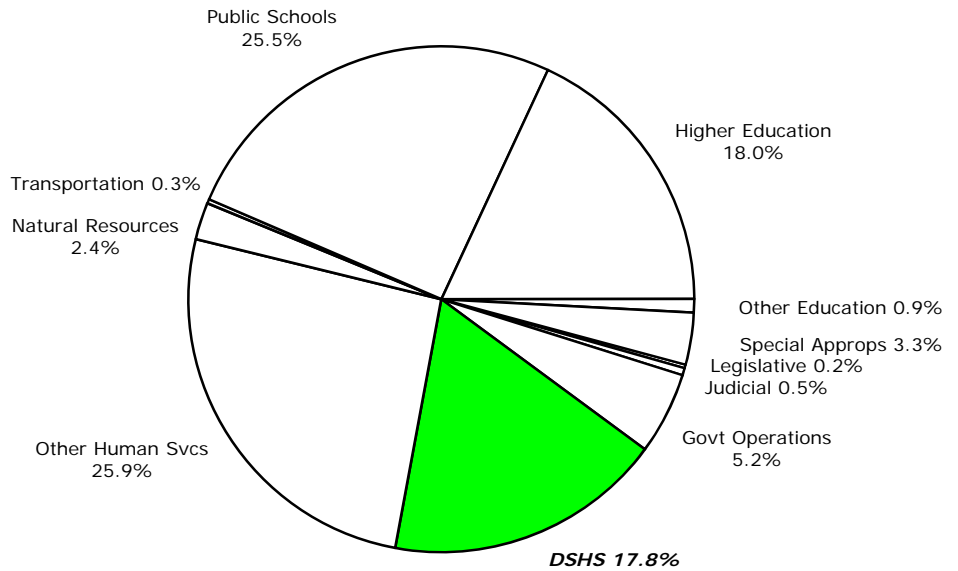
The 2014 supplemental budget provides \$4.1 million total (\$3.2 million General Fund-State) to DSHS for additional Attorney General's Office services in cases involving child dependency and termination of parental rights. These services are anticipated to support DSHS's efforts to establish permanent living situations for children who cannot safely reunify with their families.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

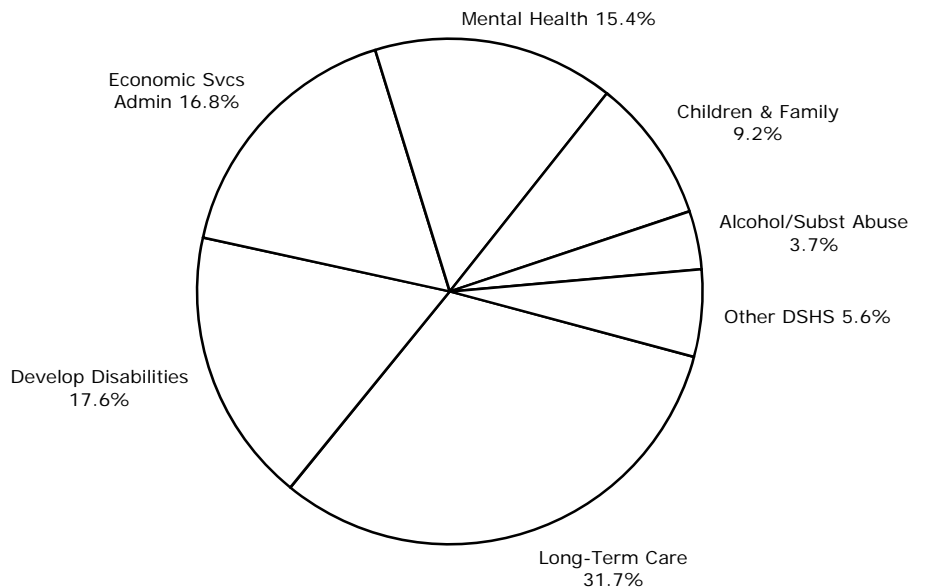
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
<b>DSHS</b>	<b>12,047,539</b>
Other Human Services	17,516,415
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

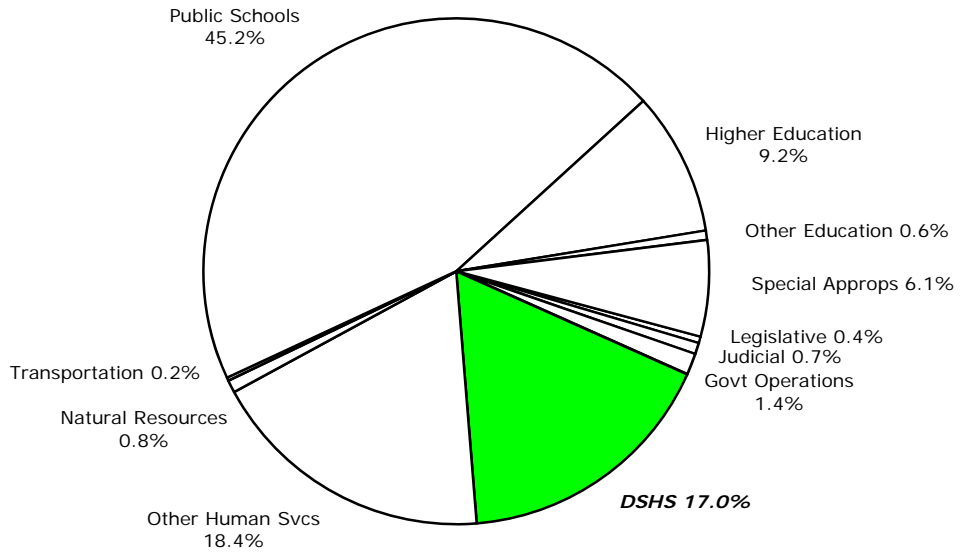
Long-Term Care	3,820,127
Developmental Disabilities	2,114,975
Economic Services Admin	2,023,529
Mental Health	1,860,282
Children & Family Svcs	1,107,105
Alcohol/Subst Abuse	450,395
Other DSHS	671,126
<b>DSHS</b>	<b>12,047,539</b>



**DSHS**

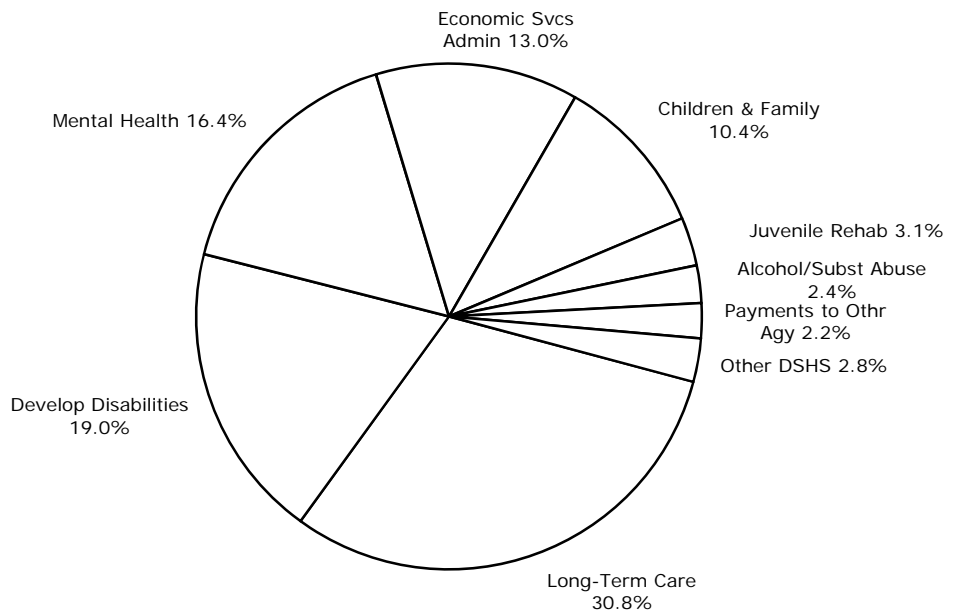
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**NGF-S + Opportunity Pathways**  
(Dollars in Thousands)

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<b>DSHS</b>	<b>5,755,558</b>
Other Human Services	6,208,248
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



**Washington State**

Long-Term Care	1,774,182
Developmental Disabilities	1,092,395
Mental Health	941,691
Economic Services Admin	746,717
Children & Family Svcs	595,934
Juvenile Rehabilitation	178,283
Alcohol/Subst Abuse	137,793
Pmts to Other Agencies	128,538
Other DSHS	160,025
<b>DSHS</b>	<b>5,755,558</b>



**DSHS**

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

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>594,317</b>	<b>509,765</b>	<b>1,104,082</b>
<b>Total Maintenance Changes</b>	<b>83</b>	<b>-149</b>	<b>-66</b>
<b>Policy Changes - Other</b>			
1. Child Care Tiered Reimbursement	329	48	377
2. Family Assessment Response	1,200	1,200	2,400
3. Adoption Incentive Grant	-18	18	0
4. Extended Foster Care	83	23	106
5. Family Home Chld Care Rate Increase	381	55	436
6. Center Child Care Rate Increase	934	135	1,069
7. FamLink Federal Compliance	743	742	1,485
8. Enhanced BRS Rate	35	0	35
9. Open Source Parenting Program	150	0	150
10. Governor Veto	-35	0	-35
<b>Policy -- Other Total</b>	<b>3,802</b>	<b>2,221</b>	<b>6,023</b>
<b>Policy Changes - Comp</b>			
11. State Employee Health Insurance	-2,268	-666	-2,934
<b>Policy -- Comp Total</b>	<b>-2,268</b>	<b>-666</b>	<b>-2,934</b>
<b>2013-15 Revised Appropriations</b>	<b>595,934</b>	<b>511,171</b>	<b>1,107,105</b>
Fiscal Year 2014 Total	297,837	253,693	551,530
Fiscal Year 2015 Total	298,097	257,478	555,575

**Comments:**

1. **Child Care Tiered Reimbursement** - One-time funding is provided for a tiered reimbursement pilot for family home and center child care providers who participate in the Early Achievers Quality Rating and Improvement System. The data received from this pilot will be used to estimate costs associated with achieving and maintaining higher quality child care. Funding provides incentive payments and supports for providers who participate in the tiered reimbursement pilot in FY 2015. (General Fund-State, General Fund-Federal)
2. **Family Assessment Response** - Funding is provided for two components of Family Assessment Response (FAR) implementation: (1) Information technology upgrades to the Famlink system that are necessary to implement FAR, and (2) for a FAR evaluation required under Washington's federal Title IV-E waiver. FAR is an alternative to investigation for families screened in for low to moderate risk of child maltreatment and is the demonstration project for the Title IV-E waiver. The purpose of FAR is to safely avoid out-of-home foster care placements by engaging and providing basic needs to families. (General Fund-Federal, General Fund-State)
3. **Adoption Incentive Grant** - The Children's Administration (CA) received a federal Adoption Incentive Grant for adoptions completed in federal FY 2013. These federal grant monies will be used on a one-time basis to support state foster care expenditures. (General Fund-State, General Fund-Federal)
4. **Extended Foster Care** - Effective January 2015, the 2014 supplemental budget authorizes but does not require the Department to expand extended foster care to eligible youth who have an open dependency case at age 18 and are employed for 80 hours or more per month. Funding is provided for these services. In addition, Chapter 122, Laws of 2014 requires the Department to expand extended foster care to this eligibility category effective March, 1, 2015, within amounts appropriated specifically for this purpose. (General Fund-State, General Fund-Federal)
5. **Family Home Chld Care Rate Increase** - The collective bargaining agreement with family home child care providers will increase base payment rates by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. Funding provided to CA covers payment increases for providers serving children in child welfare-involved families and in the care of employed foster parents. (General Fund-State, General Fund-Federal)
6. **Center Child Care Rate Increase** - Funding is provided to increase base payment rates for child care center providers by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. Funding provided to CA covers payment increases for providers serving children in child welfare-involved families and in the care of employed foster parents. (General Fund-State, General Fund-Federal)

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

7. **FamLink Federal Compliance** - Funding is provided for information technology modifications to the FamLink system that are necessary to comply with federal regulations. These modifications are expected to increase data integrity, support social work practice, and avoid a potential loss of federal funds. (General Fund-State, General Fund-Federal)
8. **Enhanced BRS Rate** - An enhanced rate will be paid to residential facilities for dependent Behavioral Rehabilitative Services (BRS) youth awaiting placement in the Children's Long-term Inpatient Program (CLIP). Funding provides for an 18 percent rate increase, or an estimated \$42 increase per day, for each day a dependent youth spends in BRS while on the CLIP wait list. This item was vetoed by the Governor.
9. **Open Source Parenting Program** - One-time funding is provided for training, technical assistance, and fidelity oversight for an open source parenting program developed by a university-based child welfare research entity, contingent upon the availability of private or local funds. Children's Administration will include the open source parenting program as one of the programs made available to parents with an open child welfare case beginning January 1, 2015.
10. **Governor Veto** - The Governor vetoed Section 202(15) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which funded a rate increase for BRS providers serving youth awaiting CLIP placement.
11. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Social & Health Services

## Children & Family Services

### WORKLOAD HISTORY

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>Foster Care <sup>(1)</sup></b>										
Avg # Children Served Monthly	7,769	7,909	7,829	7,347	6,659	6,336	5,893	5,808	5,782	5,519
% Change from prior year	0.0%	1.8%	-1.0%	-6.2%	-9.4%	-4.9%	-7.0%	-1.4%	-0.4%	-4.5%
<b>Extended Foster Care <sup>(2)</sup></b>										
Avg # Youth Served Monthly	0	0	0	0	89	84	99	172	280	371
% Change from prior year	0.0%	0.0%	0.0%	0.0%	100.0%	-5.6%	17.9%	73.7%	62.8%	32.5%
<b>Relative Placements <sup>(3)</sup></b>										
Avg # Children Served Monthly	3,600	3,773	3,998	4,072	3,502	3,463	3,414	3,576	3,891	3,902
% Change from prior year	11.8%	4.8%	6.0%	1.9%	-14.0%	-1.1%	-1.4%	4.7%	8.8%	0.3%
<b>Child Care <sup>(4)</sup></b>										
Avg # Children Served Monthly	4,235	4,687	5,457	5,245	4,248	4,143	4,134	4,563	4,700	4,700
% Change from prior year	1.3%	10.7%	16.4%	-3.9%	-19.0%	-2.5%	-0.2%	10.4%	3.0%	0.0%
<b>Child Protective Services (CPS)</b>										
Avg CPS Referrals Monthly	6,426	6,206	6,109	6,009	6,260	6,305	6,470	7,000	7,300	7,300
% Change from prior year	-0.8%	-3.4%	-1.6%	-1.6%	4.2%	0.7%	2.6%	8.2%	4.3%	0.0%
<b>Adoption Support <sup>(5)</sup></b>										
Avg # Children Served Monthly	9,964	10,632	11,254	11,978	12,981	13,701	14,334	14,563	14,837	15,136
% Change from prior year	8.2%	6.7%	5.8%	6.4%	8.4%	5.5%	4.6%	1.6%	1.9%	2.0%
<b>Caseload Ratio <sup>(6)</sup></b>										
Avg Cases Per Worker	23:1	22:1	20:1	18:1	18:1	20:1	20:1	17:1	17:1	17:1

- (1) Includes unduplicated head count of children in licensed foster care placements (family foster care, behavioral rehabilitative services, and receiving care). Does not include unlicensed kinship care. The data are not comparable to previous editions of the Legislative Budget Notes (LBNs) which included youth age 18 to 21 in the data for 2010 and subsequent years, and in editions published prior to 2012 provided a duplicated count of children in licensed foster care. Official forecasts are now based on an unduplicated count of children in licensed foster care placements, and youth age 18 to 21 are forecast separately under Extended Foster Care.
- (2) Includes an unduplicated head count of youth age 18 to 21 receiving foster care maintenance payments. Estimates for 2014 and 2015 are from the February 2014 Caseload Forecast Council forecast and do not include youth who may enroll in Extended Foster Care under Chapter 122, Laws of 2014.
- (3) Includes an unduplicated head count of children in unlicensed kinship care. The data are not comparable to previous editions of the LBNs which included youth age 18 to 21 in the data for 2010 and subsequent years, and in editions published prior to 2012 included guardianships. Data shown here is the sum of: 1) Court Ordered Unlicensed Placements and 2) Relative of Specified Degree (Not Receiving Foster Care Payments). The data represent all custody types and do not include children in guardianships.
- (4) Includes the following child care services: Child Protective Services (CPS)/Child Welfare Services (CWS), Therapeutic/Medicaid Treatment, and Foster Parent Employment. Data is not comparable to editions of the LBNs published prior to 2012, which also included teen parent, seasonal child care, and adoption support.
- (5) Data reflect Adoption Support maintenance payments. These data are not comparable to caseloads displayed in editions of the LBNs published prior to 2006, which reported total eligibles. Official forecasts are now based on maintenance payments rather than total eligibles.
- (6) Combined average number of open cases per worker for CPS, Child Welfare Services, Family Reconciliation Services, and Adoptive Home Studies at the end of the fiscal year. Estimated Caseload Ratios for 2014 and 2015 also include Family Assessment Response (FAR) case workers.

Data Sources :

*FY 2006 - FY 2009 actuals for Foster Care and Relative Placements, and FY 2006 - FY 2010 actuals for Child Care, CPS, and Adoption Support, are from the Department of Social and Health Services (DSHS) Research and Data Analysis reports.*

*FY 2010 - FY 2015 actual and estimated data for Foster Care, Adoption Support, Relative Placements, and Extended Foster Care are from the Caseload Forecast Council.*

*FY 2011 - FY 2012 CPS and Child Care data is from the Executive Management Information System.*

*FY 2006 - FY 2015 Caseload Ratios, and FY 2013 - FY 2015 CPS and Child Care data, are from the DSHS Children's Administration Budget Office.*



## Department of Social and Health Services Juvenile Rehabilitation

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>180,222</b>	<b>8,825</b>	<b>189,047</b>
<b>Total Maintenance Changes</b>	<b>-1,503</b>	<b>0</b>	<b>-1,503</b>
<b>Policy Changes - Other</b>			
1. At-Risk Youth Intervention	400	0	400
2. CO Training Reimbursement	10	0	10
<b>Policy -- Other Total</b>	<b>410</b>	<b>0</b>	<b>410</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-846	-3	-849
<b>Policy -- Comp Total</b>	<b>-846</b>	<b>-3</b>	<b>-849</b>
<b>2013-15 Revised Appropriations</b>	<b>178,283</b>	<b>8,822</b>	<b>187,105</b>
Fiscal Year 2014 Total	89,505	4,498	94,003
Fiscal Year 2015 Total	88,778	4,324	93,102

**Comments:**

1. **At-Risk Youth Intervention** - One-time funding is provided for grants to community organizations serving at-risk youth.
2. **CO Training Reimbursement** - One-time funding is provided in FY 2015 for the 25 percent reimbursement required from the Juvenile Justice and Rehabilitation Administration for Correctional Officer Training at the Criminal Justice Training Commission.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Social & Health Services Juvenile Rehabilitation

## WORKLOAD HISTORY By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>Community Residential <sup>(1)</sup></b>										
Avg Daily Population/Month	99	92	102	78	101	96	98	97	125	124
% Change from prior year	-19.2%	-7.1%	10.9%	-23.5%	29.5%	-4.7%	2.2%	-1.4%	28.9%	-0.8%
<b>Institutions</b>										
Avg Daily Population/Month	728	736	676	624	615	514	468	452	415	407
% Change from prior year	-6.8%	1.1%	-8.2%	-7.7%	-1.4%	-16.4%	-8.9%	-3.5%	-8.2%	-1.9%
<b>Parole</b>										
Avg Daily Population/Month	751	692	708	689	440	418	373	367	327	327
% Change from prior year	3.1%	-7.9%	2.3%	-2.7%	-36.1%	-5.0%	-10.7%	-1.7%	-10.9%	0.0%

*In 2011 the Sunrise Community Facility opened and added 15 beds, and the Ridgeview Community Facility was reduced by 4 beds. The Touchstone Community Facility opened in 2012.*

*(1) Includes State Group Homes, Community Residential Placements, the Short-Term Transition Program, and the County Commitment Program. Beginning in FY 2002, funding for County Commitment Program beds was eliminated.*

### Data Sources :

*FY 2004 through FY 2006 data are from the Department of Social and Health Services (DSHS) Juvenile Rehabilitation Administration (JRA)*

*FY 2007 through FY 2010 data are from legislative fiscal staff.*

*FY 2011 through FY 2013 data are from the DSHS Executive Management Information System.*

*FY 2014 through FY 2015 data are from the DSHS JRA based on data from the Caseload Forecast Council.*

## Department of Social and Health Services Mental Health

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>916,582</b>	<b>807,717</b>	<b>1,724,299</b>
<b>Total Maintenance Changes</b>	<b>3,058</b>	<b>99,562</b>	<b>102,620</b>
<b>Policy Changes - Other</b>			
1. Electronic Medical Records	1,466	0	1,466
2. Children's Mental Health Settlement	8,241	7,221	15,462
3. Health Integration Actuarial Study	900	900	1,800
4. Children Wraparound Pilot Phase In	-1,161	0	-1,161
5. Mental Health Security Enhancements	435	-1,684	-1,249
6. State Hospital Overtime	2,600	0	2,600
7. Behavioral Health Redesign	610	687	1,297
8. Mental Health Enhancements	7,281	4,589	11,870
9. Transitional Non-Medicaid Support	1,500	0	1,500
10. Non Medicaid Restorations	3,000	0	3,000
11. ESH - Computer Leases funding	103	0	103
<b>Policy -- Other Total</b>	<b>24,975</b>	<b>11,713</b>	<b>36,688</b>
<b>Policy Changes - Comp</b>			
12. State Employee Health Insurance	-2,924	-401	-3,325
<b>Policy -- Comp Total</b>	<b>-2,924</b>	<b>-401</b>	<b>-3,325</b>
<b>2013-15 Revised Appropriations</b>	<b>941,691</b>	<b>918,591</b>	<b>1,860,282</b>
Fiscal Year 2014 Total	473,859	413,630	887,489
Fiscal Year 2015 Total	467,832	504,961	972,793

**Comments:**

1. **Electronic Medical Records** - Funding is provided for staff training, travel, and backfill related to the implementation of a new Electronic Medical Records system that must be implemented in order to meet federal requirements. The state hospitals will train approximately 2,400 staff to accommodate the system conversion.
2. **Children's Mental Health Settlement** - Funding is provided for infrastructure development and intensive mental health services for high needs youth in order to implement the commitments in the *T.R. v. Dreyfus and Porter* Settlement Agreement. Beginning in July 2014, a statewide Wraparound with Intensive Services (WISe) delivery model will be phased in over a five-year period in accordance with the settlement agreement and legislative appropriations. (General Fund-State, General Fund-Federal)
3. **Health Integration Actuarial Study** - Pursuant to Chapter 225, Laws of 2014 (2SSB 6312), funding is provided for an actuarial review of chemical dependency, mental health, and physical health-care purchasing. (General Fund-State, General Fund-Federal)
4. **Children Wraparound Pilot Phase In** - Contracts for children's wraparound pilot programs are scheduled to end June 30, 2014. Funds previously provided for these wraparound pilots are repurposed toward the costs of phasing in a statewide Wraparound with Intensive Services (WISe) program to serve children with high risk behaviors in a home and community setting.
5. **Mental Health Security Enhancements** - The enacted 2013-15 budget provided funding and staff for mental health security enhancements at Eastern and Western State hospitals. Private/local funds cannot be earned and therefore are removed. General Fund-State is provided in FY 2015 to help offset the costs that can no longer be covered by private local funds. (General Fund-State, General Fund-Private/Local)
6. **State Hospital Overtime** - Additional one-time funding is provided because of projected over-expenditures driven primarily by increases in overtime at Eastern and Western State hospitals. Overtime has been used to cover high rates of unscheduled leave, high vacancies in nursing staff, and most recently to cover new positions funded in the 2013-15 biennial budget. State Hospital management shall review and implement methods to reduce the use of overtime by filling vacancies, improving recruiting and retention efforts, providing additional supervisor training, and using other staffing strategies.
7. **Behavioral Health Redesign** - Pursuant to Chapter 225, Laws of 2014 (2SSB 6312), and Chapter 71, Laws of 2014 (ESHB 2315), funding is provided for additional staff to support integration of mental health and chemical dependency services, and to support counties that wish to become early adopters of

## Department of Social and Health Services Mental Health

health/behavioral health integration. By April 1, 2016, mental health and chemical dependency treatment services will be integrated into contracts with Behavioral Health Organizations. DSHS and the Health Care Authority must also develop a plan to create a pilot project to support primary care providers in the assessment and treatment of adults with mental or other behavioral health disorders. (General Fund-State, General Fund-Federal)

8. **Mental Health Enhancements** - Funding is provided for a variety of community mental health enhancements that will allow the Department to provide recovery support services for individuals with mental illnesses. This includes, but is not limited to, operating funds for an evaluation and treatment facility in three regional support networks, program of assertive community treatment teams in three regional support networks, and recovery supportive service teams in three regional support networks. (General Fund-State, General Fund-Federal)
9. **Transitional Non-Medicaid Support** - One-time funding is provided for the King County Regional Support Network while it works to transition services to settings that are eligible for federal participation for people covered under the Medicaid program.
10. **Non Medicaid Restorations** - Non-Medicaid funds that were shifted to Medicaid dollars in the 2013-15 biennial budget to account for Medicaid expansion are partially restored on a one-time basis to facilitate the transition as regional support networks work to convert non-Medicaid clients to Medicaid eligibility and to develop Medicaid resources to serve an increasing Medicaid population.
11. **ESH - Computer Leases funding** - Funding is provided to lease 300 computers effective February 1, 2014, and to support conversion to the Windows 7 operating system at Eastern State Hospital (ESH) at an estimated monthly cost of \$20.27 per computer. Funding new computers with Windows 7 will ensure that ESH will have the equipment necessary to implement the Electronic Medical Records system.
12. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Social & Health Services

## Mental Health

### WORKLOAD HISTORY

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>State Hospitals <sup>(1)</sup></b>										
Avg Daily Census/Month	1,262	1,292	1,251	1,172	1,101	1,078	1,077	1,087	1,133	1,161
% Change from prior year	4.6%	2.4%	-3.1%	-6.3%	-6.1%	-2.1%	0.0%	0.9%	4.2%	2.5%
<b>Community Outpatient Services</b>										
<b>Avg Persons Served per Month</b>	<b>51,779</b>	<b>49,874</b>	<b>49,203</b>	<b>44,953</b>	<b>54,166</b>	<b>60,137</b>	<b>59,050</b>	<b>58,840</b>	<b>66,698</b>	<b>77,971</b>
% Change from prior year	-4.0%	-3.7%	-1.3%	-8.6%	20.5%	11.0%	-1.8%	-0.4%	13.4%	16.9%
Adults	36,979	35,738	35,278	32,432	38,846	42,691	41,030	40,888	48,508	58,917
% Change from prior year	-3.5%	-3.4%	-1.3%	-8.1%	19.8%	9.9%	-3.9%	-0.3%	18.6%	21.5%
Children	14,800	14,136	13,925	12,521	15,319	17,445	18,020	#####	18,190	19,054
% Change from prior year	-5.0%	-4.5%	-1.5%	-10.1%	22.3%	13.9%	3.3%	-0.4%	1.3%	4.8%
People on Medicaid	45,219	42,802	42,322	38,512	47,306	52,625	52,326	52,259	60,432	72,668
% Change from prior year	-3.3%	-5.3%	-1.1%	-9.0%	22.8%	11.2%	-0.6%	-0.1%	15.6%	20.2%
People not on Medicaid	6,560	7,072	6,881	6,441	6,859	7,512	6,725	6,581	6,267	5,303
% Change from prior year	-8.4%	7.8%	-2.7%	-6.4%	6.5%	9.5%	-10.5%	-2.1%	-4.8%	-15.4%

<sup>(1)</sup> Includes: Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), and Child Study and Treatment Center.

Data Sources :

FY 2002 through FY 2012 actuals are from DSHS reports.

FYs 2013, 2014 and 2015 estimates are by legislative fiscal committee staff.

## Department of Social and Health Services Developmental Disabilities

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,075,071</b>	<b>1,007,009</b>	<b>2,082,080</b>
<b>Total Maintenance Changes</b>	<b>18,675</b>	<b>15,052</b>	<b>33,727</b>
<b>Policy Changes - Other</b>			
1. RHC Medicaid Compliance	738	1,452	2,190
2. Community Residential Rates	3,000	2,900	5,900
3. Provider Compensation System	-774	-2,395	-3,169
4. Provider Safety Equipment	91	0	91
5. Community First Choice Option	68	46	114
6. Individual & Family Support Waiver	-451	451	0
7. Service Request List	136	94	230
8. One-time Under Expenditures	-2,235	-176	-2,411
<b>Policy -- Other Total</b>	<b>573</b>	<b>2,372</b>	<b>2,945</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-1,924	-1,853	-3,777
<b>Policy -- Comp Total</b>	<b>-1,924</b>	<b>-1,853</b>	<b>-3,777</b>
<b>2013-15 Revised Appropriations</b>	<b>1,092,395</b>	<b>1,022,580</b>	<b>2,114,975</b>
Fiscal Year 2014 Total	533,753	498,449	1,032,202
Fiscal Year 2015 Total	558,642	524,131	1,082,773

**Comments:**

1. **RHC Medicaid Compliance** - Funding and staff are provided to perform Preadmission Screening and Resident Review (PASRR) for 225 nursing home clients in Residential Habilitation Centers and for 320 clients with developmental disabilities in community nursing facilities. On November 7, 2013, the federal Center for Medicare and Medicaid Services (CMS) found the state in violation of rules for PASRR and issued a potential disallowance unless corrective action was taken. The Department has been actively working with CMS to ensure that all corrective actions are being put in place; however there is ongoing discussions concerning the definition and delivery of "specialized services." For this reason, funding is provided specifically for the assessment of current clients and new admissions, as well as ongoing quality assurance. Impacts for specialized services are currently unknown. (General Fund-State, General Fund-Federal)
2. **Community Residential Rates** - Funding is provided for a vendor rate increase of approximately 2 percent for community residential providers of services to people with developmental disabilities. Beginning July 1, 2014, the community residential benchmark rates is increased by 30 cents for supported living providers, group homes, and licensed staff residential providers. (General Fund-State, General Fund-Federal)
3. **Provider Compensation System** - Savings result from a six-month delay in implementation of the provider compensation system. Funds are provided to the Health Care Authority for contract changes necessary for ProviderOne to accommodate the project. (General Fund-State, General Fund-Federal)
4. **Provider Safety Equipment** - Funding is provided pursuant to Chapter 70, Laws of 2014 (SHB 2310), which requires the Department of Social and Health Services (DSHS) and the Health Care Authority to assist clients receiving personal care services to access their allowable Medicaid benefit for personal protective equipment. DSHS is also required to provide a similar benefit to non-Medicaid clients who are receiving publicly-funded personal care services.
5. **Community First Choice Option** - Pursuant to Chapter 166, Laws of 2014 (ESHB 2746) funding is provided for staffing costs necessary to refinance Medicaid Personal Care (MPC) personal care services under the Community First Choice Option (CFCO) beginning July 1, 2014. A total of 6.0 FTEs are provided to facilitate a stakeholder process on the benefit design; develop a proposal to submit to Centers for Medicare and Medicaid Services; manage information technology work related to the ProviderOne payment system and the client assessment system; and oversee the client conversion to CFCO. The CFCO must be fully implemented no later than August 30, 2015. Because CFCO earns an enhanced 6 percent federal match, approximately \$160 million General Fund-State will be freed up per biennium from this refinance. Of that, approximately \$84 million will be reinvested into the CFCO benefit design and additional services for long term care and developmental disabilities. The overall increase in service costs in the new benefit provided through CFCO may not exceed 3 percent over the per capita costs of services provided to these clients prior to the refinance. Pursuant to Chapter 139, Laws of 2014 (SSB 6387), some of the additional savings from CFCO

## Department of Social and Health Services Developmental Disabilities

must be used as a cost offset for services to 5,000 individuals with developmental disabilities who have requested a service and are waiting because there are no available service slots. After paying for the new service slots for individuals with developmental disabilities, the refinance to CFCO is expected to result in a net savings of approximately \$49 million General Fund-State in the 2015-17 biennium. (General Fund-State, General Fund-Federal)

6. **Individual & Family Support Waiver** - Pursuant to Chapter 139, Laws of 2014 (SSB 6387) funding is provided to convert the Individual and Family Services (IFS) program from a General Fund-State only funded program to a Medicaid program. The new Medicaid program must offer services that closely resemble the services provided in the current state-only funded program. State funds that are freed in FY 2015 due to the ability to claim federal matching funds may be used to increase the number of individuals served in the new Medicaid waiver program. To the extent that additional federal funds are attained through the implementation of the Community First Choice Option (CFCO), the Department is required to increase the caseload on the new Medicaid IFS like program by 4,000 clients by June 30, 2017. (General Fund-State, General Fund-Federal)
7. **Service Request List** - Funding is provided to increase the Basic Plus Waiver caseload by 1,000 clients. The phase-in of clients should begin June 1, 2015, and should be completed prior to June 30, 2017. Savings achieved from converting the Individual Family Services program to a Medicaid waiver, and by implementing the Community First Choice Option, must be used as a cost offset to pay for the additional clients on the Basic Plus Waiver. (General Fund-State, General Fund-Federal)
8. **One-time Under Expenditures** - One-time savings is achieved from under-expenditures in the first half of FY 2014 and are due to unfilled vacancies in field services and lower utilization in employment services than anticipated. The Department reports that staffing will reach allotted levels by the end of the fiscal year and that counties and providers are being informed that the entire appropriation levels contracted for employment are available for client services. (General Fund-State, General Fund-Federal)
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Social & Health Services Developmental Disabilities

## WORKLOAD HISTORY By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>Institutions <sup>(1)</sup></b>										
Avg Monthly Population	982	996	997	982	951	914	905	892	882	872
% Change from prior year	-10.8%	1.4%	0.1%	-1.5%	-3.2%	-3.9%	-1.0%	-1.4%	-1.1%	-1.1%
<b>Community Residential Programs <sup>(2)</sup></b>										
Avg Caseload	4,379	4,300	4,269	4,269	4,252	4,230	4,261	4,381	4,417	4,509
% Change from prior year	-10.7%	-1.8%	-0.7%	0.0%	-0.4%	-0.5%	0.7%	2.8%	0.8%	2.1%
<b>Employment &amp; Day Programs <sup>(3)</sup></b>										
Avg Monthly Number Served	9,021	9,454	9,853	10,344	10,479	10,667	10,542	10,676	10,771	11,035
% Change from prior year	4.5%	4.8%	4.2%	5.0%	1.3%	1.8%	-1.2%	1.3%	0.9%	2.5%
<b>Individual and Family Services <sup>(4)</sup></b>										
Number of Clients Served	4,089	4,493	2,708	2,742	3,088	3,265	3,337	3,276	4,000	4,800
% Change from prior year	11.9%	9.9%	-39.7%	1.3%	12.6%	5.7%	2.2%	-1.8%	22.1%	20.0%
<b>Waiver Respite <sup>(5)</sup></b>										
Number of Clients Served		129	2,097	2,098	2,316	2,440	2,469	2,471	2,540	2,590
% Change from prior year			1525.6%	0.0%	10.4%	5.4%	1.2%	0.1%	2.8%	2.0%
<b>Personal Care <sup>(6)</sup></b>										
Number of Clients Served	11,150	11,391	11,662	12,338	12,663	12,943	13,072	12,628	12,727	12,807
% Change from prior year	1.5%	2.2%	2.4%	5.8%	2.6%	2.2%	1.0%	-3.4%	0.8%	0.6%

<sup>(1)</sup> Caseload counts include long-term and short-term stays.

<sup>(2)</sup> Includes Alternate Living, Group Homes, Companion Homes, Supported Living, Community Protection, and Community Intermediate Care Facility for Intellectually Disabled.

<sup>(3)</sup> Employment and day programs include Supported Employment, Group Supported Employment, Person to Person, Child Development Services, Sheltered Industries, and Community Access.

<sup>(4)</sup> Individual and Family Services (IFS) covers state-only respite, therapies, equipment and supplies, modifications for disability access, recreation, and nursing. Respite in the waivers was included in this caseload through 2006. At that time, the respite waiver services were moved to another budget unit. IFS now contains state-only respite. FY 2010 counts dropped for this time period due to the suspension of IFS services from January 2010 through June 2010. FY 2014 projects 700 increased enrollment from budget step, ramping up to a total of 1,500 more enrollment in FY 2015.

<sup>(5)</sup> Waiver respite was moved from Family Support to other community services. It is no longer part of IFS.

<sup>(6)</sup> Personal care services include children and adults receiving individual provider and agency provider in-home services and personal care adult family home and adult residential care in both the Medicaid personal care and waiver programs.

### Data Sources :

For Personal Care, FY 2009 forward data are from the Caseload Forecast Council.

Except as noted above, FY 2014 and FY 2015 data are estimates from the allotment process.

Other data are from DSHS's Executive Management Information System and the Aging and Disability Services Administration Comprehensive Assessment Reporting Evaluation database.



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

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,792,846</b>	<b>2,055,604</b>	<b>3,848,450</b>
<b>Total Maintenance Changes</b>	<b>-15,630</b>	<b>-52,492</b>	<b>-68,122</b>
<b>Policy Changes - Other</b>			
1. Provider Compensation System	-2,447	-7,575	-10,022
2. Provider Safety Equipment	3	0	3
3. Community First Choice Option	296	296	592
4. Nursing Home Assessment	0	45,381	45,381
5. Senior Farmers Market Nutrition Prg	100	0	100
6. Vulnerable Adults Incident Tracking	0	5,388	5,388
7. Life Alert Review Workgroup	30	0	30
<b>Policy -- Other Total</b>	<b>-2,018</b>	<b>43,490</b>	<b>41,472</b>
<b>Policy Changes - Comp</b>			
8. State Employee Health Insurance	-1,016	-657	-1,673
<b>Policy -- Comp Total</b>	<b>-1,016</b>	<b>-657</b>	<b>-1,673</b>
<b>2013-15 Revised Appropriations</b>	<b>1,774,182</b>	<b>2,045,945</b>	<b>3,820,127</b>
Fiscal Year 2014 Total	860,198	969,405	1,829,603
Fiscal Year 2015 Total	913,984	1,076,540	1,990,524

**Comments:**

1. **Provider Compensation System** - Savings result from a six-month delay in implementation of the provider compensation system. Funds are provided to the Health Care Authority for contract changes necessary for ProviderOne to accommodate the project. (General Fund-State, General Fund-Federal)
2. **Provider Safety Equipment** - Funding is provided pursuant to Chapter 70, Laws of 2014 ( SHB 2310), which requires the Department of Social and Health Services (DSHS) and the Health Care Authority to assist clients receiving personal care services to access their allowable Medicaid benefit for personal protective equipment. DSHS is also required to provide a similar benefit to non-Medicaid clients who are receiving publicly-funded personal care services.
3. **Community First Choice Option** - Pursuant to Chapter 166, Laws of 2014 (ESHB 2746), funding is provided for staffing costs necessary to refinance Medicaid Personal Care (MPC) personal care services under the Community First Choice Option (CFCO) beginning July 1, 2014. A total of 6.0 FTEs are provided to facilitate a stakeholder process on the benefit design; develop a proposal to submit to Centers for Medicare and Medicaid Services; manage information technology work related to the ProviderOne payment system and the client assessment system; and oversee the client conversion to CFCO. The CFCO must be fully implemented no later than August 30, 2015. Because CFCO earns an enhanced 6 percent federal match, approximately \$160 million in General Fund-State will be freed up per biennium from this refinance. Of that amount, approximately \$84 million will be reinvested into the CFCO benefit design and additional services for long term care and developmental disabilities. The overall increase in service costs in the new benefit provided through CFCO may not exceed 3 percent over the per capita costs of services provided to these clients prior to the refinance. Pursuant to Chapter 139, Laws of 2014 (SSB 6387) some of the additional savings from CFCO must be used as a cost offset for services to 5,000 individuals with developmental disabilities who have requested a service and are waiting because there are no available service slots. After paying for the new service slots for individuals with developmental disabilities, the refinance to CFCO is expected to result in a net savings of approximately \$49 million General Fund-State in the 2015-17 biennium. (General Fund State, General Fund-Federal)
4. **Nursing Home Assessment** - The nursing home assessment fee is increased from the current 4.08 percent to 5.82 percent on total revenues in FY 2015. This results in an increase of the assessment fee from \$14 per patient day to \$21 per patient day. Federal revenue is leveraged with assessment funds to increase the statewide average nursing home payment by \$7.24 per day. Of that amount, \$2.44 per day is used to increase the existing low-wage worker add-on. The remaining funding is provided for new rate add-ons established in the operating budget as follows: \$3.63 is provided in a rate add-on for direct care; \$1.12 is provided in a rate add-on for support services; and \$0.05 is provided in a rate add-on for therapy care. All of the new rate add-ons are subject to settlement. (Skilled Nursing Facility Net Trust Account-State, General Fund-Federal)

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

5. **Senior Farmers Market Nutrition Prg** - Funding is provided to expand the Senior Farmer's Market Nutrition Program by approximately 2,200 participants.
6. **Vulnerable Adults Incident Tracking** - One-time expenditure authority is provided to complete the Tracking Incidents among Vulnerable Adults (TIVA) system. The TIVA system will improve incident tracking for clients who are aged and disabled. A Roads to Community Living grant will fund this project. (General Fund-Federal)
7. **Life Alert Review Workgroup** - Funding is provided for the Department of Social and Health Services to contract with Area Agencies on Aging to form a workgroup to include first responders and companies providing life alert services and emergency alert services. The workgroup will develop a proposal on how vulnerable adults who have life alert services might be made known to first responders in the event of long-term power or telecommunication outage.
8. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Department of Social & Health Services  
Aging and Long-Term Services Administration**

**WORKLOAD HISTORY**

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	<b>Estimated</b>	
									2014	2015
<b>Nursing Homes</b>										
Avg # Served per Day	11,928	11,546	11,057	10,699	10,682	10,358	10,171	10,052	10,207	10,189
% Change from prior year	#REF!	-3.2%	-4.2%	-3.2%	-0.2%	-3.0%	-1.8%	-1.2%	1.5%	-0.2%
<b>Community Care <sup>(1)</sup></b>										
Avg # Served per Month	37,044	38,098	39,523	41,778	44,080	46,025	48,143	49,077	50,247	51,839
% Change from prior year	#REF!	2.8%	3.7%	5.7%	5.5%	4.4%	4.6%	1.9%	2.4%	3.2%
<b>Combined Total</b>										
<b>Avg Persons Served</b>	<b>48,969</b>	<b>49,644</b>	<b>50,580</b>	<b>52,477</b>	<b>54,762</b>	<b>56,383</b>	<b>58,314</b>	<b>59,128</b>	<b>60,454</b>	<b>62,028</b>
% Change from prior year		1.4%	1.9%	3.8%	4.4%	3.0%	3.4%	1.4%	2.2%	2.6%

<sup>(1)</sup> Includes Chore Services, Community Options Program Entry Services, Medically Needy, Adult Residential, and Medicaid Personal Care

Data Sources :

Caseload Forecast Council and legislative fiscal staff.

## Department of Social and Health Services Economic Services Administration

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>807,523</b>	<b>1,242,368</b>	<b>2,049,891</b>
<b>Total Maintenance Changes</b>	<b>-60,261</b>	<b>-3,374</b>	<b>-63,635</b>
<b>Policy Changes - Other</b>			
1. ABD Disability Standard Change	-850	0	-850
2. Call Center Staffing	521	902	1,423
3. Employment Services	-5,000	5,000	0
4. Family Home Chld Care Rate Increase	7,358	0	7,358
5. Center Child Care Rate Increase	9,273	0	9,273
6. Incapacity Exams	-600	0	-600
7. ACA Client Eligibility System	1,418	15,263	16,681
8. IT Disaster Recovery	1,461	1,879	3,340
9. WorkFirst Program Changes	0	5,847	5,847
10. WorkFirst One-time Funding Shift	-10,000	10,000	0
<b>Policy -- Other Total</b>	<b>3,581</b>	<b>38,891</b>	<b>42,472</b>
<b>Policy Changes - Comp</b>			
11. State Employee Health Insurance	-4,126	-1,073	-5,199
<b>Policy -- Comp Total</b>	<b>-4,126</b>	<b>-1,073</b>	<b>-5,199</b>
<b>2013-15 Revised Appropriations</b>	<b>746,717</b>	<b>1,276,812</b>	<b>2,023,529</b>
Fiscal Year 2014 Total	371,738	636,068	1,007,806
Fiscal Year 2015 Total	374,979	640,744	1,015,723

**Comments:**

1. **ABD Disability Standard Change** - In accordance with Chapter 218, Laws of 2014 (SB 6573), the disability standard applied by the Department of Social and Health Services (DSHS) in making disability determinations for the Aged, Blind, or Disabled (ABD) Assistance program is modified on July 1, 2014, rather than July 1, 2015. The disability definition will revert to the criteria used prior to implementation of Chapter 10, Laws of 2013, 2nd sp.s (SHB 2069). Funding is reduced to reflect the estimated caseload impact.
2. **Call Center Staffing** - Funding is provided to Economic Services Administration (ESA) for increased call center staff to respond to the call volume and address the forced disconnect rates. The funding is provided to phase in hiring 40 FTEs over FY 2015.
3. **Employment Services** - Administrative Contingency Account funding is provided to replace General Fund-State for WorkFirst Activities on a one-time basis. (General Fund-State, Administrative Contingency Account-State)
4. **Family Home Chld Care Rate Increase** - The collective bargaining agreement with family home child care providers will increase base payment rates by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. Funding provided to the Economic Services Administration covers payment increases for the Working Connections Child Care program.
5. **Center Child Care Rate Increase** - Funding is provided for an increase in child care center base payment rates. The base rate will increase by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. Funding provided to the Economic Services Administration covers payment increases for the Working Connections Child Care program.
6. **Incapacity Exams** - Funding for incapacity exams is reduced to reflect increased access to medical care for applicants to the Aged, Blind or Disabled (ABD) program and an estimated decrease in state-funded incapacity exams. Incapacity exams are provided for individuals who could not provide sufficient medical records to demonstrate eligibility for the ABD cash or Housing and Essential Needs (HEN) programs due to lack of access to medical care. The federal Medicaid Expansion and the Patient Protection and Affordable Care Act (ACA) expanded Medicaid coverage to individuals between the ages of 19 and 64 with income at or below 133 percent of the federal poverty level, who were not otherwise categorically eligible for Medicaid.
7. **ACA Client Eligibility System** - Funding is provided to continue the design, development, and implementation of the Eligibility Service System for the Health Benefit Exchange (HBE) and to modify the Automated Client Eligibility System (ACES) to support and maintain other existing program eligibility rules. (General Fund-State, General Fund-Federal, General Fund-Local)

## Department of Social and Health Services Economic Services Administration

8. **IT Disaster Recovery** - Funding is provided to develop and implement a disaster recovery strategy for the Automated Client Eligibility System (ACES) and the Enterprise Service Bus (ESB) to minimize the risk of service disruption and comply with the ACA, which specifies a three-day recovery time. Effective January 1, 2014, ACES is no longer covered under the disaster recovery contract procured by Consolidated Technology Services and the ESB does not currently have a disaster recovery solution. The ESB system facilitates communication between ACES and Health Benefit Exchange. (General Fund-State, General Fund-Federal)

9. **WorkFirst Program Changes** - Funding and staffing are provided to support policy changes within the WorkFirst program. The changes include: (1) beginning April 2015, providing a 15 percent incentive payment to WorkFirst households that participate in their Individual Responsibility Plan (IRP) for 20 hours or more a week; (2) providing work-study for WorkFirst clients attending community and technical colleges; (3) modifying the Additional Requirements for Emergent Needs (AREN) program benefit to be a maximum of \$750 per household in a 12-month period rather than \$750 per household in a lifetime; (4) beginning September 2014, reducing the sanction period from four-months to a two-month period and implementing a home visiting program for clients who do not attend an in-person meeting regarding their IRP prior to terminating the clients' grant for non-compliance; and (5) implementing a required WorkFirst Orientation for WorkFirst clients.

Additionally, funding and staffing are provided to implement two home visiting pilot programs, such as a Department of Early Learning (DEL) home visiting program or other educational program. One pilot is targeted to homeless WorkFirst households served through the Rapid Re-housing Program and the other pilot is targeted to WorkFirst households who have infants.

Other adjustments include reducing Diversion Cash Assistance and Tribal Maintenance of Effort (MOE) to reflect actual expenditures, and modifications to the WorkFirst contracts. Funding is also provided on a one-time basis for the Economic Services Administration (ESA) to complete Lean process projects and technical assistance visits for ESA Community Service Offices.

In addition, the Department is required to identify and reduce the backlog of public assistance and Working Connections Child Care (WCCC) overpayment cases, to triage cases so that overpayments and fraudulent activity are identified and prioritized, and to submit a quarterly report to the Legislature on actions taken related to the backlog of overpayment cases. The Department is required to enter into an interagency agreement with the State Auditor's Office to conduct an independent performance audit of the DSHS Office of Fraud and Accountability. No additional funding was provided for

this purpose. (General Fund-Federal)

10. **WorkFirst One-time Funding Shift** - Funding is provided, on a one-time basis, from federal funds in FY 2014 and FY 2015, rather than General Fund-State, for services and administration related to the WorkFirst and Working Connections Child Care programs. (General Fund-State, General Fund-Federal)
11. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Social & Health Services

## Economic Services Administration

### WORKLOAD HISTORY

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>Aged, Blind, or Disabled Assistance Program</b>										
Avg Monthly Caseload							17,953	22,296	24,356	24,951
% Change from prior year								24.2%	9.2%	2.4%
<b>TANF Cases</b>										
Avg Monthly Caseload	55,520	51,936	50,119	56,458	64,450	65,137	54,435	48,678	42,548	38,830
% Change from prior year	-2.5%	-6.5%	-3.5%	12.6%	14.2%	1.1%	-16.4%	-10.6%	-12.6%	-8.7%
<b>Working Connections Child Care</b>										
Avg # Children Served/Month	60,860	59,593	59,829	61,113	64,127	60,316	43,826	43,322	47,479	50,163
% Change from prior year	-1.2%	-2.1%	0.4%	2.1%	4.9%	-5.9%	-27.3%	-1.1%	9.6%	5.7%

Data Sources :

*The Aged, Blind, or Disabled Assistance Program began November 1, 2011. The caseload for FY 2012 reflects the estimated caseload average from November 2011 through June 2012. Caseload data is from the Caseload Forecast Council (CFC)*

*FY 2014 through FY 2015 Aged, Blind, or Disabled Assistance Program estimates are from the CFC February 2014 forecast and estimated impacts of legislation.*

*FY 2006 through FY 2013 Temporary Assistance for Needy Families (TANF) case actuals are from the Office of Financial Management (OFM).*

*FY 2014 through FY 2015 TANF case estimates are from the CFC February 2014 TANF forecast and estimated impacts of legislation.*

*FY 2006 through FY 2007 Child Care actuals are from Department of Social and Health Services Division of Research and Data Analysis reports.*

*FY 2008 through FY 2013 Child Care actuals are from OFM.*

*FY 2014 through FY 2015 Child Care estimates are from the CFC February 2014 Working Connections forecast.*

*The Disability Lifeline Program was terminated October 31, 2011 and is no longer included in this report.*

## Department of Social and Health Services Alcohol & Substance Abuse

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>135,742</b>	<b>308,298</b>	<b>444,040</b>
<b>Total Maintenance Changes</b>	<b>2,083</b>	<b>1,433</b>	<b>3,516</b>
<b>Policy Changes - Other</b>			
1. Federal Funds - Increased Authority	0	2,870	2,870
2. Case Management Services	33	29	62
<b>Policy -- Other Total</b>	<b>33</b>	<b>2,899</b>	<b>2,932</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-65	-28	-93
<b>Policy -- Comp Total</b>	<b>-65</b>	<b>-28</b>	<b>-93</b>
<b>2013-15 Revised Appropriations</b>	<b>137,793</b>	<b>312,602</b>	<b>450,395</b>
Fiscal Year 2014 Total	73,444	137,310	210,754
Fiscal Year 2015 Total	64,349	175,292	239,641

**Comments:**

1. **Federal Funds - Increased Authority** - Additional federal expenditure authority is provided due to the receipt of federal grants awarded for the Bringing Recovery Into Diverse Groups Through Engagement and Support project. The primary objective of this project is to provide outreach and supportive housing services in three Washington communities through teams consisting of a housing specialist, an employment specialist, and a peer navigator. (General Fund-Federal)
2. **Case Management Services** - Funding is provided to expand access to a case management and coordinating services program for low-income women who are pregnant or parenting and have a suspected history of alcohol or drug abuse (Safe Babies, Safe Moms).
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# **Department of Social & Health Services** **Alcohol & Substance Abuse**

## **WORKLOAD HISTORY**

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	<b>Estimated</b>	
									<b>2014</b>	<b>2015</b>
<b>Assessment</b>										
Avg Monthly Assessments	3,742	3,740	3,890	3,994	3,845	3,847	3,568	3,527	4,048	4,901
% Change from prior year	7.6%	-0.1%	4.0%	2.7%	-3.7%	0.1%	-7.3%	-1.1%	14.8%	21.1%
<b>Outpatient Treatment</b>										
Avg Monthly Admissions	2,814	2,788	2,924	3,166	3,037	2,946	2,725	2,755	3,162	3,829
% Change from prior year	11.9%	-0.9%	4.9%	8.3%	-4.1%	-7.5%	-7.5%	1.1%	14.8%	21.1%
<b>Residential</b>										
Avg Monthly Admissions	1,156	1,230	1,283	1,285	1,164	1,141	1,015	943	1,082	1,310
% Change from prior year	13.2%	6.4%	4.3%	0.2%	-9.4%	-2.0%	-11.0%	-7.1%	14.8%	21.1%

*Data Sources :*

*FY 2004 through FY 2013 actuals data are from Department of Social and Health Services (DSHS) reports.*

*FY 2014 & FY 2015 workload estimates provided by DSHS.*



## Department of Social and Health Services Vocational Rehabilitation

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>32,937</b>	<b>99,413</b>	<b>132,350</b>
<b>Total Maintenance Changes</b>	<b>-4,892</b>	<b>-16</b>	<b>-4,908</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-394	0	-394
<b>Policy -- Comp Total</b>	<b>-394</b>	<b>0</b>	<b>-394</b>
<b>2013-15 Revised Appropriations</b>	<b>27,651</b>	<b>99,397</b>	<b>127,048</b>
Fiscal Year 2014 Total	16,568	48,317	64,885
Fiscal Year 2015 Total	11,083	51,080	62,163

**Comments:**

- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Department of Social and Health Services  
Special Commitment Center**

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>72,233</b>	<b>0</b>	<b>72,233</b>
<b>Total Maintenance Changes</b>	<b>851</b>	<b>0</b>	<b>851</b>
<b>Policy Changes - Other</b>			
1. New Hepatitis C Treatment	1,729	0	1,729
<b>Policy -- Other Total</b>	<b>1,729</b>	<b>0</b>	<b>1,729</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-525	0	-525
<b>Policy -- Comp Total</b>	<b>-525</b>	<b>0</b>	<b>-525</b>
<b>2013-15 Revised Appropriations</b>	<b>74,288</b>	<b>0</b>	<b>74,288</b>
Fiscal Year 2014 Total	37,796	0	37,796
Fiscal Year 2015 Total	36,492	0	36,492

**Comments:**

1. **New Hepatitis C Treatment** - Funding is provided to implement a new treatment protocol for residents screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy and is an allowable benefit on other insurance programs including Medicaid.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

**Department of Social & Health Services  
Special Commitment Center**

**WORKLOAD HISTORY**

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	<u>Estimated</u>	
									2014	2015
<b>Special Commitment Center - Main Facility</b>										
Avg Daily Population/Month	232	251	270	277	280	281	282	273	265	265
% Change from prior year	10.0%	8.2%	7.6%	2.6%	1.1%	0.4%	0.4%	-3.2%	-2.9%	0.0%
<b>Special Commitment Center - Less Restrictive Alternatives <sup>(1)</sup></b>										
Avg Daily Population/Month	11	12	13	14	16	20	21	22	25	25
% Change from prior year	0.0%	9.1%	8.3%	7.7%	14.3%	25.0%	6.3%	3.5%	13.6%	0.0%

<sup>(1)</sup> Includes persons in less restrictive alternative placements on McNeil Island and other locations. Beginning in FY 2002, funding for County Commitment Program beds was eliminated.

Data Sources :

FY 2006 through FY 2011 data are from Department of Social and Health Services Executive Management Information System reports.

FY 2012 through FY 2015 data are from legislative fiscal staff.

**Department of Social and Health Services  
Administration & Supporting Services**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>59,460</b>	<b>37,804</b>	<b>97,264</b>
<b>Total Maintenance Changes</b>	<b>-698</b>	<b>7</b>	<b>-691</b>
<b>Policy Changes - Comp</b>			
1. State Employee Health Insurance	-676	-90	-766
<b>Policy -- Comp Total</b>	<b>-676</b>	<b>-90</b>	<b>-766</b>
<b>2013-15 Revised Appropriations</b>	<b>58,086</b>	<b>37,721</b>	<b>95,807</b>
Fiscal Year 2014 Total	29,773	18,941	48,714
Fiscal Year 2015 Total	28,313	18,780	47,093

**Comments:**

- 1. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Social and Health Services Payments to Other Agencies

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>120,981</b>	<b>55,264</b>	<b>176,245</b>
<b>Total Maintenance Changes</b>	<b>3,606</b>	<b>1,797</b>	<b>5,403</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	703	302	1,005
2. Administrative Hearings	43	19	62
3. Child Permanency Initiative	1,882	562	2,444
4. Fill Held AG Vacancies	1,323	396	1,719
<b>Policy -- Other Total</b>	<b>3,951</b>	<b>1,279</b>	<b>5,230</b>
<b>2013-15 Revised Appropriations</b>	<b>128,538</b>	<b>58,340</b>	<b>186,878</b>
Fiscal Year 2014 Total	62,822	28,776	91,598
Fiscal Year 2015 Total	65,716	29,564	95,280

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases. (General Fund-State, Other Funds)
3. **Child Permanency Initiative** - One-time funding is provided for additional legal services from the Attorney General's Office (AGO). A one-time 50 percent increase in cases involving termination of parental rights is expected as part of the Department's efforts to establish permanent living situations for dependent children who cannot safely reunify with their families. The AGO will bill the Department for 12 temporary FTEs to manage the expected increase in parental termination cases. (General Fund-State, General Fund-Federal)
4. **Fill Held AG Vacancies** - Ongoing funding is provided for AGO staff to represent the Department in child dependency and termination of parental rights cases. Funding will be used to fill six attorney FTEs that are being held vacant at the AGO for the purpose of redistributing resources for attorney salary adjustments. Filling the vacant positions is expected to increase timely representation of the Department in termination cases. (General Fund-State, General Fund-Federal)

## Other Human Services

### **Low-Income Medical Assistance**

A total of \$13.1 billion is provided to pay for medical and dental services for an average of 1.5 million low-income children and adults each month by the end of the 2013-15 biennium. This is a \$721.6 million (6 percent) increase from the original 2013-15 biennial appropriations for these services. Of the \$13.1 billion, \$5.0 billion are state funds; \$7.9 billion are federal funds, primarily from Medicaid; and the rest are local government funds provided for purposes of collecting Medicaid matching funds. Of the \$5.0 billion in state funds, \$4.3 billion is from the state general fund and \$669 million is from the Hospital Safety Net Assessment Fund created in 2010. The state general fund spending is \$61 million (1.4 percent) more than the 2013-2015 biennium, but \$38 million less than the amount needed to maintain current service coverage and payment policies through 2015.

Savings of \$4.3 million in state general funds is achieved by restoring coverage to women under the Breast and Cervical Cancer Treatment program starting April 1, 2014. The cost of restoring Medicaid coverage for clients with incomes above 133 percent of the federal poverty level is less than the cost of maintaining state-only coverage for clients that were already enrolled as of January 1, 2014.

The state general fund appropriation is reduced by \$13.5 million to reflect estimated savings achieved through the implementation of Chapter 225, Laws of 2014 (2SSB 6312), Chapter 223, Laws of 2014 (E2SHB 2572), and reduced managed care growth trends. In combination, these initiatives will alter how the state purchases health care. The bills achieve savings through the integration of mental health and chemical dependency treatment, better chronic disease management, more transparency, payment reform, obesity reduction, other prevention activities, and reduced C-sections. The Health Care Authority (HCA) will further work directly with managed care plans to reduce growth trends through service delivery model changes that reduce costs.

A total of \$16.6 million (\$3.1 million in state funds) is provided to implement changes to the ProviderOne system related to completing Phase II and implementing the Affordable Care Act (ACA). Funding is specifically provided to complete the transition of long-term care providers to the ProviderOne system, make federally required security enhancements, implement the Modified Adjusted Gross Income methodology, and allow Medicaid clients to select the Medicaid managed care organization of their choice within the Washington Healthplanfinder online marketplace.

One million dollars in state funds is provided for other program enhancements. These include:

- \$561,000 for HCA to reimburse for autism screenings provided to children at the age of 18 months beginning July 1, 2014,
- \$306,000 to implement Chapter 70, Laws of 2014 (SHB 2310), which directs the Department of Social and Health Services and HCA to assist Medicaid clients in accessing gloves as part of their benefits for use by their individual providers, and
- \$216,000 to implement Chapter 57, Laws of 2014 (SSB 5859), which increases hospital payment rates to sole community hospitals that meet certain criteria effective January 1, 2015.

## **Department of Health**

The Department of Health (DOH) has a total budget of \$1 billion (\$120.7 million General Fund-State) to provide educational and health care services, administer a variety of health care licensure programs, regulate drinking water and commercial shellfish production, respond to infectious disease outbreaks, support local public health jurisdictions, and operate the state's public health laboratory.

The budget provides \$1.5 million in state funds, on a one-time basis, to increase tobacco, marijuana, and e-cigarette prevention activities aimed at youth and populations with a high incidence of smoking. Future funding for DOH tobacco and e-cigarette prevention programs will be based on findings in the Washington State Institute of Public Policy report due December 31, 2014.

The budget also provides \$350,000 in one-time state funds for DOH to partner with the Office of the Superintendent of Public Instruction, Department of Early Learning, and other public and private entities to increase physical activity and access to healthy foods and drinking water among children as part of Washington's Healthiest Next Generation Initiative.

## **Department of Corrections**

A total of \$1.7 billion is provided to the Department of Corrections (DOC) for prisons and community supervision of offenders for the 2013-15 biennium. The prison system is budgeted to provide monthly average incarceration for 17,636 prison and work release inmates and 604 offenders who have violated the terms of their community supervision. The community program is budgeted to provide supervision to a monthly average of 15,880 offenders who have either received sentencing alternatives or have served their sentences and have been released into the community. The DOC funded level represents an increase of \$28.7 million (1.7 percent) from the enacted 2013-15 budget, and a decrease of \$6.6 million (0.4 percent) from the revised 2013-15 maintenance level.

A total of \$5.4 million is provided to meet the increase in demand for prison beds based on continuing forecasted increases of both male and female offenders:

- The second new medium security unit is opened at the Washington State Penitentiary at a cost of \$4.2 million. This unit increases male prison capacity by 256 beds.
- The rental of 75 beds for female offenders to be housed in local jails is phased in at a cost of \$1.2 million.

Savings of \$2.6 million is achieved by DOC through changes in its contracts with local jails involving supervision of violators being housed in jails and how the stays are billed back to DOC. The contract changes the practice of local jails from billing DOC where shared costs occur for offenders serving time for either or both, a local or federal jurisdiction hold, and a DOC Secretary warrant at the same time.

One-time savings of \$2.0 million is assumed as DOC continues to revamp the way programming is provided to offenders in prisons and in community supervision to be based on a Risk-Needs-Responsivity model. An implementation plan is due by June 30, 2014 that will include a timeline for phasing in the participants to meet the threshold of available program funds.

A total of \$1.2 million is provided to incorporate estimated violator population changes based on the policy implemented in December 2013 by DOC, allowing up to 30-day jail stays for offenders that fail to report within seven days of their scheduled appointments.

### **Criminal Justice Training Commission**

The budget provides \$28.9 million from the General Fund-State to the Criminal Justice Training Commission (CJTC) for training and certification of local law enforcement and corrections officers and pass-through funds to the Washington Association of Sheriffs and Police Chiefs; this funding reflects a 1.9 percent increase from the enacted 2013-15 budget. The budget assumes funding for eleven basic law enforcement academies in fiscal year 2014 and nine academies in fiscal year 2015.

A total of \$968,000 in federal and local/private authority is provided to fund two ongoing training enhancements. Money is provided to fully fund Crisis Intervention training to King County law enforcement staff at a cost of \$625,000. A total of \$343,000 is provided to fund the ongoing Strategic Social Interaction Model project through the Defense Advanced Research Projects Agency, to look at identifying the basic skills needed by law enforcement officers to better handle any social encounter regardless of culture, language, or context.

### **Employment Security Department**

The Employment Security Department (ESD) has a total budget of \$694 million to administer Washington's unemployment insurance (UI) system, operate the WorkSource system, operate the Washington Service Corps, and conduct labor market and economic analysis.

The 2014 supplemental budget provides a total of \$15 million in federal funds for ESD to complete the replacement of its UI tax and wage system, and to integrate and modernize its UI benefits system.

### **Department of Labor and Industries**

The Department of Labor and Industries has a total budget of \$660.3 million (\$34.9 million General Fund-State) to administer Washington's Workers' Compensation system, manage the Occupational Health and Safety program, operate the Crime Victims' Compensation program, and regulate building practices.

The 2014 Supplemental budget provides \$3.9 million total from dedicated accounts for additional electrical inspections staff and for Prevailing Wage program information technology upgrades.



# Washington State Health Care Authority

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,245,757</b>	<b>8,202,587</b>	<b>12,448,344</b>
<b>Total Maintenance Changes</b>	<b>99,055</b>	<b>497,160</b>	<b>596,215</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	3	3	6
2. Administrative Hearings	4	5	9
3. Refinance BCCT	-4,322	8,083	3,761
4. Autism Screening	561	695	1,256
5. Provider Safety Equipment	306	306	612
6. Behavioral Health Redesign	171	145	316
7. Maintain Managed Care Rates	-10,671	-10,922	-21,593
8. Hospital Safety Net Assessment	-24,975	137,209	112,234
9. P1 Phase 2 Funding	1,923	7,109	9,032
10. P1 Operating Rules	197	1,056	1,253
11. Cost Allocation Update for HBE	803	1,720	2,523
12. P1 ACA Enhancements	620	1,865	2,485
13. Medicaid Plan Choice	390	3,510	3,900
14. Sole Community Hospital	216	125	341
15. Health Care Innovation	-2,808	14,659	11,851
<b>Policy -- Other Total</b>	<b>-37,582</b>	<b>165,568</b>	<b>127,986</b>
<b>Policy Changes - Comp</b>			
16. State Employee Health Insurance	-500	-800	-1,300
<b>Policy -- Comp Total</b>	<b>-500</b>	<b>-800</b>	<b>-1,300</b>
<b>2013-15 Revised Appropriations</b>	<b>4,306,730</b>	<b>8,864,515</b>	<b>13,171,245</b>
Fiscal Year 2014 Total	2,144,827	4,059,294	6,204,121
Fiscal Year 2015 Total	2,161,903	4,805,221	6,967,124

## Comments:

- Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases. (General Fund-State, Other Funds)
- Refinance BCCT** - The Health Care Authority (HCA) will restore coverage under the Breast & Cervical Cancer Treatment (BCCT) program starting April 1, 2014. The BCCT program was a Medicaid program that covered treatment for approximately 1,250 women diagnosed with breast or cervical cancer with incomes under 300 percent of the federal poverty level (FPL). It was eliminated on January 1, 2014, when the state expanded the Medicaid program to include adults with incomes below 133 percent of the FPL. Clients with incomes below 133 percent of the federal poverty level (FPL) could enroll in Medicaid coverage under the Medicaid expansion. Clients with incomes over 133 percent of the FPL that were already enrolled in the program as of January 1, 2014, were allowed to retain state-only coverage throughout the course of their treatments. Savings will be achieved because the cost of restoring Medicaid coverage for clients with incomes above 133 percent of the FPL is less than the cost of maintaining state-only coverage for clients that were already enrolled as of January 1, 2014. (General Fund-State, General Fund-Federal)
- Autism Screening** - Funding is provided for HCA to reimburse for autism screenings provided to children at the age of 18 months beginning July 1, 2014. (General Fund-State, General Fund-Private/Local, General Fund-Federal)
- Provider Safety Equipment** - Funding is provided to implement Chapter 70, Laws of 2014 (SHB 2310). Due to provider outreach mandated by the legislation, the Department of Social and Health Services and HCA both anticipate increased utilization of personal protective equipment during FY 2015. (General Fund-State, General Fund-Federal)
- Behavioral Health Redesign** - Pursuant to Chapter 225, Laws of 2014 (2SSB 6312), funding is provided for additional staff and an actuarial analysis to support procurement of mental health and chemical dependency services and to help move the behavioral health system towards phased integration with systems that provide medical services to Medicaid participants. (General Fund-State, General Fund-Federal)
- Maintain Managed Care Rates** - The February 2014 Medical Assistance expenditure forecast assumes a 2 percent rate

## Washington State Health Care Authority

- increase in calendar year 2015 for the Healthy Options and Healthy Options Blind and Disabled managed care programs. Funding is reduced to hold future rates at calendar year 2014 levels. The Health Care Authority will work with managed care plans to reduce growth trends through innovative service delivery models that reduce costs. (General Fund-State, General Fund-Federal)
8. **Hospital Safety Net Assessment** - Implementation of the Hospital Safety Net Assessment program under Chapter 17, Laws of 2013, 2nd sp.s. (ESSB 5913) was moved back from July 1, 2013, to October 1, 2013, due to a delay in federal approval. Pursuant to Chapter 143, Laws of 2014 (ESSB 6570), the Health Care Authority will collect hospital assessments and provide supplemental payments to hospitals and increased payments to managed care plans for hospital services starting on July 1, 2013, instead of October 1, 2013. (General Fund-State, Hospital Safety Net Assessment Fund-State, General Fund-Federal)
  9. **P1 Phase 2 Funding** - Funding is provided to align the timing of Phase Two of the ProviderOne project with the implementation schedule of the recently procured Provider Compensation Subsystem and Services vendor. Funding is also provided to complete implementation of the 1099 provider transition to ProviderOne. (General Fund-State, General Fund-Federal)
  10. **P1 Operating Rules** - Funding is provided to implement enhancements to Washington's Medicaid Management Information System called ProviderOne. The enhancements are necessary to comply with the federally mandated rules promulgated by the Centers for Medicare and Medicaid Services and the Council for Affordable Quality Healthcare Committee on Operating Rules for Information Exchange. (General Fund-State, General Fund-Federal)
  11. **Cost Allocation Update for HBE** - Funding is provided for print services and postage for Modified Adjusted Gross Income (MAGI) Medicaid eligibility correspondence sent from the Health Benefit Exchange. This funding is only for letters sent from the Exchange that are Medicaid-only or joint Medicaid/Qualified Health Plan letters. (General Fund-State, Health Benefit Exchange Account-State, General Fund-Federal)
  12. **P1 ACA Enhancements** - Funding is provided to implement required modifications to the ProviderOne system necessary to enhance operation of the new MAGI methodology. These modifications include changes for a new client coding for newly eligible clients, new client data elements, increased frequency of communication between the Automated Client Eligibility System and ProviderOne, and support for an anticipated increase in client record volume. (General Fund-State, General Fund-Federal)
  13. **Medicaid Plan Choice** - Funding is provided to implement functionality within the Exchange and ProviderOne that will allow Medicaid clients to select the Medicaid managed care organization of their choice within the Washington Healthplanfinder online marketplace. This option will be available in FY 2015. (General Fund-State, General Fund-Federal)
  14. **Sole Community Hospital** - Funding is provided to implement Chapter 57, Laws of 2014 (SSB 5859), which increases hospital payment rates by 25 percent for public hospitals with fewer than 150 beds that were federally designated as "sole community hospitals" (SCHs) and had Level III adult trauma designations from the Department of Health. Funding is reduced in FY 2015 for SCHs that were receiving disproportionate share hospital (DSH) payments and state-only grants. Funding is increased in FY 2015 to provide new state-only grants to public SCHs with fewer than 150 beds in Grant County. All of the DSH payments and supplemental payments for SCHs will be discontinued after June 30, 2015. (General Fund-State, General Fund-Federal)
  15. **Health Care Innovation** - In February 2013, Washington State received nearly \$1 million from the Centers for Medicare and Medicaid Services Innovations Fund to develop the State Health Care Innovation Plan. Additional funding is provided to fully develop and implement the five-year innovation plan under Chapter 223, Laws of 2014, Partial Veto (E2SHB 2572), and implementation is expected to slow the growth of state health care costs. (General Fund-State, General Fund-Federal)
  16. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Health Care Authority

## Low-Income Medical Assistance

### WORKLOAD HISTORY

By Fiscal Year

	2006	2007	2008	2009	2010	2011	2012	2013	Estimated	
									2014	2015
<b>Medicaid Categorically Needy</b>	<b>838,443</b>	<b>844,805</b>	<b>855,043</b>	<b>908,403</b>	<b>992,061</b>	<b>1,042,912</b>	<b>1,062,112</b>	<b>1,075,497</b>	<b>1,101,381</b>	<b>1,140,993</b>
AFDC/TANF	283,290	267,408	251,975	264,242	290,308	303,810	299,232	285,038	258,447	163,300
Elderly	56,467	57,038	57,646	58,070	59,650	61,282	62,883	65,205	67,153	69,524
Disabled	129,667	132,469	136,018	140,738	148,256	154,198	158,360	165,683	161,168	154,824
Non-AFDC Children	329,580	344,173	363,339	397,244	444,029	471,513	487,786	503,550	555,960	692,115
Non-AFDC Pregnant Women	27,589	28,470	29,143	29,671	29,804	30,009	29,279	29,385	29,612	30,162
Medicare Beneficiaries	10,689	13,771	15,201	16,463	17,629	19,386	21,976	24,096	26,806	28,990
Breast & Cervical Cancer	375	495	565	655	812	998	1,034	1,053	721	543
Medicaid Buy-In	787	981	1,157	1,320	1,572	1,716	1,561	1,486	1,514	1,534
<b>Medicaid Expansion Adults</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>87,984</b>	<b>221,468</b>
<b>Medicaid Medically Needy</b>	<b>16,536</b>	<b>13,590</b>	<b>13,567</b>	<b>12,984</b>	<b>12,337</b>	<b>12,856</b>	<b>13,134</b>	<b>12,526</b>	<b>10,640</b>	<b>9,042</b>
Elderly	6,150	5,232	5,159	5,040	4,961	5,010	4,745	4,145	3,960	3,901
Disabled	10,385	8,358	8,409	7,945	7,376	7,846	8,389	8,381	6,680	5,141
<b>State Children's Health Insurance Program (SCHIP)</b>	<b>11,786</b>	<b>11,406</b>	<b>11,974</b>	<b>14,469</b>	<b>19,290</b>	<b>23,807</b>	<b>25,158</b>	<b>26,072</b>	<b>34,887</b>	<b>45,908</b>
<b>Federal Refugee Assistance</b>	<b>754</b>	<b>732</b>	<b>674</b>	<b>758</b>	<b>929</b>	<b>788</b>	<b>714</b>	<b>761</b>	<b>356</b>	<b>0</b>
<b>State Medical Care Services</b>	<b>18,511</b>	<b>27,219</b>	<b>41,443</b>	<b>47,078</b>	<b>47,220</b>	<b>46,163</b>	<b>37,518</b>	<b>32,666</b>	<b>25,271</b>	<b>17,721</b>
Undocumented Children	2,528	10,127	23,567	27,564	26,212	24,791	21,508	19,385	18,216	17,721
Disability Lifeline & ADATSA	15,982	17,093	17,876	19,514	21,008	21,373	16,010	13,280	7,055	0
<b>Basic Health Plan</b>	<b>100,444</b>	<b>102,118</b>	<b>104,792</b>	<b>103,590</b>	<b>76,079</b>	<b>52,274</b>	<b>36,955</b>	<b>30,014</b>	<b>13,011</b>	<b>0</b>
<b>Total Eligibles per Month</b>	<b>986,472</b>	<b>999,871</b>	<b>1,027,493</b>	<b>1,087,282</b>	<b>1,147,916</b>	<b>1,178,800</b>	<b>1,175,591</b>	<b>1,177,535</b>	<b>1,273,529</b>	<b>1,435,133</b>
% Change from prior year	3.2%	1.4%	2.8%	5.8%	5.6%	2.7%	-0.3%	0.2%	8.2%	12.7%

Data Sources :

Caseload Forecast Council and legislative fiscal committees.

## Human Rights Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,073</b>	<b>2,185</b>	<b>6,258</b>
<b>Total Maintenance Changes</b>	<b>59</b>	<b>0</b>	<b>59</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	8	0	8
2. DES Central Services	-34	0	-34
<b>Policy -- Other Total</b>	<b>-26</b>	<b>0</b>	<b>-26</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-20	-14	-34
<b>Policy -- Comp Total</b>	<b>-20</b>	<b>-14</b>	<b>-34</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>4,086</b>	<b>2,171</b>	<b>6,257</b>
Fiscal Year 2014 Total	2,059	1,115	3,174
Fiscal Year 2015 Total	2,027	1,056	3,083

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Board of Industrial Insurance Appeals

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>39,536</b>	<b>39,536</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>24</b>	<b>24</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	2	2
<b>Policy -- Other Total</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	0	-196	-196
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-196</b>	<b>-196</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>39,366</b>	<b>39,366</b>
Fiscal Year 2014 Total	0	19,806	19,806
Fiscal Year 2015 Total	0	19,560	19,560

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Criminal Justice Training Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>28,416</b>	<b>12,264</b>	<b>40,680</b>
<b>Total Maintenance Changes</b>	<b>259</b>	<b>174</b>	<b>433</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	5	0	5
2. CIT Study	70	0	70
3. CO Training Reimbursement	-150	150	0
4. Crisis Intervention Training	0	625	625
5. Strategic Social Interaction Model	0	343	343
6. Ammunition Cost Increase	0	30	30
7. Reserve Officers	35	0	35
<b>Policy -- Other Total</b>	<b>-40</b>	<b>1,148</b>	<b>1,108</b>
<b>Policy Changes - Comp</b>			
8. State Employee Health Insurance	-38	-1	-39
<b>Policy -- Comp Total</b>	<b>-38</b>	<b>-1</b>	<b>-39</b>
<b>Policy Changes - Transfers</b>			
9. Impaired Driving	352	0	352
<b>Policy -- Transfer Total</b>	<b>352</b>	<b>0</b>	<b>352</b>
<b>2013-15 Revised Appropriations</b>	<b>28,949</b>	<b>13,585</b>	<b>42,534</b>
Fiscal Year 2014 Total	14,711	6,847	21,558
Fiscal Year 2015 Total	14,238	6,738	20,976

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **CIT Study** - One-time funding is provided for the first year of a five-year study on the effectiveness of the current crisis intervention training (CIT) provided to all law enforcement officers as part of the Basic Law Enforcement Academy.
3. **CO Training Reimbursement** - Funding is reduced to reflect a 25 percent partial reimbursement of all basic corrections officer training costs for counties, cities, and agencies that send cadets for training. (General Fund-Private/Local)
4. **Crisis Intervention Training** - Expenditure authority is provided for delivery of crisis intervention training for King County. Crisis intervention training will be provided in order to increase the number of trained police officers and emergency workers in King County responding to calls involving individuals who may be affected by a mental illness or chemical dependency. (General Fund-Local)
5. **Strategic Social Interaction Model** - Expenditure authority is provided to continue Strategic Social Interaction Model training. (General Fund - Private/Local)
6. **Ammunition Cost Increase** - Local funding authority is provided to account for increased costs for ammunition used in training. (General Fund - Private/Local)
7. **Reserve Officers** - One-time funding is provided for a study and report on the number of reserve law enforcement officers statewide.
8. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.
9. **Impaired Driving** - Funding previously appropriated by Chapter 35, Laws of 2013, 2nd sp.s. (ESSB 5912) for the Washington Traffic Safety Commission (WTSC) related to reducing impaired driving is modified in the budget bill. The appropriation of \$352,000 general fund-state for deposit into the 24/7 Sobriety Account to reimburse state costs associated with establishing the 24/7 Sobriety Program and for program administration costs incurred by the Washington Association of Sheriffs and Police Chiefs is transferred from WTSC to the CJTC. There is no net change to appropriation levels from this transfer.

## Department of Labor and Industries

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>34,683</b>	<b>622,112</b>	<b>656,795</b>
<b>Total Maintenance Changes</b>	<b>324</b>	<b>1,362</b>	<b>1,686</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	8	626	634
2. Administrative Hearings	1	0	1
3. DES Central Services	2	242	244
4. Unpaid Wages Collection	0	262	262
5. Electrical Program Workload Adj	0	3,004	3,004
6. Prevailing Wage IT	0	925	925
7. Farm Internship Pilot Program	0	111	111
<b>Policy -- Other Total</b>	<b>11</b>	<b>5,170</b>	<b>5,181</b>
<b>Policy Changes - Comp</b>			
8. State Employee Health Insurance	-139	-3,250	-3,389
<b>Policy -- Comp Total</b>	<b>-139</b>	<b>-3,250</b>	<b>-3,389</b>
<b>2013-15 Revised Appropriations</b>	<b>34,879</b>	<b>625,394</b>	<b>660,273</b>
Fiscal Year 2014 Total	17,216	311,180	328,396
Fiscal Year 2015 Total	17,663	314,214	331,877

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases.
3. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
4. **Unpaid Wages Collection** - Funding is provided to implement Chapter 210, Laws of 2014 (SSB 5360). The Department of Labor and Industries (L&I) may electronically serve a financial institution with a Notice to Withhold and Deliver by providing a list of outstanding warrants to the Department of Revenue. (Accident Account-State, Medical Aid Account-State)
5. **Electrical Program Workload Adj** - Funding is provided for 16 additional field staff and an Electrical Technical Specialist to meet the current and projected demand for electrical inspections. (Electrical License Account-State)
6. **Prevailing Wage IT** - Funding is provided to upgrade the online Prevailing Wage Application System. Funding will be used to automate correspondence over public works projects, including electronic transmission of certified payroll records to L&I, and to develop a real-time list of contractors debarred from public work. Of the total funds provided, \$785,000 is one-time for purchased information technology support and services, and \$140,000 is for ongoing maintenance by L&I staff. (Public Works Administration Account-State)
7. **Farm Internship Pilot Program** - Funding is provided for implementation of Chapter 131, Laws of 2014 (SSB 5123), which creates a farm internship pilot program at qualified small farms in 16 counties. (Accident Account-State, Medical Aid Account-State)
8. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Veterans' Affairs

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>14,674</b>	<b>117,829</b>	<b>132,503</b>
<b>Total Maintenance Changes</b>	<b>287</b>	<b>-12,921</b>	<b>-12,634</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	3	3
<b>Policy -- Other Total</b>	<b>0</b>	<b>3</b>	<b>3</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-40	-701	-741
<b>Policy -- Comp Total</b>	<b>-40</b>	<b>-701</b>	<b>-741</b>
<b>2013-15 Revised Appropriations</b>	<b>14,921</b>	<b>104,210</b>	<b>119,131</b>
Fiscal Year 2014 Total	7,582	52,176	59,758
Fiscal Year 2015 Total	7,339	52,034	59,373

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Other Funds)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Department of Health

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>119,428</b>	<b>923,721</b>	<b>1,043,149</b>
<b>Total Maintenance Changes</b>	<b>-344</b>	<b>-2,233</b>	<b>-2,577</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	20	130	150
2. Farmers Market Nutrition Program	100	0	100
3. Healthiest Next Gen Initiative	350	0	350
4. Online Licensing Project	0	848	848
5. Medical Marijuana	2,143	0	2,143
6. Physical Therapists	0	68	68
7. WA Autism Alliance	60	0	60
8. Program Expansion	-113	0	-113
9. Suicide Prevention	0	251	251
10. Tobacco and Marijuana Prevent	1,500	0	1,500
11. Trauma Care Fund	0	-1,121	-1,121
12. Governor Veto	-2,143	0	-2,143
<b>Policy -- Other Total</b>	<b>1,917</b>	<b>176</b>	<b>2,093</b>
<b>Policy Changes - Comp</b>			
13. State Employee Health Insurance	-340	-1,677	-2,017
<b>Policy -- Comp Total</b>	<b>-340</b>	<b>-1,677</b>	<b>-2,017</b>
<b>2013-15 Revised Appropriations</b>	<b>120,661</b>	<b>919,987</b>	<b>1,040,648</b>
Fiscal Year 2014 Total	59,915	464,821	524,736
Fiscal Year 2015 Total	60,746	455,166	515,912

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Farmers Market Nutrition Program** - Additional funding is provided for the Farmers Market Nutrition Program component of the Women, Infants, and Children (WIC) nutrition program. Funding will be used to increase the amount of fresh, healthy, locally-grown produce and cut herbs provided to WIC families and to expand the awareness and sales of such foods at farmers markets and farm stores.
3. **Healthiest Next Gen Initiative** - One-time funding is provided for the Department of Health (DOH) to support Washington's Healthiest Next Generation Initiative. The DOH will partner with the Office of the Superintendent of Public Instruction (OSPI), Department of Early Learning, and other public and private entities to increase physical activity and access to healthy foods and drinking water among children. The DOH will submit reports on the Initiative to the Governor and Legislature by December 31, 2014, and June 30, 2015.
4. **Online Licensing Project** - One-time expenditure authority is provided to research and plan the design and development of the Online Licensing and Information Collection project. Current revenue from dedicated fees will be sufficient to support the expenses of this project. (Health Professions Account-State)
5. **Medical Marijuana** - This item was vetoed by the Governor. Please see Governor Veto item below.
6. **Physical Therapists** - Funding is provided for DOH to implement Chapter 116, Laws of 2014 (ESHB 2160). The Secretary of DOH will issue spinal manipulation endorsements to physical therapists who meet specified education and experience requirements. (Health Professions Account-State)
7. **WA Autism Alliance** - Additional funding is provided for the Washington Autism Alliance to help autistic individuals and families with autistic children navigate and enroll in health insurance coverage during implementation of the federal Affordable Care Act. Due to implementation delays, a portion of the original FY 2014 appropriation is shifted to FY 2015. All funding is one-time through June 30, 2015.
8. **Program Expansion** - Section 219 (1) of Chapter 4, Laws of 2013, 2nd sp.s., Partial Veto (3ESSB 5034), prohibits DOH from initiating services that require expenditure of state general funds unless expressly authorized in the operating budget or other law. Savings are achieved by reducing state general funds for the built environment program. Expenditure of state general funds for this program is not expressly authorized in the enacted operating budget or other law.
9. **Suicide Prevention** - Funding is provided for DOH to implement Chapter 71, Laws of 2014 (ESHB 2315). Funding will be used to develop and implement suicide prevention training requirements for specified health care professions,

## Department of Health

periodically update the model list of training programs, and report on a statewide plan for suicide prevention by November 15, 2015. (Health Professions Account-State)

10. **Tobacco and Marijuana Prevent** - One-time funding is provided for tobacco, marijuana, and e-cigarette prevention activities aimed at youth and populations with a high incidence of smoking. The DOH will partner with OSPI and with community-based organizations to implement these activities. Future funding for DOH tobacco and e-cigarette prevention programs will be based on findings in the Washington State Institute of Public Policy report due December 31, 2014.
11. **Trauma Care Fund** - Grant programs funded from the Emergency Medical Services and Trauma Care Systems Trust Account are reduced to reflect reduced revenues. (Emergency Medical Services and Trauma Care Systems Trust Account-State)
12. **Governor Veto** - The Governor vetoed Section 219(30) of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002), which provided DOH with appropriation authority to implement E3SSB Bill 5887 (medical and recreational marijuana). E3SSB 5887 did not pass.
13. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Corrections

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,665,144</b>	<b>21,785</b>	<b>1,686,929</b>
<b>Total Maintenance Changes</b>	<b>35,324</b>	<b>16</b>	<b>35,340</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	484	0	484
2. Violator Policy Change	1,161	0	1,161
3. New Prison Capacity	4,162	0	4,162
4. PREA Zero Tolerance Grant	0	250	250
5. PREA Compliance	543	0	543
6. Earned Release Date	-170	0	-170
7. Female Offender Jail Beds	1,251	0	1,251
8. ITU Expansion	-323	0	-323
9. Program Under-Expenditures	-2,050	0	-2,050
10. Violator Fractional Billing	-2,621	0	-2,621
<b>Policy -- Other Total</b>	<b>2,437</b>	<b>250</b>	<b>2,687</b>
<b>Policy Changes - Comp</b>			
11. State Employee Health Insurance	-9,290	-7	-9,297
<b>Policy -- Comp Total</b>	<b>-9,290</b>	<b>-7</b>	<b>-9,297</b>
<b>2013-15 Revised Appropriations</b>	<b>1,693,615</b>	<b>22,044</b>	<b>1,715,659</b>
Fiscal Year 2014 Total	847,922	11,187	859,109
Fiscal Year 2015 Total	845,693	10,857	856,550

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **Violator Policy Change** - Funding is provided to incorporate estimated violator population changes based on the policy implemented in December 2013 by the Department of Corrections (DOC), allowing up to 30-day jail stays for offenders that fail to report within seven days of their scheduled appointments.
3. **New Prison Capacity** - Funding is provided to open the remaining 256-bed unit for male offenders at the Washington State Penitentiary beginning July 1, 2014, to meet the demands of a rising male offender caseload and to reduce crowding at existing facilities.
4. **PREA Zero Tolerance Grant** - Federal funding authority is provided for a Prison Rape Elimination Act (PREA) grant. (General Fund-Federal)
5. **PREA Compliance** - New Prison Rape Elimination Act (PREA) standards were published in June 2012, requiring DOC to provide access to outside confidential support services. Funding is provided for DOC to enter into an agreement for advocacy services provided by the Department of Commerce's Office of Crime Victims Advocacy.
6. **Earned Release Date** - Funding is adjusted to require DOC to reduce its average daily population by 40, by releasing its offenders as close to the earned release date as possible under rules and policies. The adjustment is based on DOC releasing offenders according to 2012 standards.
7. **Female Offender Jail Beds** - Funding is provided to contract with a county jail for 75 beds for female offenders. The beds are rented in three stages, with 24 beds being rented starting May 1, 2014, 24 more beds beginning rental on August 1, 2014, and then 27 more beds beginning November 1, 2014 for a total of 75 beds. These beds help meet the demands of a rising offender caseload and reduce crowding at existing facilities.
8. **ITU Expansion** - Funding to expand the Intensive Treatment Unit was provided in the 2013-15 operating budget. Funding is adjusted as DOC was unable to expand the unit within the funding amounts provided.
9. **Program Under-Expenditures** - One-time savings is achieved by aligning funding levels for offender programming to reflect expected FY 2014 spending levels. The 2012 supplemental operating budget required DOC to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, DOC is revamping the way programming is provided to offenders in prisons and in community supervision. This includes phasing out several programs and replacing them with programs considered to be more effective and that follow the RNR model. The RNR model requires programming interventions to be dynamic and directly linked to criminal behavior. Upon full implementation, programming will be

## Department of Corrections

targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

10. **Violator Fractional Billing** - Funding is reduced to reflect elimination of the fractional billing practice for supervision of violators housed in jail for either a local or a federal hold in addition to a DOC Secretary warrant.
11. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Department of Corrections

## WORKLOAD HISTORY

By Fiscal Year

									Estimated <sup>(1)</sup>	
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Community Supervision Population</b> <sup>(2)</sup>										
# Active Offenders	26,466	27,057	28,188	28,894	20,155	18,929	16,226	15,395	15,662	16,097
% Change from prior year		2.2%	4.2%	2.5%	-30.2%	-6.1%	-14.3%	-5.1%	1.7%	2.8%
<b>Community Supervision Violators</b> <sup>(3) (4) (5)</sup>										
Avg Daily Population/Month	1,029	1,178	1,295	1,267	1,221	1,319	839	457	640	585
% Change from prior year		14.4%	10.0%	-2.2%	-3.6%	8.0%	-36.4%	-45.5%	40.0%	-8.6%
<b>Institution Populations</b> <sup>(6) (7) (8)</sup>										
Avg Daily Population/Month	16,798	16,828	16,989	17,251	17,139	16,952	16,960	17,178	17,563	17,670
% Change from prior year		0.2%	1.0%	1.5%	-0.6%	-1.1%	0.0%	1.3%	2.2%	0.6%
<b>Average Cost Per Inmate</b> <sup>(9)</sup>										
Annual	29,055	31,071	35,611	36,756	34,615	33,422	33,005	32,605	31,726	31,226
% Change from prior year		6.9%	14.6%	3.2%	-5.8%	-3.4%	-1.2%	-1.2%	-2.7%	-1.6%

*All actual average daily populations reported above are the counts reported to the Caseload Forecast Council.*

<sup>(1)</sup> *Estimated Average Daily Population is based on the total Legislative funded/enacted levels (Maintenance and Policy Levels).*

<sup>(2)</sup> *For the Community Supervision Population the average for the Fiscal Year (FY) is calculated using data for the last day of each calendar month.*

<sup>(3)</sup> *Community Supervision Violator Population actuals and estimates include all Violator populations regardless of where they are housed.*

<sup>(4)</sup> *For FY2006 through FY2012, the average FY Community Supervision Violator population is calculated using data for the last day of each calendar month.*

<sup>(5)</sup> *Beginning with FY2013 the average FY Community Supervision Violator population is calculated using data for the average daily population.*

<sup>(6)</sup> *Institution Population counts include work release beds and rental beds used for prison offenders.*

<sup>(7)</sup> *For FY2006 through FY2012, the average FY Institutions population is calculated using data for the last day of each calendar month.*

<sup>(8)</sup> *Beginning with FY2013 the average FY Institutions population is calculated using data for the average daily population.*

*Average cost per inmate does not include start-up costs for expansions to include, but not limited to, at the Monroe Corrections Center, the Washington State Penitentiary, the Coyote Ridge Corrections Center, the Cedar Creek Corrections Center, the Larch Corrections*

<sup>(9)</sup> *Center, or the Mission Creek Corrections Center for Women.*

### Data Sources :

*Caseload Forecast Council, Department of Corrections, and legislative fiscal staff.*

## Department of Services for the Blind

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,439</b>	<b>23,049</b>	<b>27,488</b>
<b>Total Maintenance Changes</b>	<b>1</b>	<b>18</b>	<b>19</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-17	-74	-91
<b>Policy -- Other Total</b>	<b>-17</b>	<b>-74</b>	<b>-91</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-16	-76	-92
<b>Policy -- Comp Total</b>	<b>-16</b>	<b>-76</b>	<b>-92</b>
<b>2013-15 Revised Appropriations</b>	<b>4,407</b>	<b>22,917</b>	<b>27,324</b>
Fiscal Year 2014 Total	2,225	11,499	13,724
Fiscal Year 2015 Total	2,182	11,418	13,600

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Employment Security Department

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>682,904</b>	<b>682,904</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>-2,996</b>	<b>-2,996</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	37	37
2. Administrative Hearings	0	59	59
3. DES Central Services	0	201	201
4. Complete Next Generation Tax System	0	11,199	11,199
5. Data Center Move	0	1,020	1,020
6. Agricultural Work Group	0	50	50
7. Develop New UI Benefits System	0	3,809	3,809
8. Elevator Repairs	0	469	469
<b>Policy -- Other Total</b>	<b>0</b>	<b>16,844</b>	<b>16,844</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	0	-2,774	-2,774
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-2,774</b>	<b>-2,774</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>693,978</b>	<b>693,978</b>
Fiscal Year 2014 Total	0	356,217	356,217
Fiscal Year 2015 Total	0	337,761	337,761

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Other Funds)
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases. (Other Funds)
3. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
4. **Complete Next Generation Tax System** - Additional one-time federal Reed Act funding is provided for the Employment Security Department (ESD) to complete the Next Generation Tax System, which replaces and modernizes ESD's unemployment insurance tax and wage system. The ESD began the project in FY 2008 and is scheduled to make the final vendor payment in March 2015 to complete the project. (Unemployment Compensation Administration Account-Federal)
5. **Data Center Move** - One-time funding is provided for ESD to transition data center equipment from the Department of Social and Health Services Office Building 2 to the State Data Center. (Employment Services Administrative Account-State)
6. **Agricultural Work Group** - One-time funding is provided for the ESD to convene and support a work group on agricultural and agricultural labor-related issues. (Administrative Contingency Account-State)
7. **Develop New UI Benefits System** - Federal Reed Act funding is provided for ESD to replace the existing General Unemployment Insurance Development Effort (GUIDE) system for unemployment benefits. Funding in FY 2015 will go towards a vendor contract for the project. (Unemployment Compensation Administration Account-Federal)
8. **Elevator Repairs** - One-time funding is provided for ESD to repair and replace components of the passenger and freight elevators in its Olympia headquarters. (Administrative Contingency Account-State)
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Natural Resources

## **Land and Species Management**

### **Fire Suppression Costs**

A total of \$6.7 million of state general fund is provided to the Department of Natural Resources (DNR) and the Department of Fish and Wildlife (WDFW) for fire suppression costs in fiscal year 2014 that exceeded the funding appropriated in the original 2013-15 operating budget.

### **Department of Natural Resources**

The sum of \$7.1 million (\$1.6 million from the Forest Development Account and \$5.5 million from the Resources Management Cost Account) is provided to DNR for land management activities delayed by recent years of declining timber prices and revenues. Funded activities include silviculture plantings and pre-commercial thinning that ensures the vitality of the forest and reduces fire danger, and survey capacity enhancements that improve data used for timber sales.

### **Fish and Wildlife Management**

WDFW is provided \$1.4 million in state general fund to comply with a federal court injunction requiring ongoing maintenance and assessments on culverts on state-owned land to ensure they do not become barriers to salmon passage.

The amount of \$200,000 from the State Wildlife Account is provided to WDFW for a contract veterinarian to investigate elk hoof rot, an emerging disease affecting elk in southwest Washington.

### **Parks and Outdoor Recreation Support**

A total of \$100,000 from various accounts is provided to the Recreation and Conservation Office (RCO) to contract with a consultant for an outdoor recreation study. The study will quantify the contribution to the state's economy from expenditures on outdoor recreation, and the economic benefits that residents obtain from participating in outdoor recreation. RCO is also given spending authority for \$50,000 of state general fund, and up to \$100,000 in private matching funds to staff the Governor's Blue Ribbon Task Force on Parks and Outdoor Recreation.

The State Parks and Recreation Commission is provided \$500,000 from the Parks Renewal and Stewardship Account to replace major equipment used for the operation and maintenance of state parks.

## **Environmental Protection and Pollution Abatement**

### **Oil Transportation**

Funding of \$652,000 from the Oil Spill Prevention Account is provided to the Department of Ecology (DOE) to develop oil spill preparedness and response plans. These response plans will focus on the increasing amount of oil being transported by rail through the state and exported by vessel. In addition, \$300,000 from the State Toxics Control Account is provided to DOE to conduct a study on oil transportation in the state, including potential impacts on public health and safety.



### **Toxics and Waste Management**

Funding of \$611,000 from the Environmental Legacy Stewardship Account is provided to DOE to increase the level of consumer products testing the agency conducts. Products are tested for the presence of specific chemicals to ensure manufacturers are complying with relevant laws, including the Children's Safe Products Act. Funding of \$1.4 million is provided from the State Toxics Control Account and the Environmental Legacy Stewardship Account for DOE to develop cleanup procedures, comply with new cash management requirements, and increase the pace of regional cleanup projects pursuant to Chapter 1, Laws of 2013, 2nd sp.s. (2E2SSB 5296).

DOE is provided \$299,000 from the Biosolids Permit Account to address a backlog of biosolids permit approvals, mainly for septage sites in Eastern Washington. DOE will also conduct compliance inspections and develop a GIS map of application sites.

A total of \$536,000 from the Radioactive Mixed Waste Account is provided to DOE for Hanford Nuclear Reservation activities, including increasing the number of DOE inspectors (\$312,000) and incorporating public comments into a revised Hanford sitewide permit (\$224,000).

### **Water Management and Watershed Protection**

#### **Water Data System Improvements**

Funding of \$815,000 from the Water Quality Permit Account is provided to DOE to migrate the water quality permit system to a system that is a compatible with the DOE management system and to develop an interface between the two systems.

Funding of \$260,000 from the Reclamation Account is provided to DOE to support the Yakima water rights adjudication. The adjudication is a legal effort to establish claims to water rights in the area that began during a water shortage in the 1970s and is nearing completion. The two primary activities include processing court notifications and migrating water rights data from an unsupported legacy platform to a modern platform.

### **Emergency Food Programs**

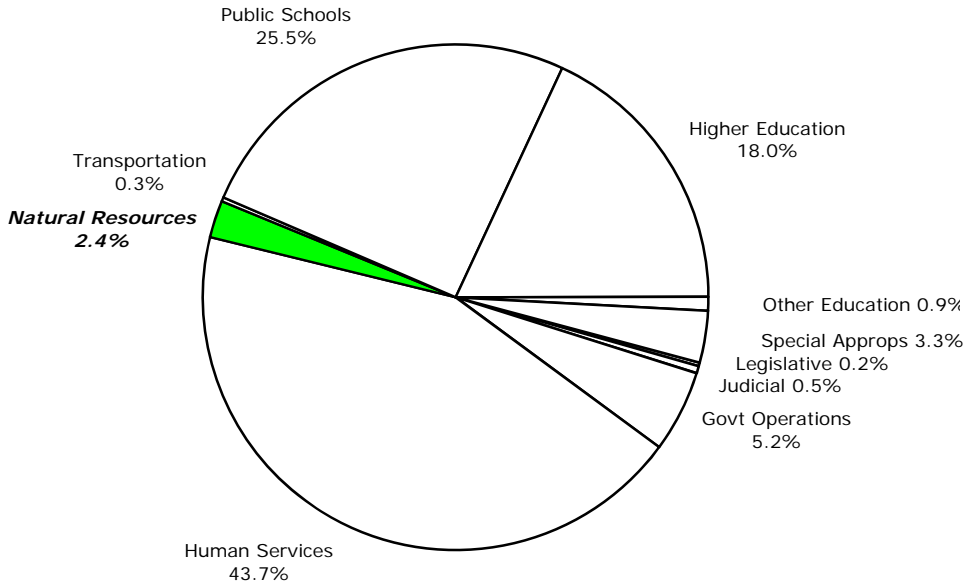
Funding of \$800,000 is provided for the Department of Agriculture's Emergency Food Assistance Program, a program that provides operating funds to food banks and distribution centers throughout the state.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

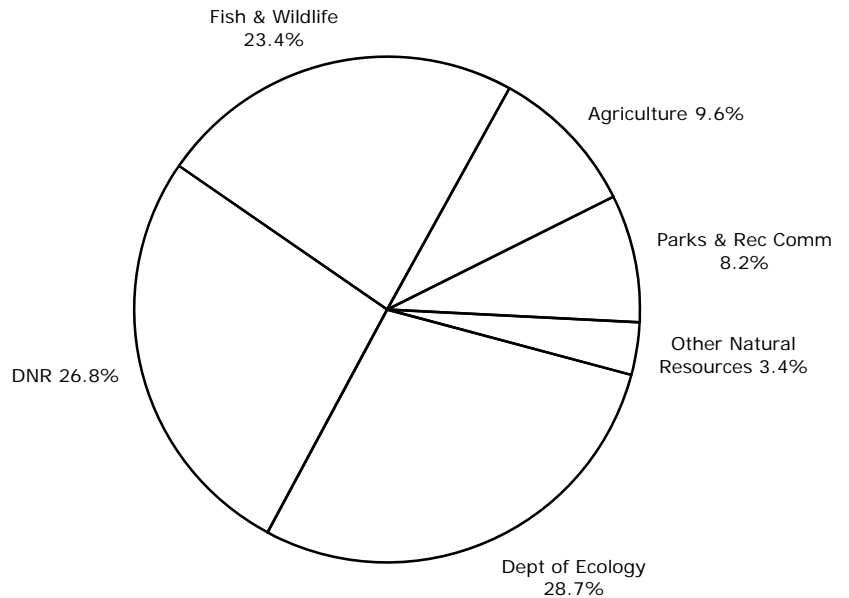
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
<b>Natural Resources</b>	<b>1,603,606</b>
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

Dept of Ecology	459,653
Dept of Natural Resources	429,680
Dept of Fish & Wildlife	375,484
Dept of Agriculture	153,850
Parks & Recreation Comm	131,103
Other Natural Resources	53,836
<b>Natural Resources</b>	<b>1,603,606</b>



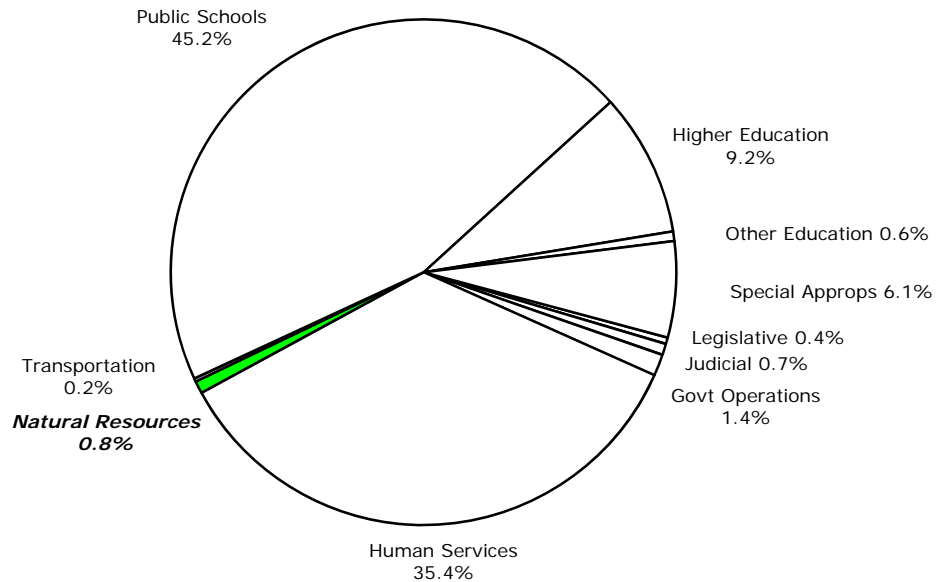
## Natural Resources

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

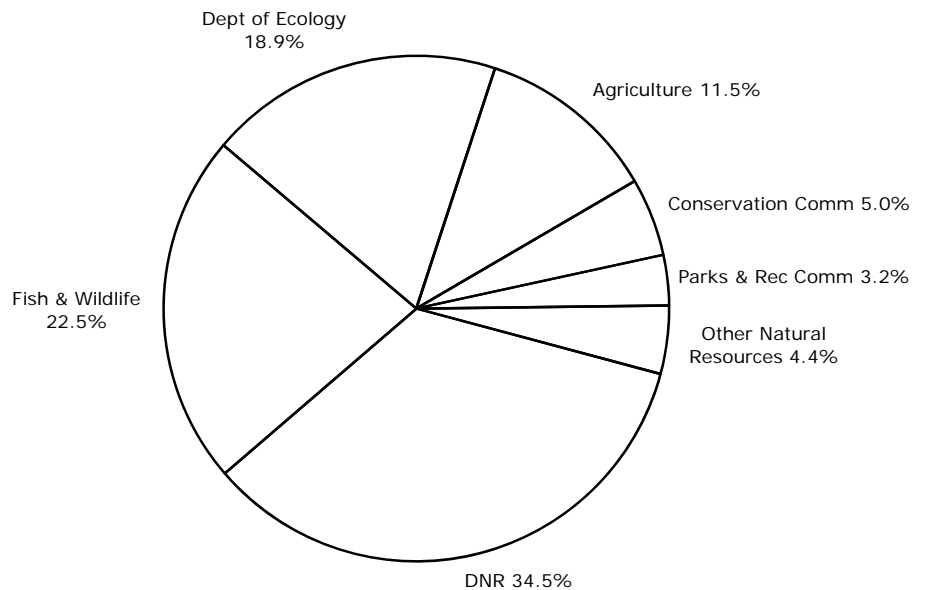
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
<b>Natural Resources</b>	<b>270,444</b>
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

Dept of Natural Resources	93,349
Dept of Fish & Wildlife	60,841
Dept of Ecology	51,007
Dept of Agriculture	31,220
Conservation Commission	13,527
Parks & Recreation Comm	8,686
Other Natural Resources	11,814
<b>Natural Resources</b>	<b>270,444</b>



## Natural Resources

## Columbia River Gorge Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>891</b>	<b>905</b>	<b>1,796</b>
<b>Total Maintenance Changes</b>	<b>9</b>	<b>9</b>	<b>18</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-4	-4	-8
<b>Policy -- Other Total</b>	<b>-4</b>	<b>-4</b>	<b>-8</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-4	-4	-8
<b>Policy -- Comp Total</b>	<b>-4</b>	<b>-4</b>	<b>-8</b>
<b>2013-15 Revised Appropriations</b>	<b>892</b>	<b>906</b>	<b>1,798</b>
Fiscal Year 2014 Total	442	492	934
Fiscal Year 2015 Total	450	414	864

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Ecology

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>51,435</b>	<b>406,678</b>	<b>458,113</b>
<b>Total Maintenance Changes</b>	<b>-10</b>	<b>256</b>	<b>246</b>
<b>Policy Changes - Other</b>			
1. Federal Funding Adjustment	0	-2,000	-2,000
2. Yakima Adjudication Support	0	260	260
3. Attorney General Legal Services	50	105	155
4. Consumer Product Toxics Testing	0	611	611
5. Biosolids Permitting	0	299	299
6. Increase Hanford Compliance	0	312	312
7. Coordinate Hanford Permit Revision	0	224	224
8. Reduce Oil Spill Risk-Rail/Vessel	0	652	652
9. Increase Toxic Cleanups	0	1,441	1,441
10. Water Quality Data Systems Upgrade	0	815	815
11. WRIA 35 Planning Unit Watershed	0	40	40
12. Conceptual Groundwater Model	0	50	50
13. Aquifer Protection	25	0	25
14. Oil Transportation Study	0	300	300
<b>Policy -- Other Total</b>	<b>75</b>	<b>3,109</b>	<b>3,184</b>
<b>Policy Changes - Comp</b>			
15. State Employee Health Insurance	-493	-1,397	-1,890
<b>Policy -- Comp Total</b>	<b>-493</b>	<b>-1,397</b>	<b>-1,890</b>
<b>2013-15 Revised Appropriations</b>	<b>51,007</b>	<b>408,646</b>	<b>459,653</b>
Fiscal Year 2014 Total	25,942	202,389	228,331
Fiscal Year 2015 Total	25,065	206,257	231,322

### Comments:

- Federal Funding Adjustment** - Federal funding is reduced on an ongoing basis to reflect lower anticipated federal spending in the Shorelands and Water Quality programs. (General Fund-Federal)
- Yakima Adjudication Support** - One-time funding and FTE staff are provided for two tasks to support the Yakima water rights adjudication. The first task is migrating adjudication-related data from a legacy data system to a database that resides on a modern platform. The second task is processing court notifications necessary to construct a complete and accurate schedule of water rights in the final court decree. (Reclamation Account-State)
- Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- Consumer Product Toxics Testing** - The Legislature has passed a number of laws banning or limiting certain toxic chemicals and metals in consumer products and packaging, including the Children's Safe Products Act (chapter 70.240 RCW) and the Packages Containing Metals Act (chapter 70.95G RCW). The Department of Ecology (DOE) is charged with implementing and enforcing these laws. Ongoing funding and FTE staff are provided to increase capacity for developing analytical methods and conducting product testing to ensure compliance with applicable laws. (Environmental Legacy Stewardship Account-State)
- Biosolids Permitting** - DOE's Biosolids Program provides oversight, permitting, and assistance for sewage treatment plants, septage management facilities, and beneficial use facilities that generate, treat, and use biosolids. Biosolids are a product of wastewater treatment and septic tanks that can be recycled after meeting all applicable requirements under DOE's Biosolids Management rule. One-time funding and FTE staff are provided to address a backlog of approvals for coverage under the biosolids general permit, thereby reducing compliance issues for septage land application sites, primarily in eastern Washington. (Biosolids Permit Account-State)
- Increase Hanford Compliance** - DOE provides compliance oversight at radioactive mixed waste facilities, including the federal Hanford Nuclear Reservation in eastern Washington. Compliance oversight responsibilities include inspections, enforcement, and technical assistance visits. A recent U.S. Environmental Protection Agency review found that DOE has too few inspectors and has not met inspection goals set for Hanford facilities. Ongoing funding and FTE staff are provided for two additional inspector positions to increase the level of compliance oversight. (Radioactive Mixed Waste Account-State)

## Department of Ecology

7. **Coordinate Hanford Permit Revision** - DOE has issued a Hanford site-wide permit that includes requirements for the treatment, storage, and disposal of chemically hazardous and mixed waste at the Hanford Nuclear Reservation. In 2012 DOE issued a proposed permit revision establishing or updating operating requirements, including facility-specific requirements at all Hanford hazardous waste facilities. Over 5,000 comments were received during the public comment period, resulting in the need for reevaluation and revision of the permit. Ongoing funding and FTE staff are provided to continue permit revision work that is expected to be completed within four years. (Radioactive Mixed Waste Account-State)
8. **Reduce Oil Spill Risk-Rail/Vessel** - Increasing volumes of crude oil are being imported into Washington from Canada, North Dakota, and Montana, much of it by rail. DOE expects this will lead to an increase in the volume and type of oil being transported through Washington and exported by vessel. One-time funding and FTE staff are provided to develop preparedness and response plans for risks related to the increase of crude oil being moved by rail and vessels. (Oil Spill Prevention Account-State)
9. **Increase Toxic Cleanups** - Pursuant to Chapter 1, Laws of 2013, 2nd sp.s., (2E2SSB 5296), ongoing funding and FTEs are provided to develop model remedies (standard procedures for cleanup projects) and comply with new cash management requirements. Ongoing funding and FTEs are also provided for DOE regional offices to increase the pace of cleanup activities at contaminated sites. (State Toxics Control Account-State, Environmental Legacy Stewardship Account-State)
10. **Water Quality Data Systems Upgrade** - DOE's Water Quality Program regulates point-source discharges to water through the National Pollution Discharge Elimination System permits and state water discharge permits. Permit fees are billed and collected through a billing and revenue tracking system developed in 1990. A separate management system resides on a platform that is now incompatible with other technology systems DOE operates. Ongoing funding and FTE staff are provided to migrate the permit system to a compatible technology platform, maintain permit-related websites, replace the billing and revenue tracking system, and develop an interface between the two systems. Beginning in FY 2016, the ongoing cost is \$165,000 per fiscal year. (Water Quality Permit Account-State)
11. **WRIA 35 Planning Unit Watershed** - One-time funding is provided for the Middle Snake River Watershed, WRIA 35 Planning Unit, to implement their watershed plan in collaboration with DOE. (Environmental Legacy Stewardship Account-State)
12. **Conceptual Groundwater Model** - One-time funding is provided for the Bertrand Watershed Improvement District to develop a conceptual groundwater model for water rights permitting and mitigation efforts in the Lynden, Everson, Nooksack, Sumas (LENS) aquifer study area. (Environmental Legacy Stewardship Account-State)
13. **Aquifer Protection** - One-time funding is provided to protect groundwater aquifers that are adversely impacted by development in a county with a population greater than 1.5 million.
14. **Oil Transportation Study** - One-time funding is provided for a study of oil transportation in Washington, including impacts on public health and safety, and potential improvements to spill prevention and response. A progress report is due to the Legislature by December 1, 2014, and a final report is due by March 1, 2015. (State Toxics Control Account-State)
15. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## State Parks and Recreation Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>8,508</b>	<b>119,944</b>	<b>128,452</b>
<b>Total Maintenance Changes</b>	<b>100</b>	<b>2,770</b>	<b>2,870</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	12	12
2. Information Technology Improvements	53	54	107
3. Major Equipment Replacement	0	500	500
4. State Agency Permitting	25	0	25
<b>Policy -- Other Total</b>	<b>78</b>	<b>566</b>	<b>644</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	0	-863	-863
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-863</b>	<b>-863</b>
<b>2013-15 Revised Appropriations</b>	<b>8,686</b>	<b>122,417</b>	<b>131,103</b>
Fiscal Year 2014 Total	4,271	59,725	63,996
Fiscal Year 2015 Total	4,415	62,692	67,107

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Parks Renewal and Stewardship Account-State)
2. **Information Technology Improvements** - Ongoing funding is provided for maintenance and support costs associated with the conversion to state-hosted e-mail and calendar services and a vendor-supported Internet site. (General Fund-State, Parks Renewal and Stewardship Account-State)
3. **Major Equipment Replacement** - One-time funding is provided for equipment replacement. (Parks Renewal and Stewardship Account-State)
4. **State Agency Permitting** - Ongoing funding is provided to implement Chapter 68, Laws of 2014 (E2SHB 2192). The State Parks and Recreation Commission is required to track and record performance data related to permit processing, update the agency's website with permit assistance information, and submit an annual report to the Legislature on permit timeliness.
5. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Recreation and Conservation Funding Board

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,638</b>	<b>8,217</b>	<b>9,855</b>
<b>Total Maintenance Changes</b>	<b>54</b>	<b>79</b>	<b>133</b>
<b>Policy Changes - Other</b>			
1. Outdoor Recreation Task Force	50	100	150
2. Attorney General Legal Services	0	1	1
3. Economic Study of Outdoor Rec	0	100	100
<b>Policy -- Other Total</b>	<b>50</b>	<b>201</b>	<b>251</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-6	-30	-36
<b>Policy -- Comp Total</b>	<b>-6</b>	<b>-30</b>	<b>-36</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>1,736</b>	<b>8,467</b>	<b>10,203</b>
Fiscal Year 2014 Total	833	4,127	4,960
Fiscal Year 2015 Total	903	4,340	5,243

### Comments:

1. **Outdoor Recreation Task Force** - The Governor created the Washington Blue Ribbon Task Force on Parks and Outdoor Recreation (Task Force) through an executive order to develop a sustainable funding strategy for state parks and other state outdoor recreation lands. The Task Force will also develop strategies to encourage higher participation in outdoor recreation and advance environmental education. This one-time funding will provide for several meetings across the state, travel reimbursement of Task Force members, contract costs for a facilitator, and staff to conduct research and write the resulting report. If private contributions to the Task Force exceed \$50,000, a matching state general fund appropriation may be requested in the 2015 supplemental operating budget. (General Fund-State, General Fund-Private/Local)
2. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Recreation Resources Account-State)
3. **Economic Study of Outdoor Rec** - One-time funding is provided for the Recreation and Conservation Office to contract with a consultant to conduct a study that will quantify the economic contribution to the state economy from the state's public lands and from statewide recreation. (Parks Renewal and Stewardship Account--State, Park Land Trust Revolving Fund, State Wildlife Account-State)
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Environmental and Land Use Hearings Office

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,374</b>	<b>0</b>	<b>4,374</b>
<b>Total Maintenance Changes</b>	<b>28</b>	<b>0</b>	<b>28</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	2	0	2
2. DES Central Services	-21	0	-21
<b>Policy -- Other Total</b>	<b>-19</b>	<b>0</b>	<b>-19</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-22	0	-22
<b>Policy -- Comp Total</b>	<b>-22</b>	<b>0</b>	<b>-22</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>4,361</b>	<b>0</b>	<b>4,361</b>
Fiscal Year 2014 Total	2,210	0	2,210
Fiscal Year 2015 Total	2,151	0	2,151

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## State Conservation Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>13,579</b>	<b>3,301</b>	<b>16,880</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. DES Central Services	-21	0	-21
3. Ag Landowners Groundwater Quality	0	50	50
<b>Policy -- Other Total</b>	<b>-20</b>	<b>50</b>	<b>30</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-32	0	-32
<b>Policy -- Comp Total</b>	<b>-32</b>	<b>0</b>	<b>-32</b>
<b>2013-15 Revised Appropriations</b>	<b>13,527</b>	<b>3,351</b>	<b>16,878</b>
Fiscal Year 2014 Total	6,819	1,650	8,469
Fiscal Year 2015 Total	6,708	1,701	8,409

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Ag Landowners Groundwater Quality** - One-time funding is provided for the Whatcom Agricultural District Coalition to educate and inform agricultural landowners about regulatory compliance issues relating to groundwater quality issues. (State Toxics Control Account-State)
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Fish and Wildlife

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>59,320</b>	<b>315,427</b>	<b>374,747</b>
<b>Total Maintenance Changes</b>	<b>-302</b>	<b>-381</b>	<b>-683</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	9	38	47
2. Contracts Management System	48	218	266
3. Wildfire Season Costs	545	0	545
4. Records Management	0	247	247
5. Vancouver Region Office Relocation	0	218	218
6. Wildlife Disease Management	0	200	200
7. Fish Passage Barriers	1,432	0	1,432
8. HPA Account Adjustment	0	292	292
9. Lake Wash Sockeye Predation Study	150	0	150
10. PNWER Contract	0	50	50
<b>Policy -- Other Total</b>	<b>2,184</b>	<b>1,263</b>	<b>3,447</b>
<b>Policy Changes - Comp</b>			
11. State Employee Health Insurance	-361	-1,666	-2,027
<b>Policy -- Comp Total</b>	<b>-361</b>	<b>-1,666</b>	<b>-2,027</b>
<b>2013-15 Revised Appropriations</b>	<b>60,841</b>	<b>314,643</b>	<b>375,484</b>
Fiscal Year 2014 Total	30,747	151,522	182,269
Fiscal Year 2015 Total	30,094	163,121	193,215

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Contracts Management System** - To meet changing federal reporting requirements, the Washington State Department of Fish and Wildlife (WDFW) must update its current contract management system. One-time funding is provided for an off-the-shelf software solution that can be customized to meet specific agency needs for contract management. (General Fund-State, General Fund-Federal, General Fund-Private/Local, State Wildlife Account-State)
3. **Wildfire Season Costs** - WDFW is required to pay fire suppression costs to local fire districts and the Department of Natural Resources for their support in fighting wildfires on WDFW lands. Operational funding is provided for fire suppression and habitat rehabilitation costs associated with wildfires occurring during fiscal year 2014 that exceeded WDFW's current appropriation.
4. **Records Management** - Public requests for WDFW data and records have increased in the past four years. Ongoing funding is provided to create a records management office to preserve and store records more efficiently and improve the handling of records requests. (General Fund-Federal, General Fund-Private/Local, State Wildlife Account-State)
5. **Vancouver Region Office Relocation** - One-time funding is provided to cover moving costs of WDFW's southwest regional headquarters in Vancouver. (State Wildlife Account-State)
6. **Wildlife Disease Management** - One-time contract funding for a wildlife veterinarian will allow WDFW to investigate and explore treatment for elk hoof rot. (State Wildlife Account-State)
7. **Fish Passage Barriers** - After finding that Washington has not met certain obligations under tribal treaties, a federal court issued a permanent injunction against the state, including WDFW. The March 2013 injunction mandates that fish blocking culverts owned by state natural resource agencies be repaired within 3.5 years to remedy the loss in salmon productivity and the violation of tribal treaty rights. The injunction also requires that maintenance and recurring assessments be conducted on culverts to ensure they do not become barriers to salmon. This ongoing funding will allow WDFW to meet its portion of these obligations.
8. **HPA Account Adjustment** - One-time spending authority is provided to support the development of a new web-based permitting system to track Hydraulic Project Approval (HPA) applications and permits. The new system will provide online applications and permit fee payments as well as access to application materials and process status. (Hydraulic Project Approval Account-State)

## Department of Fish and Wildlife

9. **Lake Wash Sockeye Predation Study** - One-time funding is provided for the Lake Washington basic sockeye salmon predation study.
10. **PNWER Contract** - One-time funding is provided for the WDFW to contract with the Pacific Northwest Economic Region non-profit organization to support regional coordination of invasive species prevention activities in the Pacific Northwest. (Aquatic Invasive Species Prevention Account-State, Aquatic Invasive Species Enforcement Account-State)
11. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Natural Resources

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>87,607</b>	<b>330,973</b>	<b>418,580</b>
<b>Total Maintenance Changes</b>	<b>-70</b>	<b>-949</b>	<b>-1,019</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	21	53	74
2. Emergency Fire Suppression	6,172	0	6,172
3. Increase Expenditure Marine Res Acc	0	422	422
4. Sustainable Trust Land Revenue	0	7,100	7,100
<b>Policy -- Other Total</b>	<b>6,193</b>	<b>7,575</b>	<b>13,768</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	-381	-1,268	-1,649
<b>Policy -- Comp Total</b>	<b>-381</b>	<b>-1,268</b>	<b>-1,649</b>
<b>2013-15 Revised Appropriations</b>	<b>93,349</b>	<b>336,331</b>	<b>429,680</b>
Fiscal Year 2014 Total	48,655	165,504	214,159
Fiscal Year 2015 Total	44,694	170,827	215,521

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Emergency Fire Suppression** - One-time funding is provided for incurred wildland fire suppression activities and costs during FY 2014 that are in excess of the existing fire suppression appropriation, for the Department of Natural Resources (DNR).
3. **Increase Expenditure Marine Res Acc** - Increased spending authority is provided for increasing the number of monitoring sites for ocean acidification in the Puget Sound and coastal estuaries. (Marine Resources Stewardship Trust Account--State)
4. **Sustainable Trust Land Revenue** - DNR manages two million acres of state-owned trust lands, including forest, range, agricultural, and commercial lands. The economic downturn that began in 2008 significantly reduced the revenues from state-owned lands, requiring a \$33.6 million reduction in the agency's expenditures for land management activities. DNR is granted additional funding to resume trust land management activities deferred during the recession. (Forest Development Account-State, Resources Management Cost Account-State)
5. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Agriculture

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>30,594</b>	<b>123,563</b>	<b>154,157</b>
<b>Total Maintenance Changes</b>	<b>-67</b>	<b>-232</b>	<b>-299</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	3	10	13
2. Emergency Food Assistance	800	0	800
<b>Policy -- Other Total</b>	<b>803</b>	<b>10</b>	<b>813</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-110	-711	-821
<b>Policy -- Comp Total</b>	<b>-110</b>	<b>-711</b>	<b>-821</b>
<b>2013-15 Revised Appropriations</b>	<b>31,220</b>	<b>122,630</b>	<b>153,850</b>
Fiscal Year 2014 Total	15,270	61,334	76,604
Fiscal Year 2015 Total	15,950	61,296	77,246

### Comments:

- Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- Emergency Food Assistance** - One-time funding is provided for the Emergency Food Assistance Program.
- State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

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

## Washington Pollution Liability Insurance Program

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>1,587</b>	<b>1,587</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>20</b>	<b>20</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1	1
2. DES Central Services	0	-7	-7
<b>Policy -- Other Total</b>	<b>0</b>	<b>-6</b>	<b>-6</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	0	-7	-7
<b>Policy -- Comp Total</b>	<b>0</b>	<b>-7</b>	<b>-7</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>1,594</b>	<b>1,594</b>
Fiscal Year 2014 Total	0	796	796
Fiscal Year 2015 Total	0	798	798

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Pollution Liability Insurance Account-State)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (Pollution Liability Insurance Account-State)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Puget Sound Partnership

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,734</b>	<b>14,166</b>	<b>18,900</b>
<b>Total Maintenance Changes</b>	<b>67</b>	<b>66</b>	<b>133</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. DES Central Services	-26	-27	-53
3. Review Watershed & Salmon Rec Org	71	0	71
<b>Policy -- Other Total</b>	<b>46</b>	<b>-27</b>	<b>19</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-22	-28	-50
<b>Policy -- Comp Total</b>	<b>-22</b>	<b>-28</b>	<b>-50</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>4,825</b>	<b>14,177</b>	<b>19,002</b>
Fiscal Year 2014 Total	2,398	7,098	9,496
Fiscal Year 2015 Total	2,427	7,079	9,506

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Review Watershed & Salmon Rec Org** - One-time funding is provided to review the roles of local watershed and salmon recovery organizations in implementing the Puget Sound Action Agenda and to provide legislative, budgetary, and administrative recommendations to streamline and strengthen Puget Sound recovery efforts. Recommendations are due to the Legislature by December 1, 2014.
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



# Transportation

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The majority of the funding for transportation services is included in the transportation budget, not the omnibus appropriations act. For additional information on funding for transportation agencies and other transportation funding, see the Transportation section of the Legislative Budget Notes. The omnibus appropriations act includes only a portion of the total funding for the Washington State Patrol and the Department of Licensing.

## **Washington State Patrol**

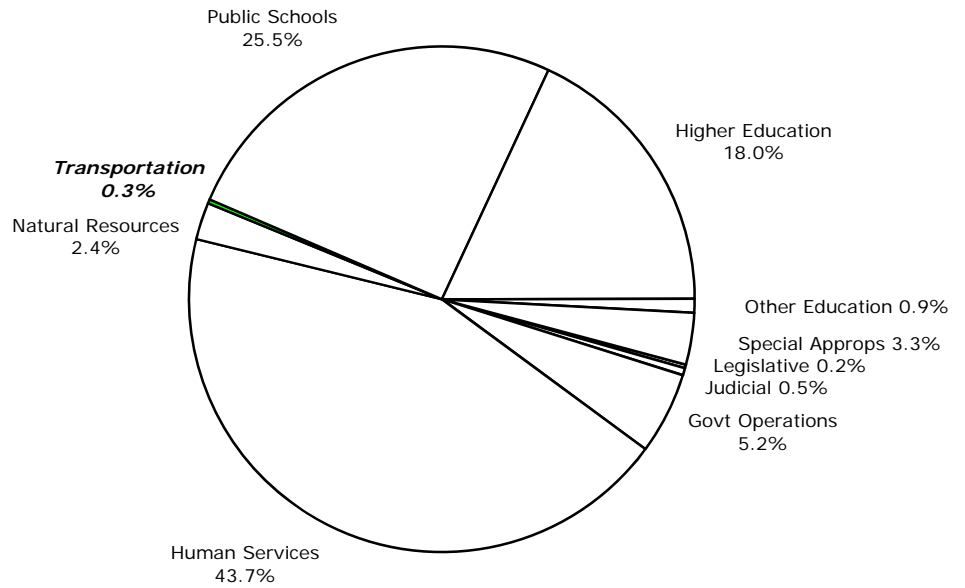
\$1.5 million of funding for the Criminal Records Management Division is shifted from the state general fund to the Fingerprint Identification Account on a one-time basis.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

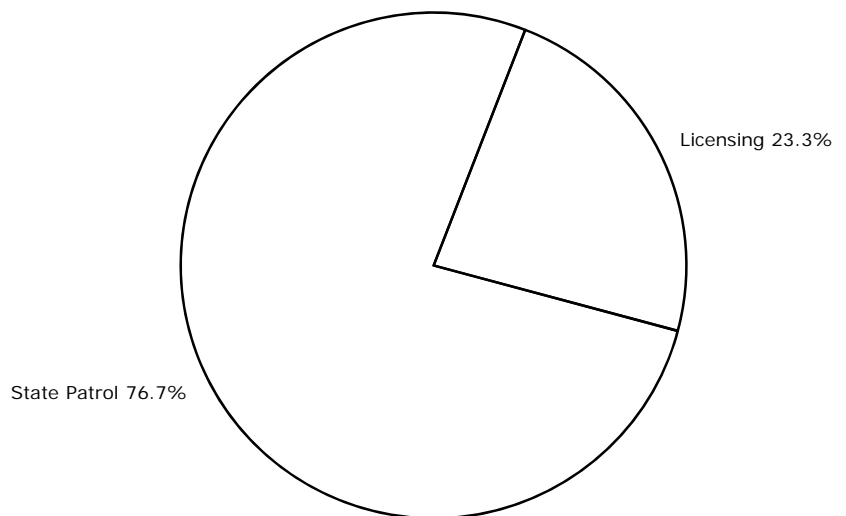
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
<b>Transportation</b>	<b>181,436</b>
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

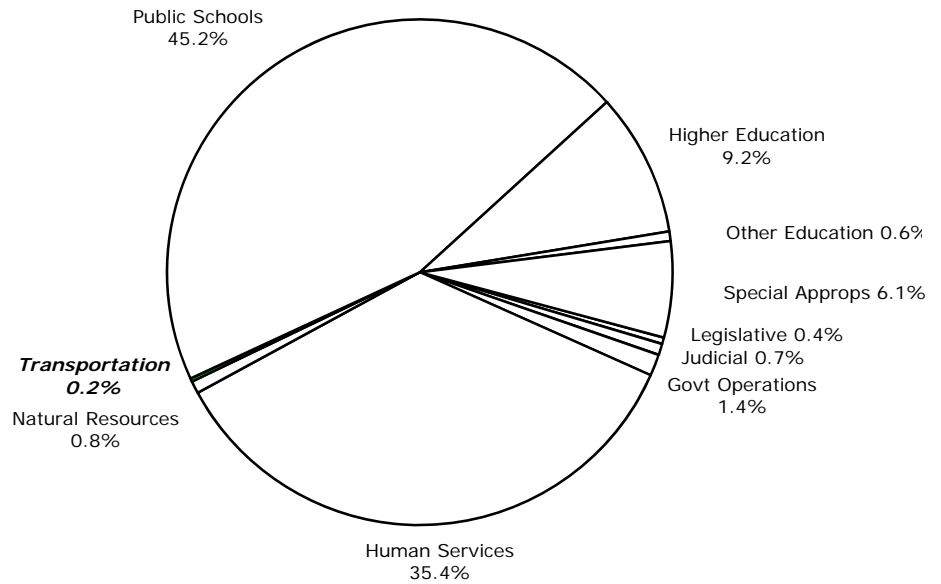
Washington State Patrol	139,235
Dept of Licensing	42,201
<b>Transportation</b>	<b>181,436</b>



## Transportation

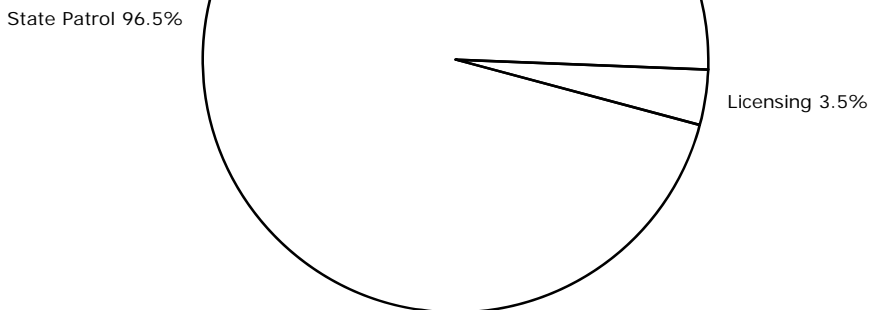
**2013-15 Washington State Omnibus Operating Budget**  
**NGF-S + Opportunity Pathways**  
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
<b>Transportation</b>	<b>69,349</b>
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



**Washington State**

Washington State Patrol	66,898
Dept of Licensing	2,451
<b>Transportation</b>	<b>69,349</b>



**Transportation**

## Washington State Patrol

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>67,138</b>	<b>71,439</b>	<b>138,577</b>
<b>Total Maintenance Changes</b>	<b>1,463</b>	<b>-303</b>	<b>1,160</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	6	0	6
2. Fund Switch-License Invest. Unit	110	-110	0
3. King Airplanes Overhaul	71	0	71
4. Criminal Records Division	-1,500	1,500	0
<b>Policy -- Other Total</b>	<b>-1,313</b>	<b>1,390</b>	<b>77</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	-390	-189	-579
<b>Policy -- Comp Total</b>	<b>-390</b>	<b>-189</b>	<b>-579</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>66,898</b>	<b>72,337</b>	<b>139,235</b>
Fiscal Year 2014 Total	35,561	34,903	70,464
Fiscal Year 2015 Total	31,337	37,434	68,771

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.

fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

2. **Fund Switch-License Invest. Unit** - An appropriation of \$447,000 from the Vehicle License Fraud Account was made to the Washington State Patrol to fund the License Investigation Unit for the 2013-15 biennium. Revenue to this account is primarily from penalties collected from infractions related to vehicle license registrations. Revenues collected have been less than anticipated. One-time General Fund-State funding is provided to cover the projected shortfall for this biennium. (General Fund-State, Vehicle License Fraud Account-State)

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

3. **King Airplanes Overhaul** - Funding is provided for maintenance of the 1995 King Air airplane. (General Fund-State, State Patrol Nonappropriated Airplane Revolving Account-State)

4. **Criminal Records Division** - Funding for the Criminal Records Management Division is shifted to the Fingerprint Identification Account on a one-time basis. The division includes the Central Computerized Enforcement Service System (ACCESS) and the Washington Crime Information Center (WACIC), which are depositories of firearms, fingerprint, and criminal history records. (General Fund-State, Fingerprint Identification Account-State).

5. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to

## Washington Traffic Safety Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>982</b>	<b>0</b>	<b>982</b>
<b>Policy Changes - Transfers</b>			
1. E2SSB 5912	-982	0	-982
<b>Policy -- Transfer Total</b>	<b>-982</b>	<b>0</b>	<b>-982</b>
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Comments:**

- E2SSB 5912** - Funding previously appropriated by Chapter 35, Laws of 2013, 2nd sp.s. (ESSB 5912) for the Washington Traffic Safety Commission (WTSC) related to reducing impaired driving is modified in the budget bill. The appropriation of \$352,000 general fund-state for deposit into the 24/7 Sobriety Account to reimburse state costs associated with establishing the 24/7 Sobriety Program and for program administration costs incurred by the Washington Association of Sheriffs and Police Chiefs is transferred from WTSC to the Criminal Justice Training Commission. In addition, the appropriation of \$630,000 general fund-state for allocation to local governments for the increased incarceration costs incurred as a result of the mandatory arrest of repeat driving under the influence offenders is transferred from WTSC into the County Criminal Justice Assistance Account (\$397,000) and the Municipal Criminal Justice Assistance Account (\$233,000). There is no net change to appropriation levels from these transfers.

## Department of Licensing

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>2,444</b>	<b>39,916</b>	<b>42,360</b>
<b>Total Maintenance Changes</b>	<b>-49</b>	<b>22</b>	<b>-27</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	2	29	31
2. Identocard Pilot Program	67	0	67
<b>Policy -- Other Total</b>	<b>69</b>	<b>29</b>	<b>98</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-13	-217	-230
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>-217</b>	<b>-230</b>
<b>2013-15 Revised Appropriations</b>	<b>2,451</b>	<b>39,750</b>	<b>42,201</b>
Fiscal Year 2014 Total	1,097	20,446	21,543
Fiscal Year 2015 Total	1,354	19,304	20,658

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Identocard Pilot Program** - Funding is provided to implement a pilot identocard program to assist and prepare offenders released from prison for reentry into the community.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

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

# Public Schools

## **Enhancements to the Program of Basic Education**

### **Materials, Supplies and Operating Costs**

Funding totaling \$58.0 million is provided to further enhance the materials, supplies, and operating costs (MSOC) component of the prototypical school funding model, increasing the per full-time equivalent student allocation to \$848.04 from \$781.72.

### **Opportunity for 24 Credits and Instructional Hours**

Funding in the amount of \$97.0 million is reallocated within the program of basic education from implementation of increased instructional hours as directed under Chapter 4, Laws of 2013, 2nd sp.s., to implement Chapter 217, Laws of 2014 (E2SSB 6552). Under the reallocation, funding is provided for a class size enhancement for two laboratory science classes within grades 9 through 12, increased prototypical high school guidance counselor allocations, and an additional MSOC allocation for grades 9 through 12. A proportional increase for educational staff associate ratios in career and technical education and skill center allocations is also provided. Additionally, funding is provided for rule making at the State Board of Education and for the Office of the Superintendent of Public Instruction (OSPI) to develop curriculum frameworks for a selected list of career and technical education courses. The net impact of this shift is a reduction of \$0.2 million.

## **Other Enhancements to Public Schools**

### **Professional Development**

Funding in the amount of \$2.0 million is provided for support and professional development of new teachers. An additional \$ 0.3 million is provided for the Professional Educator Standards Board to convene a work group to provide recommendations for minimum employment standards, professional development, and career and education opportunities for paraeducators.

### **Federal Forest Deductible Revenues**

Funding in the amount of \$2.0 million is provided for implementation of Chapter 155, Laws of 2014 (E2SHB 2207) which partially eliminates the reduction of school district federal timber revenue receipts from school district general apportionment allocations. However, this provision within the budget was vetoed by the Governor. The veto message indicates that the underlying general apportionment appropriations are sufficient to fully fund apportionment payments to school districts and fulfill the intent of E2SHB 2207.

### **Transportation Funding Adjustment**

Funding in the amount of \$0.6 million is provided for pupil transportation funding formula adjustments to school district allocations provided through the Student Transportation Allocation Reporting System model, to account for extenuating circumstances not included in allocations to districts that are at least 95 percent efficient.

**Improved Educational Outcomes**

Funding in the amount of \$0.4 million is provided for implementation of legislation related to expanding learning opportunities and improved outcomes for homeless students as well as strategies to close the opportunity gap.

**Other****Savings and Reductions**

Savings and reductions in the amount of \$0.5 million are achieved through a combination of refined cost estimates and the absorption of costs related to student assessment within OSPI's budget.

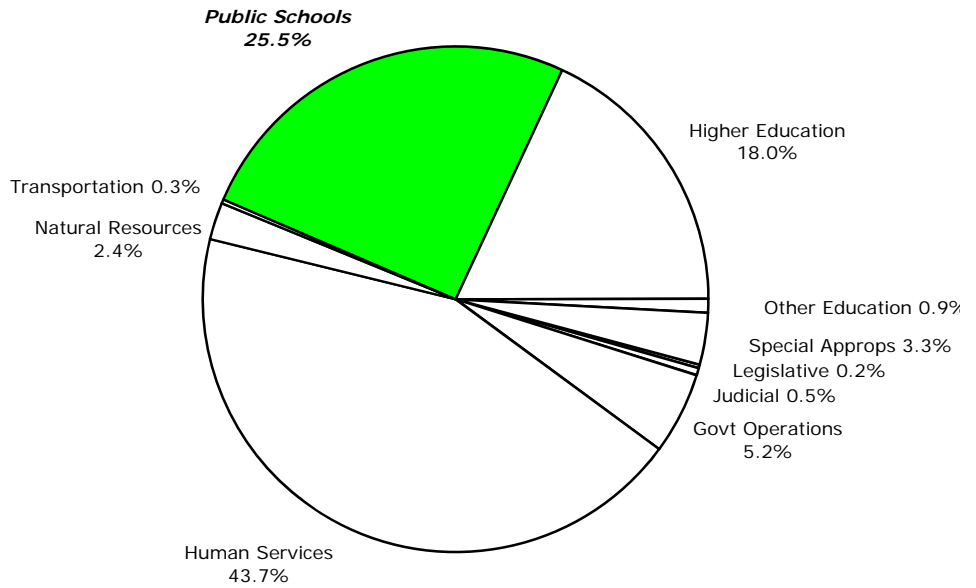


# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

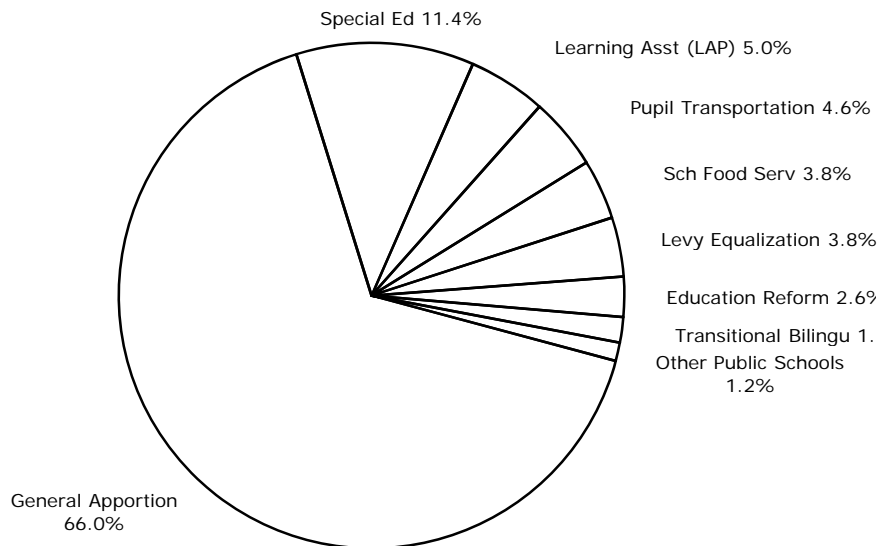
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
<b>Public Schools</b>	<b>17,215,546</b>
Higher Education	12,199,856
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

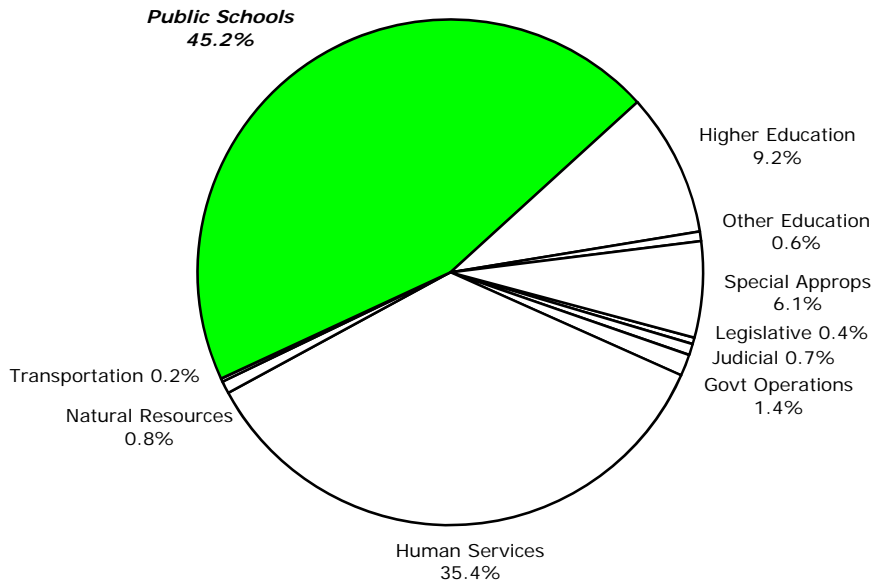
General Apportionment	11,365,815
Special Education	1,958,510
Learning Assist Pgm	860,139
Pupil Transpo	794,360
School Food Services	660,560
Levy Equalization	652,326
Education Reform	439,282
Transit Bilingual Inst	279,996
Other Public Schools	204,558
<b>Public Schools</b>	<b>17,215,546</b>



## Public Schools

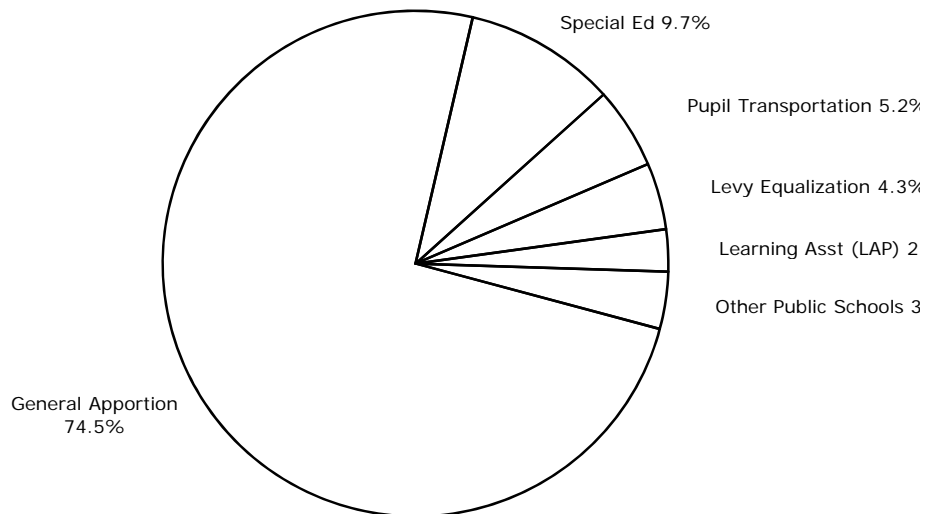
**2013-15 Washington State Omnibus Operating Budget**  
**NGF-S + Opportunity Pathways**  
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
<b>Public Schools</b>	<b>15,262,882</b>
Higher Education	3,098,248
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



**Washington State**

General Apportionment	11,365,815
Special Education	1,482,388
Pupil Transpo	794,360
Levy Equalization	652,326
Learning Assist Pgm	409,605
Other Public Schools	558,388
<b>Public Schools</b>	<b>15,262,882</b>



**Public Schools**

# Public Schools

## WORKLOAD HISTORY

By School Year

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Estimated	
									2013-14	2014-15
<b>General Apportionment</b>										
FTE Enrollment	972,079	973,612	975,540	980,982	988,501	992,905	990,422	994,063	1,001,051	1,011,029
% Change from prior year	0.6%	0.2%	0.2%	0.6%	0.8%	0.4%	-0.3%	0.4%	0.7%	1.0%
<b>Special Education</b>										
Funded Enrollment <sup>(1)</sup>	121,758	121,691	126,053	128,180	130,314	132,950	134,116	135,314	135,771	138,135
% Change from prior year	0.8%	-0.1%	3.6%	1.7%	1.7%	2.0%	0.9%	0.9%	0.3%	1.7%
<b>Bilingual Education</b>										
Headcount Enrollment	76,716	76,505	80,689	82,915	84,855	89,920	88,719	95,330	102,507	106,591
% Change from prior year	1.9%	-0.3%	5.5%	2.8%	2.3%	6.0%	-1.3%	7.5%	7.5%	4.0%
<b>Learning Assistance Program</b>										
Entitlement Units <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Funded Student Units	408,477	419,033	414,238	416,753	414,238	416,753	433,108	452,281	456,129	465,630
% Change from prior year		2.6%	-1.1%	0.6%	-0.6%	0.6%	3.9%	4.4%	0.9%	2.1%

<sup>(1)</sup> For the 2002-03, 2003-04, and 2004-05 school years, a portion of the special education enrollment was funded with federal dollars.

<sup>(2)</sup> In the 2005 legislative session, the Legislature made significant changes to the allocation formula for the Learning Assistance Program. For this reason, the workload amounts for the 2005-07 biennium are not comparable to prior years.

### Data Sources :

1999-00 through 2012-13 amounts are from the Office of the Superintendent of Public Instruction and the Caseload Forecast Council.

2013-14 and 2014-15 estimates are from the Caseload Forecast Council June 2013 forecast and legislative budgets from the 2013 session.

## Public Schools OSPI & Statewide Programs

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>53,305</b>	<b>74,352</b>	<b>127,657</b>
<b>Total Maintenance Changes</b>	<b>9</b>	<b>7,238</b>	<b>7,247</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	24	0	24
2. Administrative Hearings	4	0	4
3. Closing the Opportunity Gap	218	0	218
4. Program Compliance	267	0	267
5. Youth Suicide Prevention	148	0	148
6. Paraeducator Development	128	0	128
7. 24 Credit Graduation Requirement	309	0	309
8. SSB 6129 - Paraeducator Development	150	0	150
<b>Policy -- Other Total</b>	<b>1,248</b>	<b>0</b>	<b>1,248</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-173	-163	-336
<b>Policy -- Comp Total</b>	<b>-173</b>	<b>-163</b>	<b>-336</b>
<b>2013-15 Revised Appropriations</b>	<b>54,389</b>	<b>81,427</b>	<b>135,816</b>
Fiscal Year 2014 Total	27,273	43,828	71,101
Fiscal Year 2015 Total	27,116	37,599	64,715

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases.
3. **Closing the Opportunity Gap** - One-time funding totaling \$245,000 is provided for strategies to close the opportunity gap. Provided within these funds is \$28,000 for the Office of the Superintendent of Public Instruction (OSPI) to create a clearinghouse of best practices for high quality alternative instruction for expelled students; \$49,000 for OSPI to develop a content outline for cultural competence professional development; \$117,000 for OSPI to convene an English language learner accountability task force whose purpose is to design a performance-based accountability system for the Transitional Bilingual Instruction Program; \$14,000 for the Professional Educator Standards Board (PESB) to examine principles of language acquisition; \$10,000 for PESB, in collaboration with OSPI, to convene a work group to revise education-related career and technical education courses to incorporate cultural competence standards; and \$27,000 for the incorporation of cultural competence in the Teacher and Principal Evaluation Program.
4. **Program Compliance** - Funding is provided for OSPI to monitor school districts' compliance with state and federal equity and civil rights laws, as well as conduct ongoing consolidated program reviews of Alternative Learning Experience and dropout reengagement programs.
5. **Youth Suicide Prevention** - Funding is provided for the implementation of Chapter 103, Laws of 2014 (SSB 6431), directing OSPI to work with state agency and community partners to assist schools in implementing youth suicide prevention activities, which may include training, partnering with local coalitions of community members, and responding to communities determined to be in crisis following a suicide or attempted suicide.
6. **Paraeducator Development** - Funding is provided for implementation of Chapter 136, Laws of 2014, Partial Veto (SSB 6129), directing PESB to convene a work group to design program-specific minimum employment standards for paraeducators, recommend professional development for paraeducators in specific program areas and for certificated staff to focus on maximizing the use of paraeducators in the classroom, develop a career ladder, and design an articulated pathway for teacher preparation from paraeducator certificates through teacher certification. As described below (SSB 6129 - Paraeducator Development), additional funding to PESB of \$150,000 is also provided in item 8.
7. **24 Credit Graduation Requirement** - Funding in the amount of \$287,000 is provided for OSPI to implement Part I of Chapter 217, Laws of 2014, Partial Veto (E2SSB 6552). OSPI

## Public Schools OSPI & Statewide Programs

is directed to develop curriculum frameworks for a selected list of career and technical education courses considered equivalent to math or science courses required for graduation.

Additionally, \$22,000 is provided for the State Board of Education to adopt rules to implement a 24 credit Career and College Ready graduation requirement framework. (General Fund-State)

8. **SSB 6129 - Paraeducator Development** - Funding is provided for implementation of Chapter 136, Laws of 2014, Partial Veto (SSB 6129), directing PESB to convene a work group to design program-specific minimum employment standards for paraeducators, recommend professional development for paraeducators in specific program areas and for certificated staff to focus on maximizing the use of paraeducators in the classroom, develop a career ladder, and design an articulated pathway for teacher preparation from paraeducator certificates through teacher certification. For this purpose, \$150,000 is appropriated to PESB.
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Public Schools General Apportionment

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>11,305,188</b>	<b>0</b>	<b>11,305,188</b>
<b>Total Maintenance Changes</b>	<b>10,809</b>	<b>0</b>	<b>10,809</b>
<b>Policy Changes - Other</b>			
1. Materials, Supplies, & Op. Costs	50,968	0	50,968
2. Federal Forest Deductible Revenues	1,991	0	1,991
3. 24 Credit Graduation Requirement	-1,150	0	-1,150
4. Governor Veto	-1,991	0	-1,991
<b>Policy -- Other Total</b>	<b>49,818</b>	<b>0</b>	<b>49,818</b>
<b>2013-15 Revised Appropriations</b>	<b>11,365,815</b>	<b>0</b>	<b>11,365,815</b>
Fiscal Year 2014 Total	5,520,518	0	5,520,518
Fiscal Year 2015 Total	5,845,297	0	5,845,297

**Comments:**

1. **Materials, Supplies, & Op. Costs** - Allocations for materials, supplies, and operating costs (MSOC) are increased by \$66.32 per full-time equivalent (FTE) student, from \$781.72 to \$848.04 for school year 2014-15. The increase in the MSOC allocation is distributed proportionally across the MSOC categories.
2. **Federal Forest Deductible Revenues** - Funding is provided for the implementation of Chapter 155, Laws of 2014, Partial Veto (E2SHB 2207), partially eliminating the reduction of school district federal timber revenue receipts from school district general apportionment allocations. The estimated cost for state FY 2015 is \$2.0 million. For the 2014-15 school year, the estimated cost is \$2.5 million. This appropriation assumes that the federal forest revenues will be reauthorized for federal FY 2015. However, this item was vetoed by the Governor. (General Fund-State)
3. **24 Credit Graduation Requirement** - Chapter 4, Laws of 2013, 2nd sp.s., Partial Veto (3ESSB 5034), established an implementation schedule for a requirement that school districts increase instructional hours from an average of 1,000 hours districtwide to 1,000 hours in each of grades 1 through 6 and 1,080 hours in each of grades 7 through 12. This requirement is eliminated in the omnibus appropriations act, and funding associated with the requirement is reallocated for implementation of Chapter 217, Laws of 2014, Partial Veto (E2SSB 6552), which includes a revised implementation schedule for increased instructional hours. The following enhancements to the prototypical school funding formula are included in the reallocation: (1) enhanced funding for class size reduction for two laboratory science classes within grades 9 through 12; (2) an increase in the prototypical school allocation for high school guidance counselors from 2.009 to 2.539 FTE staff; and (3) an additional minimum allocation for MSOC for grades 9 through 12 of \$164.25 per FTE student. The net impact of these changes is a reduction to the general apportionment allocation and an increase in the special education and state office allocations. Additionally, career and technical education and skill center educational staff associate ratios are increased in proportion to the increase in the basic education allocations for educational staff associates. (General Fund-State and Education Legacy Trust Account-State)
4. **Governor Veto** - Funding in the amount of \$2.0 million was provided for implementation of E2SHB 2207 that partially eliminates the reduction of school district federal timber revenue receipts from school district general apportionment allocations. However, this provision within the budget was vetoed by the Governor. The veto message indicates that the underlying general apportionment appropriations are sufficient to fully fund apportionment payments to school districts and fulfill the intent of E2SHB 2207.

**Public Schools  
Pupil Transportation**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>792,528</b>	<b>0</b>	<b>792,528</b>
<b>Total Maintenance Changes</b>	<b>1,274</b>	<b>0</b>	<b>1,274</b>
<b>Policy Changes - Other</b>			
1. Transportation Funding Adjustment	558	0	558
<b>Policy -- Other Total</b>	<b>558</b>	<b>0</b>	<b>558</b>
<b>2013-15 Revised Appropriations</b>	<b>794,360</b>	<b>0</b>	<b>794,360</b>
Fiscal Year 2014 Total	365,048	0	365,048
Fiscal Year 2015 Total	429,312	0	429,312

**Comments:**

- 1. Transportation Funding Adjustment** - Funding is provided for pupil transportation funding formula adjustments in school year 2014-15. School districts with allocations for the 2013-14 school year that exceed their allocations under the expected cost pupil transportation funding model and that have an efficiency rating of at least 95 percent, are eligible to receive an adjustment in their respective pupil transportation allocation. This funding formula adjustment is provided to account for extenuating circumstances beyond district control, such as geographical anomalies.

**Public Schools  
School Food Services**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>14,222</b>	<b>618,338</b>	<b>632,560</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>28,000</b>	<b>28,000</b>
<b>2013-15 Revised Appropriations</b>	<b>14,222</b>	<b>646,338</b>	<b>660,560</b>
Fiscal Year 2014 Total	7,111	318,247	325,358
Fiscal Year 2015 Total	7,111	328,091	335,202

**Comments:**

None.



## Public Schools Special Education

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,486,343</b>	<b>462,022</b>	<b>1,948,365</b>
<b>Total Maintenance Changes</b>	<b>-11,537</b>	<b>14,100</b>	<b>2,563</b>
<b>Policy Changes - Other</b>			
1. Materials, Supplies, & Op. Costs	7,040	0	7,040
2. 24 Credit Graduation Requirement	592	0	592
<b>Policy -- Other Total</b>	<b>7,632</b>	<b>0</b>	<b>7,632</b>
<b>Policy Changes - Transfers</b>			
3. Special Education Ombuds	-50	0	-50
<b>Policy -- Transfer Total</b>	<b>-50</b>	<b>0</b>	<b>-50</b>
<b>2013-15 Revised Appropriations</b>	<b>1,482,388</b>	<b>476,122</b>	<b>1,958,510</b>
Fiscal Year 2014 Total	712,698	236,602	949,300
Fiscal Year 2015 Total	769,690	239,520	1,009,210

**Comments:**

1. **Materials, Supplies, & Op. Costs** - Allocations for materials, supplies, and operating costs (MSOC) are increased by \$66.32 per full-time equivalent (FTE) student, from \$781.72 to \$848.04 for school year 2014-15. The increase in the MSOC allocation is distributed proportionally across the MSOC categories.

(OEO). The Superintendent of Public Instruction is directed to contract with OEO, using up to \$50,000 of General Fund-Federal appropriations to provide for any additional Special Education Ombuds services currently provided through OSPI. However, language directing the actual transfer was vetoed by the Governor.

2. **24 Credit Graduation Requirement** - Chapter 4, Laws of 2013, 2nd sp.s, Partial Veto (3ESSB 5034), established an implementation schedule for a requirement that school districts increase instructional hours from an average of 1,000 hours districtwide to 1,000 hours in each of grades 1 through 6 and 1,080 hours in each of grades 7 through 12. This requirement is eliminated in the omnibus appropriations act and funding associated with the requirement is reallocated for implementation of Chapter 217, Laws of 2014, Partial Veto (E2SSB 6552), which includes a revised implementation schedule for increased instructional hours. The following enhancements to the prototypical school funding formula are included in the reallocation: (1) enhanced funding for class size reduction for two laboratory science classes within grades 9 through 12; (2) an increase in the prototypical school allocation for high school guidance counselors from 2.009 to 2.539 FTE staff; and (3) an additional minimum allocation for MSOC for grades 9 through 12 of \$164.25 per FTE student. The net impact of these changes is a reduction to the general apportionment allocation and an increase in the special education and state office allocations. Additionally, career and technical education and skill center educational staff associate ratios are increased in proportion to the increase in the basic education allocations for educational staff associates. (General Fund-State and Education Legacy Trust Account-State)

3. **Special Education Ombuds** - The Special Education Ombuds is transferred from the Office of the Superintendent of Public Instruction (OSPI) to the Office of the Education Ombuds

**Public Schools  
Educational Service Districts**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>16,294</b>	<b>0</b>	<b>16,294</b>
<b>Total Maintenance Changes</b>	<b>-49</b>	<b>0</b>	<b>-49</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>16,245</b>	<b>0</b>	<b>16,245</b>
Fiscal Year 2014 Total	8,121	0	8,121
Fiscal Year 2015 Total	8,124	0	8,124

**Comments:**

None.

**Public Schools  
Levy Equalization**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>646,707</b>	<b>0</b>	<b>646,707</b>
<b>Total Maintenance Changes</b>	<b>5,619</b>	<b>0</b>	<b>5,619</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>652,326</b>	<b>0</b>	<b>652,326</b>
Fiscal Year 2014 Total	311,882	0	311,882
Fiscal Year 2015 Total	340,444	0	340,444

***Comments:***

None.

**Public Schools  
Institutional Education**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>30,784</b>	<b>0</b>	<b>30,784</b>
<b>Total Maintenance Changes</b>	<b>-2,852</b>	<b>0</b>	<b>-2,852</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>27,932</b>	<b>0</b>	<b>27,932</b>
Fiscal Year 2014 Total	13,968	0	13,968
Fiscal Year 2015 Total	13,964	0	13,964

***Comments:***

None.

**Public Schools**  
**Education of Highly Capable Students**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>19,232</b>	<b>0</b>	<b>19,232</b>
<b>Total Maintenance Changes</b>	<b>-8</b>	<b>0</b>	<b>-8</b>
<b>2013-15 Revised Appropriations</b>	<b>19,224</b>	<b>0</b>	<b>19,224</b>
Fiscal Year 2014 Total	9,539	0	9,539
Fiscal Year 2015 Total	9,685	0	9,685

**Comments:**

None.

**Public Schools**  
**Elementary & Secondary School Improvement**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>4,052</b>	<b>4,052</b>
<b>Total Maintenance Changes</b>	<b>0</b>	<b>250</b>	<b>250</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>4,302</b>	<b>4,302</b>
Fiscal Year 2014 Total	0	2,151	2,151
Fiscal Year 2015 Total	0	2,151	2,151

***Comments:***

None.

## Public Schools Education Reform

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>227,963</b>	<b>210,236</b>	<b>438,199</b>
<b>Total Maintenance Changes</b>	<b>-12,095</b>	<b>11,600</b>	<b>-495</b>
<b>Policy Changes - Other</b>			
1. Closing the Opportunity Gap	27	0	27
2. New Teacher Mentoring Program	2,000	0	2,000
3. Improved Student Outcomes (SB5946)	-176	0	-176
4. Homeless Student Education Outcomes	44	0	44
5. Expanded Learning Opportunities	83	0	83
6. Biliteracy Seal	21	0	21
7. Alternative Assessment	-167	0	-167
8. Biology COE	-158	0	-158
<b>Policy -- Other Total</b>	<b>1,674</b>	<b>0</b>	<b>1,674</b>
<b>Policy Changes - Comp</b>			
9. State Employee Health Insurance	-68	-28	-96
<b>Policy -- Comp Total</b>	<b>-68</b>	<b>-28</b>	<b>-96</b>
<b>2013-15 Revised Appropriations</b>	<b>217,474</b>	<b>221,808</b>	<b>439,282</b>
Fiscal Year 2014 Total	115,139	117,204	232,343
Fiscal Year 2015 Total	102,335	104,604	206,939

**Comments:**

1. **Closing the Opportunity Gap** - One-time funding totaling \$245,000 is provided for strategies to close the opportunity gap. Provided within these funds is \$28,000 for the Office of the Superintendent of Public Instruction (OSPI) to create a clearinghouse of best practices for high quality alternative instruction for expelled students; \$49,000 for OSPI to develop a content outline for cultural competence professional development; \$117,000 for OSPI to convene an English language learner accountability task force whose purpose is to design a performance-based accountability system for the Transitional Bilingual Instruction Program; \$14,000 for the Professional Educator Standards Board (PESB) to examine principles of language acquisition; \$10,000 for PESB, in collaboration with OSPI, to convene a work group to revise education related career and technical education courses to incorporate cultural competence standards; and \$27,000 for the incorporation of cultural competence in the Teacher and Principal Evaluation Program.
2. **New Teacher Mentoring Program** - Funding is provided to expand the number of teachers that may participate in the Beginning Educator Support Team (BEST) program at OSPI. BEST provides grants to school districts to provide an enhanced level of support and professional development for new teachers.
3. **Improved Student Outcomes (SB5946)** - Funding allocations for Chapter 18, Laws of 2013, 2nd sp.s., Partial Veto (ESSB 5946), are adjusted to reflect projected under-expenditures and move expenditures from FY 2014 to FY 2015.
4. **Homeless Student Education Outcomes** - Funding is provided for implementation of Chapter 212, Laws of 2014 (SSB 6074), directing the Superintendent of Public Instruction (SPI) to: (1) collect and report homeless student data to the Governor and the Legislature; (2) post a short video providing information on identifying and providing support to homeless students, and why these activities are critical to student success; and (3) distribute best practices for choosing and training district-designated homeless student liaisons.
5. **Expanded Learning Opportunities** - Funding is provided for staff support of the Expanded Learning Opportunities Council to implement Chapter 219, Laws of 2014 (SSB 6163).
6. **Biliteracy Seal** - Funding is provided for costs associated with required rule adoption and staffing at the Office of the Superintendent of Public Instruction for the implementation of Chapter 102, Laws of 2014 (SB 6424), establishing the Washington State Seal of Biliteracy to recognize public high school graduates who have attained a high level of proficiency in speaking, reading, and writing in one or more world languages in addition to English.
7. **Alternative Assessment** - SPI is directed to create an alternative assessment that aligns with the Common Core State Standards (CCSS) within existing resources. With the state's transition to CCSS, the alternate assessment (for students with the most significant cognitive challenges, also known as the "1 percent test"), requires migration from its current standards to supporting the testing associated with the CCSS.

## Public Schools Education Reform

8. **Biology COE** - SPI is directed to develop and administer the Biology Collection of Evidence (COE) assessment within existing resources. The Biology COE assessment is comparable to the current biology end-of-course test. The Biology COE is a primary alternative for high school students and requires intensive ongoing development activities.
9. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



**Public Schools**  
**Transitional Bilingual Instruction**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>201,620</b>	<b>71,016</b>	<b>272,636</b>
<b>Total Maintenance Changes</b>	<b>6,260</b>	<b>1,100</b>	<b>7,360</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>207,880</b>	<b>72,116</b>	<b>279,996</b>
Fiscal Year 2014 Total	97,796	40,102	137,898
Fiscal Year 2015 Total	110,084	32,014	142,098

**Comments:**

None.

**Public Schools**  
**Learning Assistance Program (LAP)**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>414,691</b>	<b>448,434</b>	<b>863,125</b>
<b>Total Maintenance Changes</b>	<b>-5,086</b>	<b>2,100</b>	<b>-2,986</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>409,605</b>	<b>450,534</b>	<b>860,139</b>
Fiscal Year 2014 Total	194,728	222,263	416,991
Fiscal Year 2015 Total	214,877	228,271	443,148

**Comments:**

None.

## Washington Charter School Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Maintenance Changes</b>	<b>922</b>	<b>0</b>	<b>922</b>
<b>Policy Changes - Other</b>			
1. Attorney General Lawsuit Costs	8	0	8
2. Attorney General Legal Services	1	0	1
3. Charter Evaluation and Oversight	91	17	108
<b>Policy -- Other Total</b>	<b>100</b>	<b>17</b>	<b>117</b>
<b>2013-15 Revised Appropriations</b>	<b>1,022</b>	<b>17</b>	<b>1,039</b>
Fiscal Year 2014 Total	466	0	466
Fiscal Year 2015 Total	556	17	573

**Comments:**

1. **Attorney General Lawsuit Costs** - One-time funding is provided for the estimated Attorney General costs related to legal challenges in League of Women Voters of Washington et al.v. State. This increase is net of anticipated under-expenditures for FY 2014.
2. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
3. **Charter Evaluation and Oversight** - The Charter School Initiative 1240 requires the Washington State Charter School Commission (Commission) to continually monitor the performance and legal compliance of the charter schools it oversees, including collecting and analyzing data to support ongoing evaluation according to the performance framework in the charter contract. Funding is provided for the Commission to comply with this requirement of Initiative 1240 including staffing (1.0 annual FTE) and contractual costs. This funding increase is net of anticipated under-expenditures for FY 2015. (General Fund-State, Charter School Oversight Account-State)

# Higher Education

## **Overview**

After the 2014 supplemental operating budget, a total of \$3.1 billion in state funds (Near General Fund plus Opportunity Pathways Account) is appropriated for higher education (including financial aid) in the 2013-15 biennium. Approximately 76.5 percent of this total (\$2.4 billion) is to the public colleges and universities. This represents a decrease of 1.1 percent (\$25.9 million) in state funds to institutions of higher education from the original 2013-15 operating budget appropriations and an increase of approximately 0.4 percent (\$11.7 million) to higher education overall. Changes to state employee health insurance (-\$30.0 million) account for the majority of the institutional decrease. Supplemental appropriations for financial aid are approximately 5.5 percent (\$37.6 million) above the original 2013-15 operating budget appropriations.

The 2014 supplemental operating budget extends the institutional tuition setting authority suspension in place for the 2013-14 academic year to the 2014-15 academic year.

## **Major Increases**

### **Opportunity Scholarship Program**

A total of \$25.4 million is provided to the Student Achievement Council for the Opportunity Scholarship Program for student scholarships and to match private contributions received to date. The Opportunity Scholarship Program is a public/private partnership that provides scholarships to students who have received their high school diploma or GED in Washington State and are pursuing a four-year degree in a high-demand field of study.

### **College Bound Scholarship Program**

An additional \$12.2 million is provided to meet commitments for the College Bound Scholarship Program. This Program is open to low-income 7th and 8th graders who sign a pledge to meet certain criteria including graduating from high school on time with a 2.0 grade point average. Students who meet the eligibility requirements of the Program are awarded scholarships covering the costs of public sector tuition and fees and a small book allowance. The first College Bound Scholarship cohort began receiving funding in the fall of 2012. With this additional appropriation, a total of \$48.3 million is provided for scholarship awards.

### **Aerospace Enrollments**

A total of \$8.0 million is provided for additional high-demand aerospace enrollments at the community and technical colleges as part of Chapter 1, Laws of 2013, 3<sup>rd</sup> sp.s. (EHB 2088). These enrollments will be located in programs, and at sites, recommended by the Washington Aerospace and Advanced Manufacturing Pipeline Advisory Committee. A portion of the funding will offset training being provided through a federal grant which ends at the conclusion of the 2013-14 academic year.

**Real Hope Act**

An additional \$5.0 million is added to the State Need Grant Program as part of Chapter 1, Laws of 2014 (SB 6523). Students who are granted Deferred Action for Childhood Arrival (DACA) status or meet other residency requirements will be eligible to receive grant funding through the State Need Grant Program.

**Institute of Protein Design**

A total of \$1.0 million is provided to the University of Washington to support the commercialization of translational projects through the recruitment and funding of faculty and staff.

**Computer Science and Engineering Expansion**

An additional \$1.0 million is provided to Central Washington University to expand computer science and engineering enrollments. An additional \$1.0 million is provided to Eastern Washington University to expand engineering enrollments.

**Jet Fuels Center of Excellence**

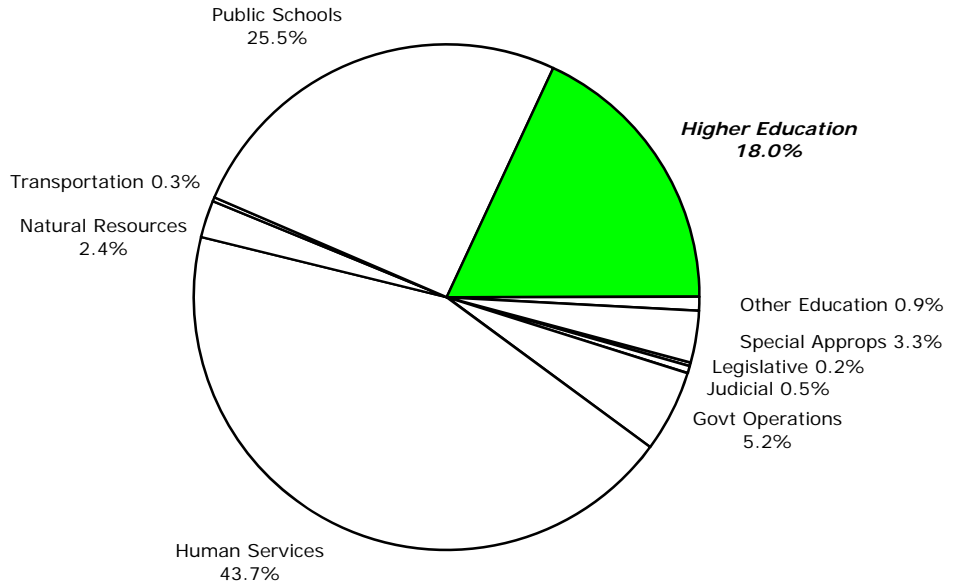
A total of \$750,000 is provided to Washington State University for state match requirements related to the Federal Aviation Administration (FAA) grant expected to continue until 2018. Washington State University has been designated as the lead for the Air Transportation Center of Excellence for Alternative Jet Fuels and the Environment. The FAA is expected to award \$4.0 million per year to the Center. State matching funds will pay for a portion of the Center's administrative costs and graduate research assistants.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

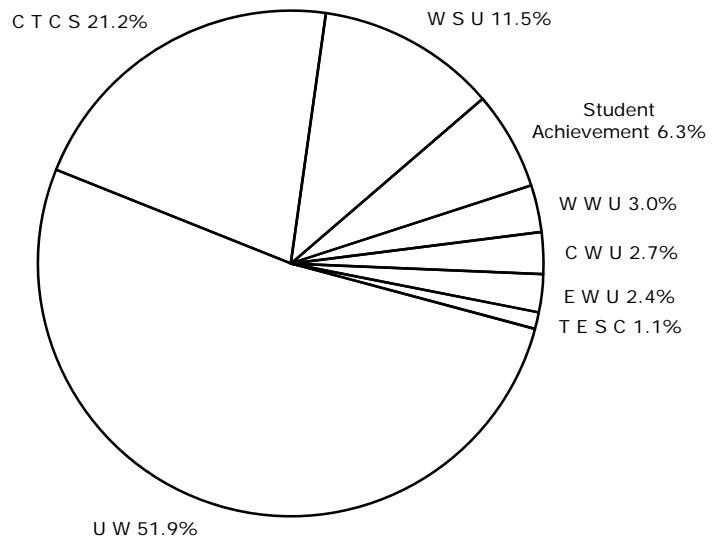
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
<b>Higher Education</b>	<b>12,199,856</b>
Other Education	592,735
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

Univ of Washington	6,329,572
C T C S	2,583,263
Washington State Univ	1,400,902
Student Achievement	767,840
Western Washington Univ	366,570
Central Washington Univ	325,070
Eastern Washington Univ	296,431
The Evergreen State Coll	130,208
<b>Higher Education</b>	<b>12,199,856</b>



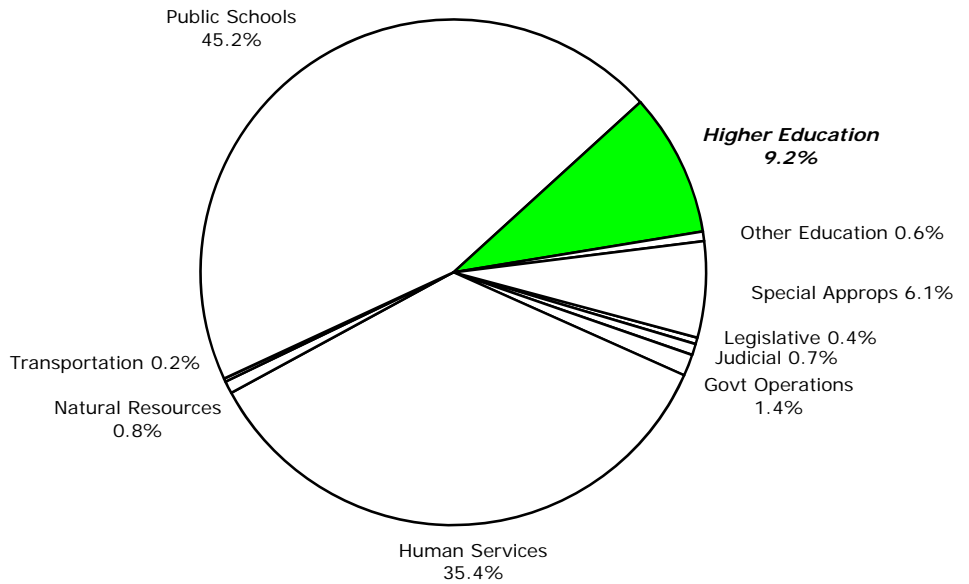
## Higher Education

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

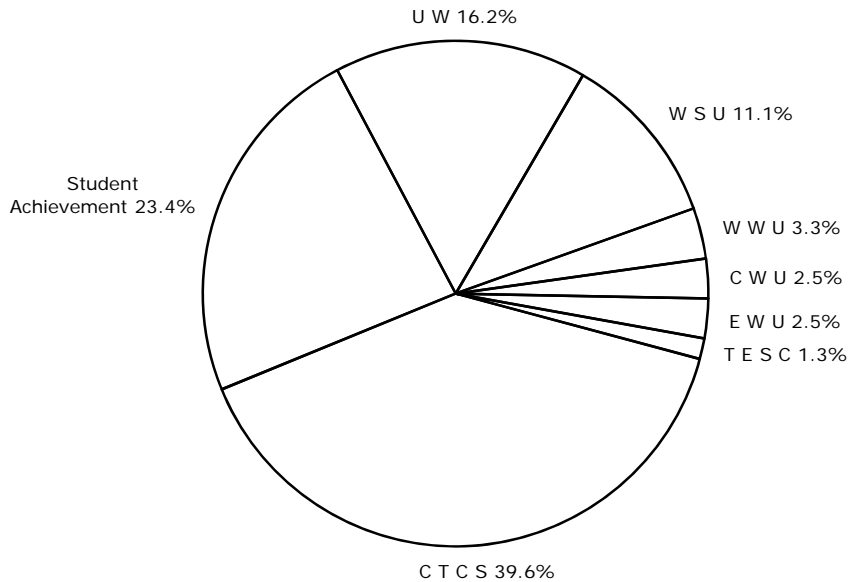
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
<b>Higher Education</b>	<b>3,098,248</b>
Other Education	204,565
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

C T C S	1,228,339
Student Achievement	726,048
Univ of Washington	500,533
Washington State Univ	344,968
Western Washington Univ	100,757
Central Washington Univ	78,296
Eastern Washington Univ	78,135
The Evergreen State Coll	41,172
<b>Higher Education</b>	<b>3,098,248</b>



## Higher Education

**Higher Education**  
**FTE Student Enrollment History**  
 By Academic Year

	Actual Enrollment							Budgeted	
	<u>2006-07<sup>(1)</sup></u>	<u>2007-08<sup>(1)</sup></u>	<u>2008-09<sup>(1)</sup></u>	<u>2009-10<sup>(1)</sup></u>	<u>2010-11<sup>(1)</sup></u>	<u>2011-12<sup>(1)</sup></u>	<u>2012-13<sup>(1)</sup></u>	<u>2013-14</u>	<u>2014-15</u>
<b>Community &amp; Technical Colleges</b>	<b>143,019</b>	<b>147,908</b>	<b>159,845</b>	<b>173,237</b>	<b>175,010</b>	<b>166,112</b>	<b>160,977</b>	<b>150,795</b>	<b>150,795</b>
Adult Students	132,176	136,723	148,000	160,778	162,328	153,395	147,433	139,237	139,237
Running Start Students <sup>(2)</sup>	10,843	11,185	11,845	12,459	12,682	12,717	13,544	11,558	11,558
<b>Four-Year Schools</b>	<b>92,182</b>	<b>94,310</b>	<b>98,292</b>	<b>101,165</b>	<b>103,214</b>	<b>104,702</b>	<b>105,113</b>	<b>94,274</b>	<b>94,274</b>
University of Washington <sup>(3)</sup>	36,647	37,525	39,729	40,943	42,303	42,718	43,487	37,162	37,162
Washington State University	21,244	22,334	23,316	23,992	24,233	25,284	25,189	22,228	22,228
Eastern Washington University	9,189	9,111	9,287	9,486	9,640	9,914	10,170	8,734	8,734
Central Washington University	9,204	8,931	9,082	9,673	9,832	9,581	9,397	9,105	9,105
The Evergreen State College	4,114	4,269	4,470	4,596	4,559	4,558	4,354	4,335	4,335
Western Washington University	11,784	12,140	12,408	12,475	12,647	12,647	12,516	12,710	12,710
<b>Total Higher Education <sup>(2)</sup></b>	<b>224,358</b>	<b>231,033</b>	<b>246,292</b>	<b>261,943</b>	<b>265,542</b>	<b>258,097</b>	<b>252,546</b>	<b>233,511</b>	<b>233,511</b>

<sup>(1)</sup> Actual enrollments were greater than budgeted levels in these years. Institutions are permitted to enroll over budgeted levels and to support the additional student FTEs with tuition and fees.

<sup>(2)</sup> Beginning with school year 2009-10, Community and Technical Colleges budgeted enrollment targets include Running Start students. For comparability with previous years, Running Start students are excluded from the "All Higher Education" total.

<sup>(3)</sup> University of Washington enrollment for 2008-09 and subsequent years includes: a) 445 FTEs for the WWAMI (Washington, Wyoming, Alaska, Montana, and Idaho) medical school partnership; and b) 148 FTEs for the Molecular and Cellular Biology program. Enrollments for these programs were reported as self-sustaining from 2003-04 through 2007-08 and as state-supported both before and after that period.



**Higher Education**  
**Budgeted Enrollment Increases**  
 By Academic Year

	FTE Student Enrollment				
	Budgeted Level 2011-12	Increase for 2012-13	Total Budgeted 2011-13	Increase for 2013-14	Total Budgeted 2013-14
<b>Community &amp; Technical Colleges</b>	<b>139,237</b>	<b>0</b>	<b>139,237</b>	<b>0</b>	<b>139,237</b>
<b>Four-Year Schools</b>	<b>92,907</b>	<b>0</b>	<b>92,907</b>	<b>1,367</b>	<b>94,274</b>
<b>University of Washington</b>	<b>37,162</b>	<b>0</b>	<b>37,162</b>	<b>0</b>	<b>37,162</b>
Seattle					
Bothell					
Tacoma					
<b>Washington State University</b>	<b>22,228</b>	<b>0</b>	<b>22,228</b>	<b>0</b>	<b>22,228</b>
Pullman/Spokane					
Tri-Cities					
Vancouver					
<b>Eastern Washington University</b>	<b>8,734</b>	<b>0</b>	<b>8,734</b>	<b>0</b>	<b>8,734</b>
<b>Central Washington University</b>	<b>8,808</b>	<b>0</b>	<b>8,808</b>	<b>297</b>	<b>9,105</b>
<b>The Evergreen State College</b>	<b>4,213</b>	<b>0</b>	<b>4,213</b>	<b>122</b>	<b>4,335</b>
<b>Western Washington University</b>	<b>11,762</b>	<b>0</b>	<b>11,762</b>	<b>948</b>	<b>12,710</b>
<b>Total Higher Education</b>	<b>232,144</b>	<b>0</b>	<b>232,144</b>	<b>1,367</b>	<b>233,511</b>

## Community & Technical College System

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>1,234,634</b>	<b>1,358,301</b>	<b>2,592,935</b>
<b>Total Maintenance Changes</b>	<b>-1,195</b>	<b>-403</b>	<b>-1,598</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	27	27	54
2. Paraeducator Development	181	0	181
3. Year Up Community College Pilot	350	0	350
4. STEM for under-represented students	410	0	410
5. High-Demand Aerospace Enrollments	8,000	0	8,000
6. Incumbent Aerospace Worker Training	500	0	500
<b>Policy -- Other Total</b>	<b>9,468</b>	<b>27</b>	<b>9,495</b>
<b>Policy Changes - Comp</b>			
7. State Employee Health Insurance	-14,568	-3,001	-17,569
<b>Policy -- Comp Total</b>	<b>-14,568</b>	<b>-3,001</b>	<b>-17,569</b>
<b>2013-15 Revised Appropriations</b>	<b>1,228,339</b>	<b>1,354,924</b>	<b>2,583,263</b>
Fiscal Year 2014 Total	617,382	676,344	1,293,726
Fiscal Year 2015 Total	610,957	678,580	1,289,537

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Paraeducator Development** - To implement Chapter 136, Laws of 2014 (SSB 6129), funding is provided for the State Board for Community and Technical Colleges to participate in a workgroup convened by the Professional Educator Standards Board to design program specific minimum employment standards for paraeducators, professional development and education opportunities that support the standards, a paraeducator career ladder, an articulated pathway for teacher preparation and certification, and teacher professional development on how to maximize the use of paraeducators in the classroom.
3. **Year Up Community College Pilot** - Funding is provided for a pilot project to embed the Year Up model within community college campuses.
4. **STEM for under-represented students** - National Science Foundation funding, due to expire in 2014, is replaced with state funding to continue the Mathematics Engineering Science Achievement (MESA) Community College Program on six community college campuses. MESA provides educational support for traditionally underrepresented students majoring in STEM fields (science, technology, engineering, and mathematics) to improve academic outcomes and promote transfer to four-year institutions.
5. **High-Demand Aerospace Enrollments** - Pursuant to Chapter 1, Laws of 2013, 3rd sp.s. (EHB 2088), ongoing funding is provided for additional state-funded high-demand aerospace full-time equivalent enrollments in the 2014-15 academic year. These enrollments will be located in programs, and at sites, recommended by the Washington Aerospace and Advanced Manufacturing Pipeline Advisory Committee. A portion of the funding will offset training being provided through a federal grant which ends at the conclusion of the 2013-14 academic year.
6. **Incumbent Aerospace Worker Training** - Pursuant to Chapter 1, Laws of 2013, 3rd sp.s. (EHB 2088), funding is provided for developing a fabrication composite wing incumbent worker training program to be housed at the Washington Aerospace Training and Research Center. It is the intent of the Legislature that this funding continue in Fiscal Year 2016.
7. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## University of Washington

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>506,095</b>	<b>5,852,938</b>	<b>6,359,033</b>
<b>Total Maintenance Changes</b>	<b>334</b>	<b>764</b>	<b>1,098</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	39	39	78
2. Institute for Protein Design	1,000	0	1,000
3. UW Tacoma Law School	400	0	400
<b>Policy -- Other Total</b>	<b>1,439</b>	<b>39</b>	<b>1,478</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-7,335	-24,702	-32,037
<b>Policy -- Comp Total</b>	<b>-7,335</b>	<b>-24,702</b>	<b>-32,037</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>500,533</b>	<b>5,829,039</b>	<b>6,329,572</b>
Fiscal Year 2014 Total	254,062	2,912,457	3,166,519
Fiscal Year 2015 Total	246,471	2,916,582	3,163,053

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Institute for Protein Design** - Funding is provided to support the Institute of Protein Design. These funds will support the commercialization of translational projects through the recruitment and funding of faculty and staff. (General Fund-State)
3. **UW Tacoma Law School** - One-time funding is provided to assist the University of Washington-Tacoma in developing a law school.
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Washington State University

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>348,312</b>	<b>1,056,568</b>	<b>1,404,880</b>
<b>Total Maintenance Changes</b>	<b>2</b>	<b>197</b>	<b>199</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	15	15	30
2. Jet Fuels Center of Excellence	750	0	750
<b>Policy -- Other Total</b>	<b>765</b>	<b>15</b>	<b>780</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-4,111	-846	-4,957
<b>Policy -- Comp Total</b>	<b>-4,111</b>	<b>-846</b>	<b>-4,957</b>
<b>2013-15 Revised Appropriations</b>	<b>344,968</b>	<b>1,055,934</b>	<b>1,400,902</b>
Fiscal Year 2014 Total	173,865	528,325	702,190
Fiscal Year 2015 Total	171,103	527,609	698,712

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- 2. Jet Fuels Center of Excellence** - Matching funds are provided for a Federal Aviation Administration (FAA) grant expected to continue until 2018. Washington State University has been designated as the lead for the new Air Transportation Center of Excellence for Alternative Jet Fuels and the Environment. The FAA is expected to award \$4.0 million per year to the Center. State matching funds will pay for a portion of the Center's administrative costs and graduate research assistants. (General Fund-State)
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Eastern Washington University

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>78,763</b>	<b>218,986</b>	<b>297,749</b>
<b>Total Maintenance Changes</b>	<b>-575</b>	<b>-491</b>	<b>-1,066</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	5	5	10
2. Engineering Enrollments	1,000	0	1,000
<b>Policy -- Other Total</b>	<b>1,005</b>	<b>5</b>	<b>1,010</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-1,058	-204	-1,262
<b>Policy -- Comp Total</b>	<b>-1,058</b>	<b>-204</b>	<b>-1,262</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>78,135</b>	<b>218,296</b>	<b>296,431</b>
Fiscal Year 2014 Total	39,176	105,646	144,822
Fiscal Year 2015 Total	38,959	112,650	151,609

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **Engineering Enrollments** - Funding is provided to support additional enrollments in engineering programs.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Central Washington University

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>78,328</b>	<b>246,824</b>	<b>325,152</b>
<b>Total Maintenance Changes</b>	<b>27</b>	<b>89</b>	<b>116</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	4	4	8
2. Computer Science and Engineering	1,000	0	1,000
<b>Policy -- Other Total</b>	<b>1,004</b>	<b>4</b>	<b>1,008</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-1,063	-143	-1,206
<b>Policy -- Comp Total</b>	<b>-1,063</b>	<b>-143</b>	<b>-1,206</b>
<b>2013-15 Revised Appropriations</b>	<b>78,296</b>	<b>246,774</b>	<b>325,070</b>
Fiscal Year 2014 Total	39,271	122,251	161,522
Fiscal Year 2015 Total	39,025	124,523	163,548

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
- 2. Computer Science and Engineering** - Funding is provided to support enrollments in computer science and engineering programs.
- 3. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## The Evergreen State College

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>41,512</b>	<b>89,084</b>	<b>130,596</b>
<b>Total Maintenance Changes</b>	<b>253</b>	<b>-13</b>	<b>240</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	3	3	6
2. WSIPP-Review Expanded ITA Criteria	75	0	75
3. WSIPP - Tobacco Prevention Programs	50	0	50
<b>Policy -- Other Total</b>	<b>128</b>	<b>3</b>	<b>131</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-721	-38	-759
<b>Policy -- Comp Total</b>	<b>-721</b>	<b>-38</b>	<b>-759</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>41,172</b>	<b>89,036</b>	<b>130,208</b>
Fiscal Year 2014 Total	21,076	43,678	64,754
Fiscal Year 2015 Total	20,096	45,358	65,454

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **WSIPP-Review Expanded ITA Criteria** - Funding is provided for the Washington State Institute of Public Policy (WSIPP) to review the effect of recent legislation on the capacity needs of the Involuntary Treatment Act System (ITA). Chapter 280, Laws of 2010 (2SHB 3076) and Chapter 335, Laws of 2013 (ESSB 5480), take effect July 1, 2014, and expand criteria for involuntary treatment to include allowing family members to provide information to the designated mental health professional to be used when making the ITA determination. The WSIPP will review the effects of this expanded criteria on the system, long-term outcomes from detainment versus less restrictive options such as crisis response, and what other state are doing regarding third-party initiations of civil commitment.
3. **WSIPP - Tobacco Prevention Programs** - Funding is provided for the WSIPP to conduct a comprehensive study of tobacco and e-cigarette prevention programs that will yield the highest public health benefit and reduce tobacco use. In conducting this study, the WSIPP must identify: (a) the most effective population-based approaches and what targeted populations will yield the greatest return on investment and (b) other state models, including the "Friday Night Light" program in California, that yield the greatest likelihood of reducing state health care costs. WSIPP will work with the Department of Health to determine which programs can be brought to scale most efficiently. The report is due December 31, 2014.
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Western Washington University

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>101,969</b>	<b>266,318</b>	<b>368,287</b>
<b>Total Maintenance Changes</b>	<b>-43</b>	<b>19</b>	<b>-24</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	5	5	10
<b>Policy -- Other Total</b>	<b>5</b>	<b>5</b>	<b>10</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-1,174	-529	-1,703
<b>Policy -- Comp Total</b>	<b>-1,174</b>	<b>-529</b>	<b>-1,703</b>
<b>2013-15 Revised Appropriations</b>	<b>100,757</b>	<b>265,813</b>	<b>366,570</b>
Fiscal Year 2014 Total	51,064	131,650	182,714
Fiscal Year 2015 Total	49,693	134,163	183,856

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (General Fund-State, Other Funds)
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Student Achievement Council

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>683,457</b>	<b>41,533</b>	<b>724,990</b>
<b>Total Maintenance Changes</b>	<b>12,296</b>	<b>26</b>	<b>12,322</b>
<b>Policy Changes - Other</b>			
1. Private/Local Grant Authority	0	300	300
2. DES Central Services	-4	-3	-7
3. Opportunity Scholarship Program	25,354	0	25,354
4. SB 6523 - Real Hope Act	5,000	0	5,000
<b>Policy -- Other Total</b>	<b>30,350</b>	<b>297</b>	<b>30,647</b>
<b>Policy Changes - Comp</b>			
5. State Employee Health Insurance	-55	-64	-119
<b>Policy -- Comp Total</b>	<b>-55</b>	<b>-64</b>	<b>-119</b>
<b>2013-15 Revised Appropriations</b>	<b>726,048</b>	<b>41,792</b>	<b>767,840</b>
Fiscal Year 2014 Total	373,362	20,927	394,289
Fiscal Year 2015 Total	352,686	20,865	373,551

### Comments:

1. **Private/Local Grant Authority** - Private/local expenditure authority of \$150,000 per year is provided to allow the agency flexibility to receive private grant funding for mission-related activities. (General Fund-Private/Local)
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Opportunity Scholarship Program** - The Washington State Opportunity Scholarship Program is a public/private partnership that provides scholarships to students who have received their high school diploma or GED in Washington State and are pursuing a four-year degree in a high-demand field of study. To date, the state has provided \$5.0 million to match private contributions to the Program. A total of \$25.0 million is provided to expand the scholarships available and match additional private contributions received. (Education Legacy Trust Account-State)
4. **SB 6523 - Real Hope Act** - Chapter 1, Laws of 2014 (SB 6523), appropriates \$5.0 million to the Student Achievement Council for the purpose of student financial aid payments under the State Need Grant Program. (General Fund-State)
5. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Other Education

## **Department of Early Learning**

A total of \$484 million (\$162 million General Fund-State and Opportunity Pathways) is provided to the Department of Early Learning for developing, implementing, and coordinating early learning programs for children from birth to five years of age. This represents an increase of approximately 0.3 percent (\$1.6 million) above amounts appropriated in the 2013-15 operating budget.

An additional \$3.0 million General Fund-State is provided to maintain the Medicaid Treatment Child Care (MTCC) Program. The MTCC Program is an early intervention and prevention program serving children from birth to five years of age who are at risk of child abuse and neglect that may be experiencing mental health and/or behavioral issues. The use of federal Medicaid dollars is currently disallowed. This funding replaces a portion of those dollars.

A total of \$4.4 million General Fund-State (\$2.4 million for centers and \$2.0 million for family home providers as part of the collective bargaining agreement) is provided for the Department to implement a tiered reimbursement pilot project for child care providers. The Department will work to establish the specific rates to be used.

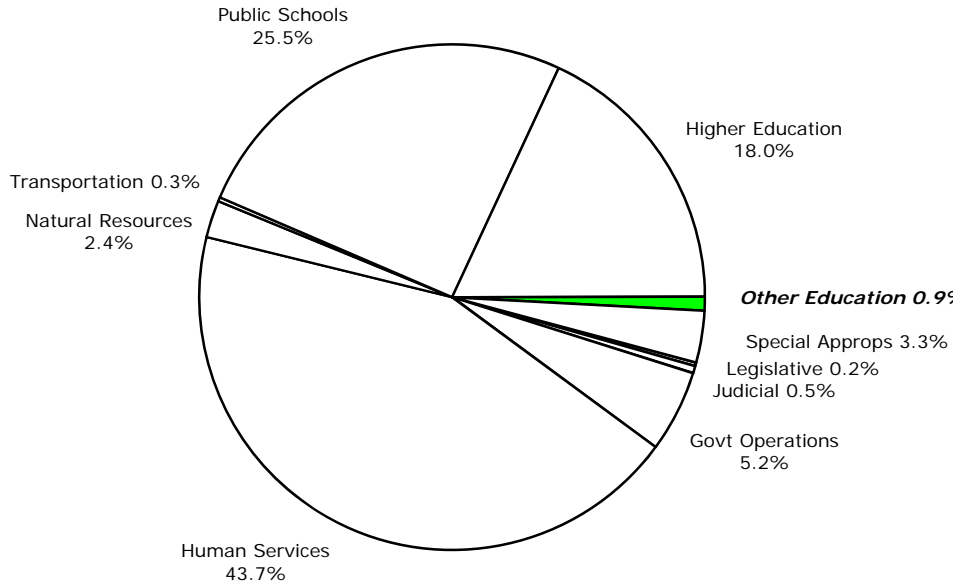
A total of \$536,000 General Fund-State (\$299,000 for centers and \$237,000 for family home providers as part of the collective bargaining agreement) is provided for a base rate increase for the seasonal and homeless child care programs. The funds appropriated to the Department represent approximately 3 percent of the total \$18.5 million General Fund-State provided in the 2014 supplemental budget for this purpose. The remaining funds are provided to the Division of Children and Family Services and the Economic Services Administration, both housed within the Department of Social and Health Services. Base payment rates will increase by 4 percent on July 1, 2014 and an additional 4 percent on January 1, 2015.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

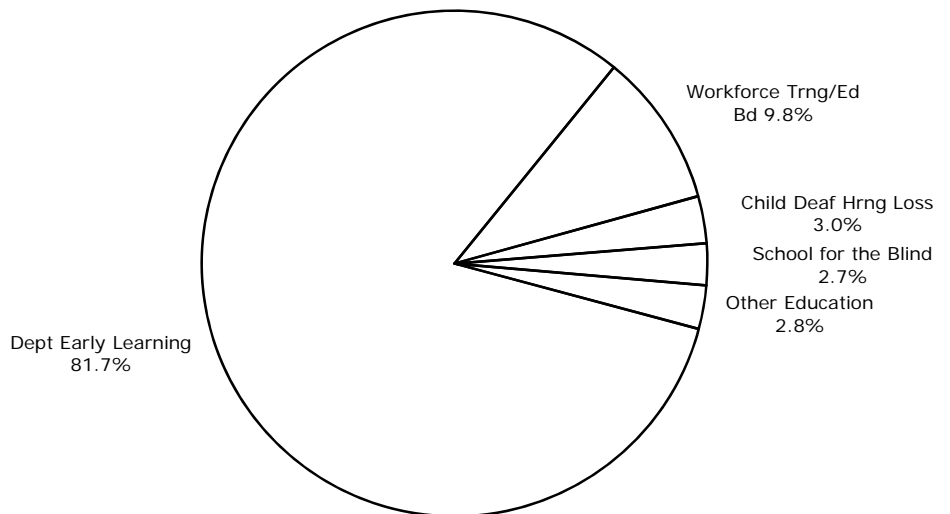
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
<b>Other Education</b>	<b>592,735</b>
Special Appropriations	2,240,373
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

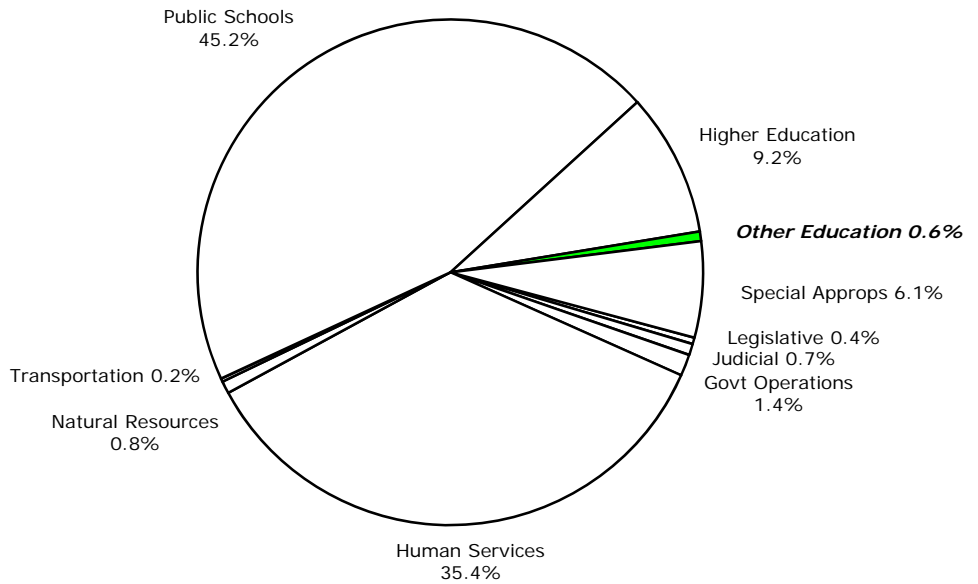
Dept Early Learning	484,215
Workforce Trng/Ed Bd	58,337
Child Deaf Hrng Loss	17,854
School for the Blind	15,772
Other Education	16,557
<b>Other Education</b>	<b>592,735</b>



## Other Education

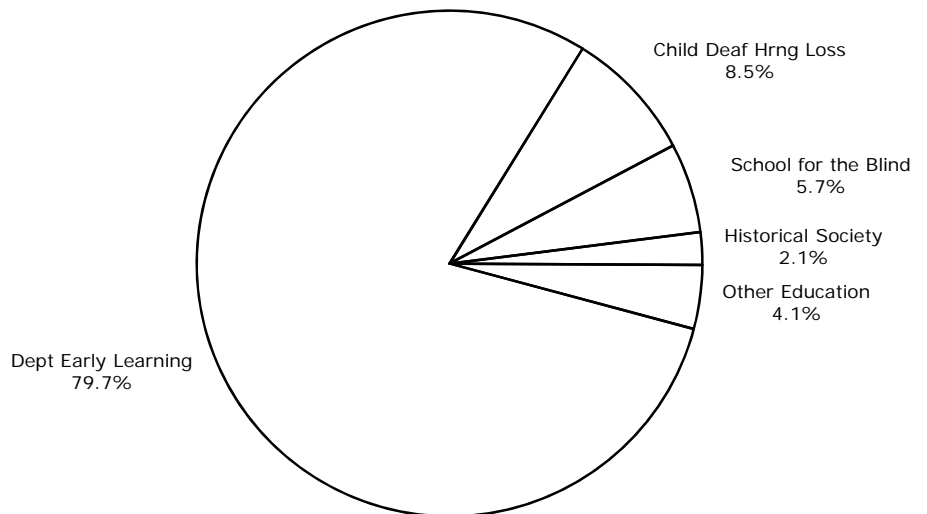
**2013-15 Washington State Omnibus Operating Budget**  
**NGF-S + Opportunity Pathways**  
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
<b>Other Education</b>	<b>204,565</b>
Special Appropriations	2,075,816
<b>Statewide Total</b>	<b>33,794,072</b>



**Washington State**

Dept Early Learning	162,941
Child Deaf Hrng Loss	17,286
School for the Blind	11,727
Historical Society	4,263
Other Education	8,348
<b>Other Education</b>	<b>204,565</b>



**Other Education**

## Workforce Training & Education Coordinating Board

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>3,060</b>	<b>54,779</b>	<b>57,839</b>
<b>Total Maintenance Changes</b>	<b>-40</b>	<b>17</b>	<b>-23</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. DES Central Services	-22	-14	-36
3. Federal Economic Development Grant	0	588	588
<b>Policy -- Other Total</b>	<b>-21</b>	<b>574</b>	<b>553</b>
<b>Policy Changes - Comp</b>			
4. State Employee Health Insurance	-19	-13	-32
<b>Policy -- Comp Total</b>	<b>-19</b>	<b>-13</b>	<b>-32</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>2,980</b>	<b>55,357</b>	<b>58,337</b>
Fiscal Year 2014 Total	1,556	26,030	27,586
Fiscal Year 2015 Total	1,424	29,327	30,751

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **Federal Economic Development Grant** - The Workforce Training and Education Coordinating Board (Workforce Board) was awarded a U.S. Department of Labor "Make it in America Challenge" grant beginning October 1, 2013, and ending September 30, 2016. The Workforce Board will receive \$1.3 million of the total \$2.67 million award. The Workforce Board will collaborate with the Innovate Washington Foundation, Impact Washington, Washington State University, and the Department of Commerce to support regional economic development. (General Fund-Federal)
4. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Department of Early Learning

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>162,942</b>	<b>319,703</b>	<b>482,645</b>
<b>Total Maintenance Changes</b>	<b>-7,821</b>	<b>6,081</b>	<b>-1,740</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	2	19	21
2. Administrative Hearings	0	1	1
3. Center Tiered Reimbursement	2,369	0	2,369
4. Electronic Time System	944	0	944
5. Local Grant for Early Achievers	0	50	50
6. Family Home Chld Care Rate Increase	2,237	0	2,237
7. Center Child Care Rate Increase	299	0	299
8. Maintain MTCC Program	3,018	-4,304	-1,286
9. Reach Out and Read	50	0	50
10. Debt Service Adjustment	-1,078	0	-1,078
<b>Policy -- Other Total</b>	<b>7,841</b>	<b>-4,234</b>	<b>3,607</b>
<b>Policy Changes - Comp</b>			
11. State Employee Health Insurance	-21	-276	-297
<b>Policy -- Comp Total</b>	<b>-21</b>	<b>-276</b>	<b>-297</b>
<b>2013-15 Revised Appropriations</b>	<b>162,941</b>	<b>321,274</b>	<b>484,215</b>
Fiscal Year 2014 Total	70,605	167,407	238,012
Fiscal Year 2015 Total	92,336	153,867	246,203

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **Administrative Hearings** - The agency's budget is adjusted to align with expected billing levels for administrative hearings services in the 2013-15 biennium and includes funding for equipment replacement purchases.
3. **Center Tiered Reimbursement** - One-time funding is provided for a tiered reimbursement pilot for child care centers that participate in the Early Achievers Quality Rating and Improvement System. The data received from this pilot will be used to estimate costs associated with achieving and maintaining higher quality child care. Funding provides incentive payments and supports for providers who participate in the tiered reimbursement pilot in FY 2015.
4. **Electronic Time System** - Adjustments are made to the funding provided to develop a new child care time, attendance, and billing system. Expenditures that may not be financed through a certificate of participation are directly funded with state operating funds.
5. **Local Grant for Early Achievers** - Private/local expenditure authority is provided to spend local grant funds to integrate the Early Childhood Education Assistance Program and the federal Head Start Program into the Early Achievers Quality Rating and Improvement System. (General Fund-Private/Local)
6. **Family Home Chld Care Rate Increase** - The collective bargaining agreement with family home child care providers increases base payment rates by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. Beginning in FY 2015, a pilot program shall determine the appropriate payment increases at each Early Achievers level. Funding covers the pilot program and payment increases for the seasonal and homeless child care programs.
7. **Center Child Care Rate Increase** - Funding is provided to increase base payment rates for child care center providers by 4 percent starting July 1, 2014, and an additional 4 percent starting January 1, 2015. This funding is sufficient to cover payment increases for the seasonal and homeless child care programs.
8. **Maintain MTCC Program** - Funding is provided to continue delivering the Medicaid Treatment Child Care (MTCC) Program. Use of federal Medicaid dollars to support this program has been disallowed. The MTCC Program provides early intervention and treatment for children exposed to environmental, familial, and biological risk factors that impact development, behavior, and mental health. (General Fund-State, General Fund-Federal)
9. **Reach Out and Read** - Funding is provided for the Department of Early Learning (DEL) to increase the Reach Out and Read contract to \$200,000 in FY 2015. Reach Out and Read provides services that promote early literacy by giving new

## Department of Early Learning

books to children during pediatric doctor visits and advising parents about the importance of reading.

10. **Debt Service Adjustment** - Funding is adjusted for Certificate of Participation (COP) debt service payments for the electronic benefit transfer system for child care subsidy payments based on an updated debt service schedule. Expenditures that could not be financed through a COP are directly funded with state operating funds, reducing the total debt service.
11. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## State School for the Blind

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>11,837</b>	<b>1,981</b>	<b>13,818</b>
<b>Total Maintenance Changes</b>	<b>89</b>	<b>2,074</b>	<b>2,163</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. DES Central Services	-103	0	-103
<b>Policy -- Other Total</b>	<b>-102</b>	<b>0</b>	<b>-102</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-97	-10	-107
<b>Policy -- Comp Total</b>	<b>-97</b>	<b>-10</b>	<b>-107</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>11,727</b>	<b>4,045</b>	<b>15,772</b>
Fiscal Year 2014 Total	5,975	2,027	8,002
Fiscal Year 2015 Total	5,752	2,018	7,770

### Comments:

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services. (General Fund-State, Other Funds)
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.



## Center for Childhood Deafness & Hearing Loss

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>17,206</b>	<b>568</b>	<b>17,774</b>
<b>Total Maintenance Changes</b>	<b>142</b>	<b>0</b>	<b>142</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. Replace Phone System	71	0	71
<b>Policy -- Other Total</b>	<b>72</b>	<b>0</b>	<b>72</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-134	0	-134
<b>Policy -- Comp Total</b>	<b>-134</b>	<b>0</b>	<b>-134</b>
<b>2013-15 Revised Appropriations</b>	<b>17,286</b>	<b>568</b>	<b>17,854</b>
Fiscal Year 2014 Total	8,758	284	9,042
Fiscal Year 2015 Total	8,528	284	8,812

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **Replace Phone System** - The Center for Childhood Deafness and Hearing Loss (CDHL) operates an Internet protocol phone system which directly connects to all forms of technological communication, including video phones, voice phone lines and some relay services, to accommodate the deaf and hard of hearing. As of January 2014, the CDHL phone system will no longer be supported and is at risk of failing. One-time funding is provided to migrate the system.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Washington State Arts Commission

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>2,226</b>	<b>2,086</b>	<b>4,312</b>
<b>Total Maintenance Changes</b>	<b>-13</b>	<b>19</b>	<b>6</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	1	0	1
2. DES Central Services	-15	0	-15
<b>Policy -- Other Total</b>	<b>-14</b>	<b>0</b>	<b>-14</b>
<b>Policy Changes - Comp</b>			
3. State Employee Health Insurance	-13	-5	-18
<b>Policy -- Comp Total</b>	<b>-13</b>	<b>-5</b>	<b>-18</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>2,186</b>	<b>2,100</b>	<b>4,286</b>
Fiscal Year 2014 Total	1,093	1,067	2,160
Fiscal Year 2015 Total	1,093	1,033	2,126

**Comments:**

1. **Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues.
2. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
3. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Washington State Historical Society

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>4,273</b>	<b>2,301</b>	<b>6,574</b>
<b>Total Maintenance Changes</b>	<b>20</b>	<b>1</b>	<b>21</b>
<b>Policy Changes - Other</b>			
1. Attorney General Legal Services	0	1	1
<b>Policy -- Other Total</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-30	-6	-36
<b>Policy -- Comp Total</b>	<b>-30</b>	<b>-6</b>	<b>-36</b>
<b>2013-15 Revised Appropriations</b>	<b>4,263</b>	<b>2,297</b>	<b>6,560</b>
Fiscal Year 2014 Total	2,134	1,159	3,293
Fiscal Year 2015 Total	2,129	1,138	3,267

**Comments:**

- 1. Attorney General Legal Services** - The agency's budget is adjusted to align with expected billing levels for legal services in the 2013-15 biennium and includes increased funding for salary adjustments to address attorney recruitment and retention issues. (Local Museum Account)
- 2. State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

## Eastern Washington State Historical Society

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>3,130</b>	<b>2,532</b>	<b>5,662</b>
<b>Total Maintenance Changes</b>	<b>106</b>	<b>0</b>	<b>106</b>
<b>Policy Changes - Other</b>			
1. DES Central Services	-30	0	-30
<b>Policy -- Other Total</b>	<b>-30</b>	<b>0</b>	<b>-30</b>
<b>Policy Changes - Comp</b>			
2. State Employee Health Insurance	-24	-3	-27
<b>Policy -- Comp Total</b>	<b>-24</b>	<b>-3</b>	<b>-27</b>
<b>2013-15 Revised Appropriations</b>	<b>3,182</b>	<b>2,529</b>	<b>5,711</b>
Fiscal Year 2014 Total	1,624	1,271	2,895
Fiscal Year 2015 Total	1,558	1,258	2,816

**Comments:**

1. **DES Central Services** - The agency's budget is adjusted to align with expected billing levels for central services in the 2013-15 biennium and includes adjustments made to small agency client services.
2. **State Employee Health Insurance** - The state contribution for public employee insurance benefits is reduced for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# Special Appropriations

## **Special Appropriations (Non-Compensation Related Items)**

### **Lean Management**

Savings of \$10 million General Fund-State are achieved by implementing lean management practices and other efficiencies. The Office of Financial Management (OFM) will develop and implement a plan to increase efficiencies and reduce state expenditures.

### **Disaster Response Account**

Savings of \$1.5 million are achieved by reducing the General Fund-State appropriation into the Disaster Response Account. The Disaster Response Account requires less state moneys because of an available fund balance within the account.

## **Special Appropriations (Compensation Related Items)**

### **Employee Health Benefits**

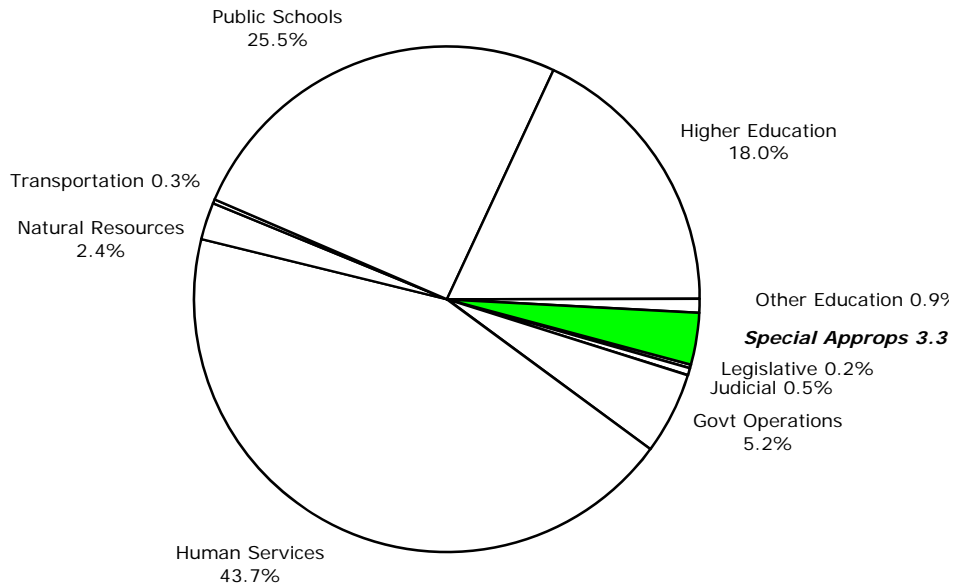
Total savings of \$118.6 million (\$60.5 million General Fund-State) result from reducing the state contribution for public employee benefits for FY 2015 from \$763 per month to \$662 per month. Reductions are achieved while keeping the insurance reserves fully funded due to the use of accumulated surplus funds from prior periods, and reduced claims costs. The new funding level is sufficient to fund expected expenses through the end of FY 2015 while maintaining current benefits and a 15 percent average employee contribution to monthly premium costs.

# 2013-15 Washington State Omnibus Operating Budget

## Total Budgeted Funds

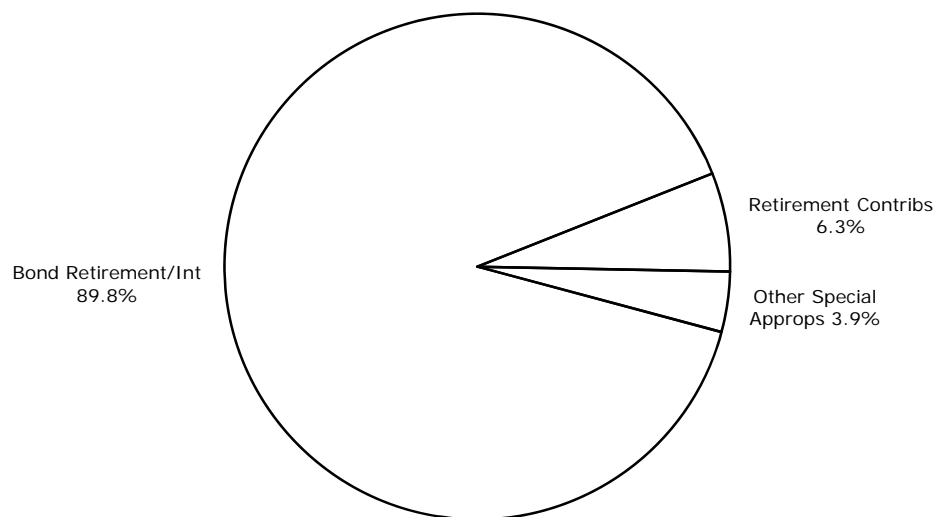
(Dollars in Thousands)

Legislative	155,187
Judicial	310,711
Governmental Operations	3,547,233
Human Services	29,563,954
Natural Resources	1,603,606
Transportation	181,436
Public Schools	17,215,546
Higher Education	12,199,856
Other Education	592,735
<b><i>Special Appropriations</i></b>	<b><i>2,240,373</i></b>
<b>Statewide Total</b>	<b>67,610,637</b>



## Washington State

Bond Retire/Int	2,012,473
Retirement Contributions	141,500
Other Special Approps	86,400
<b><i>Special Appropriations</i></b>	<b><i>2,240,373</i></b>



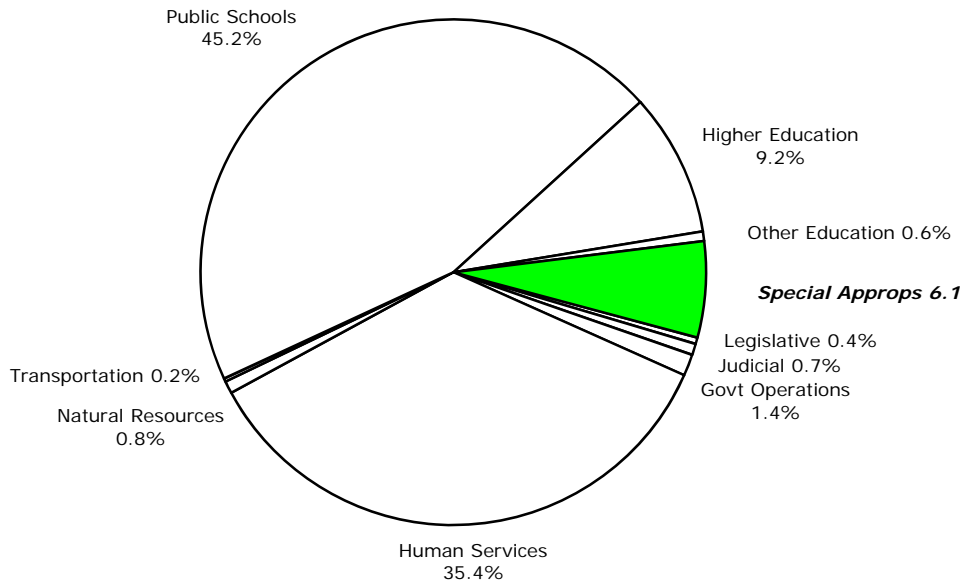
## Special Appropriations

# 2013-15 Washington State Omnibus Operating Budget

## NGF-S + Opportunity Pathways

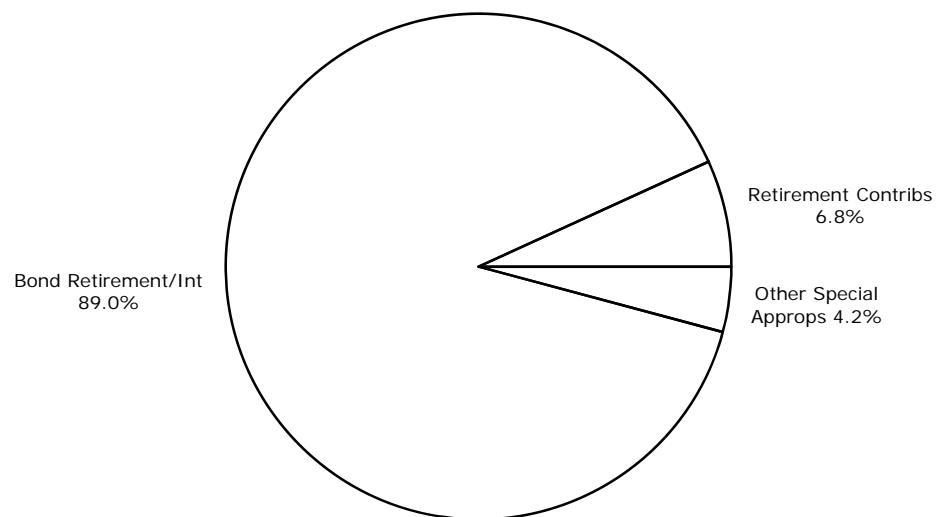
(Dollars in Thousands)

Legislative	141,131
Judicial	242,318
Governmental Operations	465,513
Human Services	11,963,806
Natural Resources	270,444
Transportation	69,349
Public Schools	15,262,882
Higher Education	3,098,248
Other Education	204,565
<b><i>Special Appropriations</i></b>	<b><i>2,075,816</i></b>
<b>Statewide Total</b>	<b>33,794,072</b>



## Washington State

Bond Retire/Int	1,847,916
Retirement Contributions	141,500
Other Special Approps	86,400
<b><i>Special Appropriations</i></b>	<b><i>2,075,816</i></b>



## Special Appropriations

**Bond Retirement and Interest**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>1,846,874</b>	<b>156,557</b>	<b>2,003,431</b>
<b>Total Maintenance Changes</b>	<b>1,042</b>	<b>8,000</b>	<b>9,042</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>1,847,916</b>	<b>164,557</b>	<b>2,012,473</b>
Fiscal Year 2014 Total	857,177	81,474	938,651
Fiscal Year 2015 Total	990,739	83,083	1,073,822

**Comments:**

NOTE: Amounts shown here reflect only the omnibus appropriations act. The remainder of the Bond Retirement & Interest's budget is shown in the Transportation Budget Section of this document.



**Sundry Claims**

(Dollars in Thousands)

	<b>NGF-P</b>	<b>Other</b>	<b>Total</b>
<b>2013-15 Original Appropriations</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Policy Changes - Other</b>			
1. Sundry Claims	233	0	233
<b>Policy -- Other Total</b>	<b>233</b>	<b>0</b>	<b>233</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>233</b>	<b>0</b>	<b>233</b>
Fiscal Year 2014 Total	233	0	233

**Comments:**

1. **Sundry Claims** - On the recommendation of the Department of Enterprise Services' Office of Risk Management, payment is made under RCW 9A.16.110 for claims reimbursing legal costs and other expenses of criminal defendants acquitted on the basis of self-defense. The appropriations include claims received as of February 7, 2014.

## Special Appropriations to the Governor

(Dollars in Thousands)

	NGF-P	Other	Total
<b>2013-15 Original Appropriations</b>	<b>90,142</b>	<b>0</b>	<b>90,142</b>
<b>Total Maintenance Changes</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>
<b>Policy Changes - Other</b>			
1. Disaster Response Account	-3,000	0	-3,000
2. Lean Management	-10,000	0	-10,000
3. Parkland Trust Revolving Acct	639	0	639
4. Extraordinary Criminal Justice Cost	590	0	590
5. Teanaway Interest: Common School	444	0	444
6. Teanaway Interest: Nat. Resource	222	0	222
7. Governor Veto	1,500	0	1,500
<b>Policy -- Other Total</b>	<b>-9,605</b>	<b>0</b>	<b>-9,605</b>
<b>Policy Changes - Transfers</b>			
8. Impaired Driving	630	0	630
<b>Policy -- Transfer Total</b>	<b>630</b>	<b>0</b>	<b>630</b>
<b>2013-15 Revised Appropriations</b>	<b>86,167</b>	<b>0</b>	<b>86,167</b>
Fiscal Year 2014 Total	61,758	0	61,758
Fiscal Year 2015 Total	24,409	0	24,409

**Comments:**

1. **Disaster Response Account** - The appropriation into the Disaster Response Account is reduced to reflect excess fund balance. A portion of this was vetoed by the Governor.
2. **Lean Management** - State agency allotments are reduced to reflect savings achieved through lean management and other efficiencies.
3. **Parkland Trust Revolving Acct** - Insurance proceeds resulting from a fire at the Department of Natural Resource's Olympic Region shop in Forks were deposited into several accounts. The portion deposited into the General Fund-State is appropriated into the Parkland Trust Revolving Account.
4. **Extraordinary Criminal Justice Cost** - Pursuant to RCW 43.330.190, funding is provided for the Office of Financial Management to distribute funds to Clallam County (\$500,000), Klickitat County (\$18,000), and Mason County (\$72,000) for extraordinary criminal justice costs.
5. **Teanaway Interest: Common School** - Funding is provided for the annual interest payment pursuant to RCW 90.38.130, which is 6 percent into the Common School Construction Account.
6. **Teanaway Interest: Nat. Resource** - Funding is provided for the annual interest payment pursuant to RCW 90.38.130, which is 3 percent into the Natural Resources Real Property Replacement Account.
7. **Governor Veto** - The Governor partially vetoed Section 705 of Chapter 221, Laws of 2014, Partial Veto (ESSB 6002) which would have reduced the General Fund-State appropriation into the Disaster Response Account by \$1.5 million in FY 2015.
8. **Impaired Driving** - Funding previously appropriated by Chapter 35, Laws of 2013, 2nd sp.s. (ESSB 5912) for the Washington Traffic Safety Commission (WTSC) related to reducing impaired driving is modified in the budget bill. The appropriation of \$630,000 general fund-state for allocation to local governments for the increased incarceration costs incurred as a result of the mandatory arrest of repeat driving under the influence offenders is transferred from WTSC into the County Criminal Justice Assistance Account (\$397,000) and the Municipal Criminal Justice Assistance Account (\$233,000). There is no net change to appropriation levels from these transfers.

## State Employee Compensation Adjustments

(Dollars in Thousands)

	<u>NGF-P</u>	<u>Other</u>	<u>Total</u>
<b>2013-15 Original Appropriations</b>	<b>-10,000</b>	<b>0</b>	<b>-10,000</b>
<b>Policy Changes - Other</b>			
1. Implement Health Care Savings	10,000	0	10,000
<b>Policy -- Other Total</b>	<b>10,000</b>	<b>0</b>	<b>10,000</b>
<hr/>			
<b>2013-15 Revised Appropriations</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Comments:**

- Implement Health Care Savings** - General reductions in the 2013-15 biennial budget for health benefits savings related to the Federal Patient Protection and Affordable Care Act are eliminated as a general item.