



PROPOSED SENATE 2013-15 OPERATING BUDGET

**STATEWIDE SUMMARY
& AGENCY DETAIL**

**AS PASSED
SENATE**

**SENATE WAYS & MEANS COMMITTEE
APRIL 5, 2013**

Statewide Summary- As Passed Senate

April 5, 2013

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Legislative	789.7	152,679	138,822
Judicial	629.7	275,080	213,833
Governmental Operations	6,997.2	3,414,579	399,027
Other Human Services	16,772.8	16,391,526	6,123,906
DSHS	16,669.4	11,660,439	5,624,660
Natural Resources	5,873.0	1,559,341	250,316
Transportation	743.3	177,596	68,012
Public Schools	293.5	17,054,205	15,165,744
Higher Education	46,082.0	12,186,477	3,040,916
Other Education	555.8	584,866	198,966
Special Appropriations	0.0	2,238,585	2,124,309
Statewide Total	95,406.2	65,695,373	33,348,511

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Legislative			
House of Representatives	356.6	62,578	60,813
Senate	253.0	45,261	43,747
Jt Leg Audit & Review Committee	21.4	6,305	0
LEAP Committee	10.0	3,387	3,387
Office of the State Actuary	13.0	3,330	0
Office of Legislative Support Svcs	42.6	7,445	7,394
Joint Legislative Systems Comm	46.6	15,663	15,663
Statute Law Committee	46.6	8,710	7,818
Total Legislative	789.7	152,679	138,822
Judicial			
Supreme Court	60.9	13,295	13,295
State Law Library	13.8	2,817	2,817
Court of Appeals	139.6	30,043	30,043
Commission on Judicial Conduct	9.5	1,967	1,967
Administrative Office of the Courts	389.0	142,026	80,931
Office of Public Defense	15.9	64,748	64,596
Office of Civil Legal Aid	1.0	20,184	20,184
Total Judicial	629.7	275,080	213,833
Total Legislative/Judicial	1,419.4	427,759	352,655

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Governmental Operations			
Office of the Governor	50.9	12,088	10,588
Office of the Lieutenant Governor	5.8	1,407	1,312
Public Disclosure Commission	19.6	4,058	4,058
Office of the Secretary of State	314.6	79,586	19,601
Governor's Office of Indian Affairs	2.0	499	499
Asian-Pacific-American Affrs	2.0	417	417
Office of the State Treasurer	67.0	14,679	0
Office of the State Auditor	336.3	75,750	77
Comm Salaries for Elected Officials	1.3	313	313
Office of the Attorney General	1,068.6	224,246	19,042
Caseload Forecast Council	11.9	2,474	2,474
Dept of Financial Institutions	194.4	48,344	0
Department of Commerce	271.2	463,635	70,344
Economic & Revenue Forecast Council	6.0	1,609	1,559
Office of Financial Management	198.0	115,713	31,126
Office of Administrative Hearings	170.4	37,799	0
State Lottery Commission	142.9	811,914	0
Washington State Gambling Comm	146.5	29,946	0
WA State Comm on Hispanic Affairs	2.0	470	470
African-American Affairs Comm	2.0	456	456
Department of Retirement Systems	251.7	59,233	0
State Investment Board	88.4	32,078	0
Innovate Washington	1.0	4,377	1,000
Department of Revenue	1,177.6	249,851	215,851
Board of Tax Appeals	11.1	2,380	2,380
Minority & Women's Business Enterp	18.0	4,090	0
Office of Insurance Commissioner	239.1	54,661	300
Consolidated Technology Services	280.5	221,082	0
State Board of Accountancy	11.3	2,702	0
Forensic Investigations Council	0.0	498	0
Dept of Enterprise Services	1,042.8	451,432	7,204
Washington Horse Racing Commission	28.5	5,738	0
WA State Liquor Control Board	275.5	65,704	0
Utilities and Transportation Comm	166.2	47,413	0
Board for Volunteer Firefighters	4.0	1,054	0
Military Department	323.4	272,355	3,462
Public Employment Relations Comm	41.3	7,772	3,964
LEOFF 2 Retirement Board	6.0	2,075	0
Archaeology & Historic Preservation	17.8	4,681	2,530
Total Governmental Operations	6,997.2	3,414,579	399,027

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Other Human Services			
WA State Health Care Authority	986.3	12,128,134	4,294,511
Human Rights Commission	34.2	6,242	4,063
Bd of Industrial Insurance Appeals	161.0	39,599	0
Criminal Justice Training Comm	35.4	40,554	28,044
Department of Labor and Industries	2,794.9	644,368	33,301
Department of Health	1,638.1	1,040,611	115,003
Department of Veterans' Affairs	727.3	132,643	14,500
Department of Corrections	8,010.4	1,650,490	1,630,103
Dept of Services for the Blind	80.0	27,321	4,381
Employment Security Department	2,305.4	681,564	0
Total Other Human Services	16,772.8	16,391,526	6,123,906

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
DSHS			
Children and Family Services	2,487.5	1,082,230	579,484
Juvenile Rehabilitation	743.5	181,875	175,887
Mental Health	2,689.2	1,713,590	918,756
Developmental Disabilities	3,112.9	2,085,702	1,077,400
Long-Term Care	1,425.9	3,815,717	1,786,430
Economic Services Administration	4,219.3	1,919,706	692,682
Alcohol & Substance Abuse	70.3	394,335	128,589
Vocational Rehabilitation	320.1	124,398	22,210
Administration/Support Svcs	491.1	98,065	53,445
Special Commitment Center	368.3	69,303	69,303
Payments to Other Agencies	0.0	175,518	120,474
Information System Services	197.6	0	0
Consolidated Field Services	543.9	0	0
Total DSHS	16,669.4	11,660,439	5,624,660
Total Human Services	33,442.2	28,051,965	11,748,566

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Natural Resources			
Columbia River Gorge Commission	6.0	1,570	728
Department of Ecology	1,574.8	441,351	45,870
WA Pollution Liab Insurance Program	6.0	1,586	0
State Parks and Recreation Comm	558.9	124,099	6,424
Rec and Conservation Funding Board	19.6	9,739	1,566
Environ & Land Use Hearings Office	18.3	4,260	4,260
State Conservation Commission	17.1	17,868	13,567
Dept of Fish and Wildlife	1,469.6	371,222	58,433
Puget Sound Partnership	46.1	18,723	4,646
Department of Natural Resources	1,401.4	416,467	85,216
Department of Agriculture	755.4	152,456	29,606
Total Natural Resources	5,873.0	1,559,341	250,316

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Transportation			
Washington State Patrol	511.7	136,535	65,617
Department of Licensing	231.6	41,061	2,395
Total Transportation	743.3	177,596	68,012

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Public Schools			
OSPI & Statewide Programs	247.1	108,274	33,921
General Apportionment	0.0	11,139,481	11,139,481
Pupil Transportation	0.0	858,368	858,368
School Food Services	0.0	632,560	14,222
Special Education	2.0	1,954,157	1,492,134
Educational Service Districts	0.0	16,292	16,292
Levy Equalization	0.0	632,593	632,593
Elementary/Secondary School Improv	0.0	4,052	0
Institutional Education	0.0	30,787	30,787
Ed of Highly Capable Students	0.0	19,153	19,153
Education Reform	44.5	435,766	225,521
Transitional Bilingual Instruction	0.0	263,020	192,005
Learning Assistance Program (LAP)	0.0	959,702	511,267
Total Public Schools	293.5	17,054,205	15,165,744

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Higher Education			
Student Achievement Council	103.9	723,249	681,677
University of Washington	20,461.5	6,344,773	479,621
Washington State University	6,097.6	1,405,229	347,851
Eastern Washington University	1,305.9	295,447	76,302
Central Washington University	1,219.3	321,238	74,342
The Evergreen State College	615.2	130,462	41,340
Western Washington University	1,602.7	362,912	96,242
Community/Technical College System	14,676.0	2,603,167	1,243,541
Total Higher Education	46,082.0	12,186,477	3,040,916
Other Education			
State School for the Blind	86.0	13,684	11,700
Childhood Deafness & Hearing Loss	109.2	17,720	17,152
Workforce Trng & Educ Coord Board	19.3	57,521	2,748
Department of Early Learning	264.4	479,801	157,756
Washington State Arts Commission	13.0	4,311	2,225
Washington State Historical Society	34.0	6,169	4,250
East Wash State Historical Society	30.0	5,660	3,135
Total Other Education	555.8	584,866	198,966
Total Education	46,931.2	29,825,548	18,405,626

2013-15 Omnibus Operating Budget

Passed Senate

(Dollars in Thousands)

	FTEs	Total	NGF-P
Special Appropriations			
Bond Retirement and Interest	0.0	2,222,440	2,065,883
Special Approps to the Governor	0.0	40,973	45,214
State Employee Compensation Adjust	0.0	-166,328	-128,288
Contributions to Retirement Systems	0.0	141,500	141,500
Total Special Appropriations	0.0	2,238,585	2,124,309

Operating Budget by Agency- As Passed Senate

April 5, 2013

Table of Contents

Title	Page
Accountancy, State Board of	64
Actuary, Office of the State	10
Administrative Hearings, Office of	50
Administrative Office of the Courts	18
African-American Affairs, Washington State Commission on	54
Agriculture, Department of	202
Archaeology & Historic Preservation	175
Arts Commission, Washington State	185
Asian-Pacific-American Affairs, Washington State Commission	29
Attorney General, Office of the	34
Auditor, Office of the State	32
Bond Retirement & Interest	1
Bond Retirement & Interest - Bond Sale Expenses	5
Bond Retirement & Interest - Debt Subject to the Debt Limit	2
Bond Retirement & Interest - Proprietary Debt	3
Bond Retirement & Interest - Reimbursable Debt	4
Caseload Forecast Council	35
Center for Childhood Deafness & Hearing Loss, WA State	173
Central Washington University	181
Columbia River Gorge Commission	188
Commerce, Department of	37
Community & Technical College System	204
Conservation Commission, State	196
Consolidated Field Services -	112
Consolidated Technology Services	63

Table of Contents

Title	Page
Corrections, Department of	124
Corrections, Department of - Administration & Support Services	129
Corrections, Department of - Community Corrections	135
Corrections, Department of - Correctional Industries	137
Corrections, Department of - Institutions	131
Corrections, Department of - Interagency Payments	138
Court of Appeals	16
Criminal Justice Training Commission, Washington State	74
DSHS	80
DSHS - Administration & Supporting Services	108
DSHS - Aging & Disability Services	113
DSHS - Alcohol & Substance Abuse	106
DSHS - Children & Family Services	86
DSHS - Developmental Disabilities	100
DSHS - Developmental Disabilities	101
DSHS - Developmental Disabilities	95
DSHS - Developmental Disabilities	97
DSHS - Developmental Disabilities	99
DSHS - Economic Services Administration	104
DSHS - Information System Services	111
DSHS - Juvenile Rehabilitation	88
DSHS - Long-Term Care Services	102
DSHS - Mental Health	89
DSHS - Mental Health	91
DSHS - Mental Health	92

Table of Contents

Title	Page
DSHS - Mental Health	93
DSHS - Mental Health	94
DSHS - Payments to Other Agencies	110
DSHS - Special Commitment Center	109
DSHS - Vocational Rehabilitation	107
Early Learning, Department of	176
Eastern Washington State Historical Society	187
Eastern Washington University	180
Ecology, Department of	189
Economic & Revenue Forecast Council	39
Employee Compensation Adjustments, State	207
Employment Security Department	203
Enterprise Services, Department of	66
Environmental and Land Use Hearings Office	195
Financial Institutions, Department of	36
Financial Management, Office of	40
Fish and Wildlife, Department of	197
Forensic Investigation Council	65
Gambling Commission, Washington State	52
Governor, Office of the	22
Health Care Auth-Employee Benefits - Health Care Auth-Employee Benefits	49
Health Care Authority, Washington State	41
Health Care Auth-Other - Health Care Auth-Other	45
Health, Department of	116

Table of Contents

Title	Page
Higher Education Coordinating Board	145
Higher Education Coordinating Board - Financial Aid & Grant Programs	147
Higher Education Coordinating Board - Policy Coordination & Administration	146
Hispanic Affairs, Washington State Commission on	53
Historical Society, Washington State	186
Horse Racing Commission, Washington	68
House of Representatives	6
Human Rights Commission	55
Indian Affairs, Governor's Office of	28
Industrial Insurance Appeals, Board of	69
Innovate Washington	58
Insurance Commissioner, Office of	62
Investment Board, State	57
Joint Legislative Audit & Review Committee	8
Joint Legislative Systems Committee	12
Judicial Conduct, Commission on	17
Labor & Industries, Department of	75
Legislative Evaluation & Accountability Program Committee	9
LEOFF 2 Retirement Board	144
Licensing, Department of	77
Lieutenant Governor, Office of the	25
Liquor Control Board, Washington State	70
Lottery Commission, State	51
Military Department	78

Table of Contents

Title	Page
Minority & Women's Business Enterprises, Office of	61
Natural Resources, Department of	200
Office of Civil Legal Aid	21
Office of Legislative Support Svcs	11
Other Legislation	212
Parks and Recreation Commission, State	193
Pollution Liability Insurance Program, Washington	192
Public Defense, Office of	20
Public Disclosure Commission	26
Public Employment Relations Commission	79
Public Schools	148
Public Schools - Compensation Adjustments	171
Public Schools - Education of Highly Capable Students	165
Public Schools - Education Reform	166
Public Schools - Educational Service Districts	161
Public Schools - Elementary & Secondary School Improvement	163
Public Schools - General Apportionment	156
Public Schools - Institutional Education	164
Public Schools - Learning Assistance Program (LAP)	170
Public Schools - Levy Equalization	162
Public Schools - OSPI & Statewide Programs	154
Public Schools - Pupil Transportation	158
Public Schools - School Food Services	159
Public Schools - Special Education	160
Public Schools - Transitional Bilingual Instruction	169

Table of Contents

Title	Page
Puget Sound Partnership	199
Recreation and Conservation Funding Board	194
Redistricting Comm	31
Retirement Systems, Contributions to	209
Retirement Systems, Contributions to - Judicial	211
Retirement Systems, Contributions to - LEOFF	210
Retirement Systems, Department of	56
Revenue, Department of	59
Salaries for Elected Officials, Citizens' Commission on	33
School for the Blind, State	172
Secretary of State, Office of the	27
Senate	7
Services for the Blind, Department of	139
Special Appropriations to the Governor	23
State Law Library	15
State Patrol, Washington	73
Statute Law Committee	13
Student Achievement Council	140
Student Achievement Council - Policy Coordination & Administration	142
Student Achievement Council - Student Financial Assistance	143
Sundry Claims	206
Supreme Court	14
Tax Appeals, Board of	60
The Evergreen State College	182
Treasurer, Office of the State	30

Table of Contents

Title	Page
University of Washington	178
Utilities and Transportation Commission	71
Veterans' Affairs, Department of	120
Veterans' Affairs, Department of - Field Services	122
Veterans' Affairs, Department of - Headquarters	121
Veterans' Affairs, Department of - Institutional Services	123
Volunteer Firefighters, Board for	72
Washington State University	179
Western Washington University	184
Workforce Training & Education Coordinating Board	174

2013-15 Omnibus Operating Budget
Bond Retirement and Interest
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	1,921,678	2,076,825
2013-15 Maintenance Level	0.0	2,045,455	2,202,012
Policy Other Changes:			
1. Debt Service for New Capital Projec	0.0	20,428	20,428
Policy -- Other Total	0.0	20,428	20,428
Total Policy Changes	0.0	20,428	20,428
Total 2013-15 Biennium	0.0	2,065,883	2,222,440
Difference from 2011-13	0.0	144,205	145,615
% Change from 2011-13	0.0%	7.5%	7.0%

Comments:

1. Debt Service for New Capital Projec - Debt service will be incurred from issuing new debt to fund the Senate's proposed capital budget for the 2013-15 biennium.

2013-15 Omnibus Operating Budget
Bond Retirement and Interest
Debt Subject to the Debt Limit
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	1,860,992	1,867,386
2013-15 Maintenance Level	0.0	2,000,265	2,007,362
Policy Other Changes:			
1. Debt Service for New Capital Projec	<u>0.0</u>	<u>20,428</u>	<u>20,428</u>
Policy -- Other Total	0.0	20,428	20,428
Total Policy Changes	0.0	20,428	20,428
Total 2013-15 Biennium	0.0	2,020,693	2,027,790
Difference from 2011-13	0.0	159,701	160,404
% Change from 2011-13	0.0%	8.6%	8.6%

Comments:

1. Debt Service for New Capital Projec - Debt service will be incurred from issuing new debt to fund the Senate's proposed capital budget for the 2013-15 biennium.

2013-15 Omnibus Operating Budget
Bond Retirement and Interest
Proprietary Debt
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	8,220
2013-15 Maintenance Level	0.0	0	8,276
Total 2013-15 Biennium	0.0	0	8,276
Difference from 2011-13	0.0	0	56
% Change from 2011-13	0.0%	0.0%	0.7%

Comments:

2013-15 Omnibus Operating Budget
Bond Retirement and Interest
Reimbursable Debt
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	57,972	198,100
2013-15 Maintenance Level	0.0	41,738	181,953
Total 2013-15 Biennium	0.0	41,738	181,953
Difference from 2011-13	0.0	-16,234	-16,147
% Change from 2011-13	0.0%	-28.0%	-8.2%

Comments:

2013-15 Omnibus Operating Budget
Bond Retirement and Interest
Bond Sale Expenses
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	2,714	3,119
2013-15 Maintenance Level	0.0	3,452	4,421
Total 2013-15 Biennium	0.0	3,452	4,421
Difference from 2011-13	0.0	738	1,302
% Change from 2011-13	0.0%	27.2%	41.7%

Comments:

2013-15 Omnibus Operating Budget
House of Representatives
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	367.3	57,939	59,430
2013-15 Maintenance Level	356.6	62,243	64,008
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,286	-1,286
Policy -- Other Total	0.0	-1,286	-1,286
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-1,430	-1,430
Total 2013-15 Biennium	356.6	60,813	62,578
Difference from 2011-13	-10.7	2,874	3,148
% Change from 2011-13	-2.9%	5.0%	5.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget**Senate**

(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	261.6	43,246	44,667
2013-15 Maintenance Level	253.0	44,939	46,453
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,048	-1,048
Policy -- Other Total	0.0	-1,048	-1,048
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-1,192	-1,192
Total 2013-15 Biennium	253.0	43,747	45,261
Difference from 2011-13	-8.6	501	594
% Change from 2011-13	-3.3%	1.2%	1.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Jt Leg Audit & Review Committee
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	20.9	5,120	5,290
2013-15 Maintenance Level	21.4	5,671	6,335
Policy Other Changes:			
1. Audit Functions	0.0	-5,641	0
2. Administrative Efficiencies	0.0	-30	-30
Policy -- Other Total	0.0	-5,671	-30
Total Policy Changes	0.0	-5,671	-30
Total 2013-15 Biennium	21.4	0	6,305
Difference from 2011-13	0.5	-5,120	1,015
% Change from 2011-13	2.4%	-100.0%	19.2%

Comments:

Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

1. Audit Functions - Funding for the agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for all legislative and statutory audit functions during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget**LEAP Committee**

(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	10.0	3,745	3,745
2013-15 Maintenance Level	10.0	3,401	3,401
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-14	-14
Policy -- Other Total	0.0	-14	-14
Total Policy Changes	0.0	-14	-14
Total 2013-15 Biennium	10.0	3,387	3,387
Difference from 2011-13	0.0	-358	-358
% Change from 2011-13	0.0%	-9.6%	-9.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the State Actuary
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	13.2	0	3,324
2013-15 Maintenance Level	13.0	0	3,330
Total 2013-15 Biennium	13.0	0	3,330
Difference from 2011-13	-0.3	0	6
% Change from 2011-13	-1.9%	0.0%	0.2%

Comments:

2013-15 Omnibus Operating Budget
Office of Legislative Support Svcs
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	21.3	3,016	3,016
2013-15 Maintenance Level	42.6	6,662	6,713
Policy Transfer Changes:			
1. Legislative Cost Transfers	0.0	732	732
Policy -- Transfer Total	0.0	732	732
Total Policy Changes	0.0	732	732
Total 2013-15 Biennium	42.6	7,394	7,445
Difference from 2011-13	21.3	4,378	4,429
% Change from 2011-13	100.0%	145.2%	146.9%

Comments:

1. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Joint Legislative Systems Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	46.6	15,679	15,679
2013-15 Maintenance Level	46.6	16,169	16,169
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-62	-62
Policy -- Other Total	0.0	-62	-62
Policy Transfer Changes:			
2. Legislative Cost Transfers	0.0	-444	-444
Policy -- Transfer Total	0.0	-444	-444
Total Policy Changes	0.0	-506	-506
Total 2013-15 Biennium	46.6	15,663	15,663
Difference from 2011-13	0.0	-16	-16
% Change from 2011-13	0.0%	-0.1%	-0.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Legislative Cost Transfers - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

2013-15 Omnibus Operating Budget
Statute Law Committee
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	46.6	8,768	9,620
2013-15 Maintenance Level	46.6	7,860	8,752
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-42	-42
Policy -- Other Total	0.0	-42	-42
Total Policy Changes	0.0	-42	-42
Total 2013-15 Biennium	46.6	7,818	8,710
Difference from 2011-13	0.0	-950	-910
% Change from 2011-13	0.0%	-10.8%	-9.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Supreme Court
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	60.9	13,319	13,319
2013-15 Maintenance Level	60.9	13,809	13,809
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-514	-514
Policy -- Other Total	0.0	-514	-514
Total Policy Changes	0.0	-514	-514
Total 2013-15 Biennium	60.9	13,295	13,295
Difference from 2011-13	0.0	-24	-24
% Change from 2011-13	0.0%	-0.2%	-0.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
State Law Library
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	13.8	1,504	3,004
2013-15 Maintenance Level	13.8	2,965	2,965
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-148	-148
Policy -- Other Total	0.0	-148	-148
Total Policy Changes	0.0	-148	-148
Total 2013-15 Biennium	13.8	2,817	2,817
Difference from 2011-13	0.0	1,313	-187
% Change from 2011-13	0.0%	87.3%	-6.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Court of Appeals
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	139.6	30,443	30,443
2013-15 Maintenance Level	139.6	31,182	31,182
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,139	-1,139
Policy -- Other Total	0.0	-1,139	-1,139
Total Policy Changes	0.0	-1,139	-1,139
Total 2013-15 Biennium	139.6	30,043	30,043
Difference from 2011-13	0.0	-400	-400
% Change from 2011-13	0.0%	-1.3%	-1.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Commission on Judicial Conduct
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	9.5	2,029	2,029
2013-15 Maintenance Level	9.5	2,071	2,071
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-104	-104
Policy -- Other Total	0.0	-104	-104
Total Policy Changes	0.0	-104	-104
Total 2013-15 Biennium	9.5	1,967	1,967
Difference from 2011-13	0.0	-62	-62
% Change from 2011-13	0.0%	-3.1%	-3.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Administrative Office of the Courts
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	398.3	99,156	150,394
2013-15 Maintenance Level	388.0	111,595	141,516
Policy Other Changes:			
1. Information Networking Hub	0.0	0	1,500
2. Internal Equipment Replacement	0.0	0	2,138
3. External Equipment Replacement	0.0	0	1,199
4. Electronic Content Mgmt System	1.0	0	333
5. Administrative Efficiencies	0.0	-3,620	-3,620
6. Commissions Efficiencies	0.0	-300	-300
7. Reduce LFO payments	0.0	-740	-740
8. GF-S/JSTA	0.0	-5,982	0
9. GF-S/JIS	0.0	-20,022	0
Policy -- Other Total	1.0	-30,664	510
Total Policy Changes	1.0	-30,664	510
Total 2013-15 Biennium	389.0	80,931	142,026
Difference from 2011-13	-9.3	-18,225	-8,368
% Change from 2011-13	-2.3%	-18.4%	-5.6%

Comments:

- 1. Information Networking Hub** - Funding is provided to continue development and implementation of the Information Networking Hub for bi-directional data exchanges, as well as provide a central data repository for court data. (Judicial Information Systems Account-State)
- 2. Internal Equipment Replacement** - Funding is provided to replace aged computer equipment and to improve the performance of heavily used Judicial Information System services. (Judicial Information Systems Account-State)
- 3. External Equipment Replacement** - Funding is provided to replace computer equipment at the courts. (Judicial Information Systems Account-State)
- 4. Electronic Content Mgmt System** - Funding is provided for staff and other costs for the new commercial off-the-shelf electronic content management system. (Judicial Information Systems Account-State)
- 5. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.
- 6. Commissions Efficiencies** - Funding is reduced through additional efficiencies to be achieved by combining the commissions supported by the Administrative Office of the Courts.
- 7. Reduce LFO payments** - Funding is reduced for the cost of the legal financial obligation collection program by 25 percent. (General Fund-State)
- 8. GF-S/JSTA** - Funding is provided from fee revenue deposited into Judicial Stabilization Trust Account and general fund-state appropriations are reduced by that amount. It is assumed that the temporary surcharge will be extended through 2013-15, levied at a rate to collect 50 percent of revenues estimated for SHB 1961 (2013) (extending the expiration date for judicial stabilization trust account surcharges). (General Fund-State, Judicial Stabilization Trust Account- State)

**2013-15 Omnibus Operating Budget
Administrative Office of the Courts**

9. GF-S/JIS - Funding is increased from the Judicial Information Systems Account for the 2013-15 biennium and general fund-state appropriations are reduced in the same amount. (General Fund-State, Judicial Information Systems Account-State)

2013-15 Omnibus Operating Budget
Office of Public Defense
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	14.8	54,163	58,531
2013-15 Maintenance Level	15.5	64,310	64,310
Policy Other Changes:			
1. Increase Federal Authority - CCLI	0.4	0	152
2. Parents Representation Program	0.0	304	304
3. Administrative Efficiencies	0.0	-18	-18
Policy -- Other Total	0.4	286	438
Total Policy Changes	0.4	286	438
Total 2013-15 Biennium	15.9	64,596	64,748
Difference from 2011-13	1.2	10,433	6,217
% Change from 2011-13	7.8%	19.3%	10.6%

Comments:

1. Increase Federal Authority - CCLI - Expenditure authority is extended for the Department of Justice grants awarded to the Office of Public Defense under the Capital Case Litigation Initiative for a death penalty trial training program. (General Fund-Federal)

2. Parents Representation Program - Funding is provided for the Parents Representation Program cost increases for contract attorneys.

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of Civil Legal Aid
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1.0	21,592	23,665
2013-15 Maintenance Level	1.0	23,186	23,186
Policy Other Changes:			
1. Civil Legal Aid Reduction	0.0	-3,000	-3,000
2. Administrative Efficiencies	0.0	-2	-2
Policy -- Other Total	0.0	-3,002	-3,002
Total Policy Changes	0.0	-3,002	-3,002
Total 2013-15 Biennium	1.0	20,184	20,184
Difference from 2011-13	0.0	-1,408	-3,481
% Change from 2011-13	0.0%	-6.5%	-14.7%

Comments:

1. Civil Legal Aid Reduction - Funding is reduced for civil legal aid activities.

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the Governor
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	49.9	10,350	11,850
2013-15 Maintenance Level	49.9	10,188	11,688
Policy Other Changes:			
1. STEM Education Innovation Alliance	1.0	252	252
2. Greenhouse Gas Emissions SB 5802	0.0	202	202
3. Administrative Efficiencies	0.0	-54	-54
Policy -- Other Total	1.0	400	400
Total Policy Changes	1.0	400	400
Total 2013-15 Biennium	50.9	10,588	12,088
Difference from 2011-13	1.0	238	238
% Change from 2011-13	2.0%	2.3%	2.0%

Comments:

1. STEM Education Innovation Alliance - Substitute Senate Bill 5755 creates the STEM (science, technology, engineering, and mathematics) Education Innovation Alliance in the Office of the Governor to increase STEM learning opportunities and achieving longer-term outcomes in STEM.

2. Greenhouse Gas Emissions SB 5802 - Funding is provided for implementation of Engrossed Second Substitute Senate Bill 5802 (greenhouse gas emission targets).

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Special Approps to the Governor
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	110,422	127,922
2013-15 Maintenance Level	0.0	99,552	99,552
Policy Other Changes:			
1. Disaster Response Account	0.0	7,600	7,600
2. Susp Loc Publ Safety Acct Transfer	0.0	-10,000	-10,000
3. SOS Archives/Records Management	0.0	0	1
4. Audit Services	0.0	4	8
5. Attorney General Legal Services	0.0	-739	-3,610
6. Administrative Hearings	0.0	178	462
7. CTS Central Services	0.0	574	1,201
8. DES Central Services	0.0	-2,425	-4,711
9. Consolidated Savings Efficiencies	0.0	-50,000	-50,000
10. Information Technology Savings	0.0	-15,000	-15,000
11. Industrial Insurance Savings	0.0	-9,593	-9,593
Policy -- Other Total	0.0	-79,401	-83,642
Policy Transfer Changes:			
12. Public Health Funding Transfer	0.0	25,063	25,063
Policy -- Transfer Total	0.0	25,063	25,063
Total Policy Changes	0.0	-54,338	-58,579
Total 2013-15 Biennium	0.0	45,214	40,973
Difference from 2011-13	0.0	-65,208	-86,949
% Change from 2011-13	0.0%	-59.1%	-68.0%

Comments:

- 1. Disaster Response Account** - Additional funds are necessary in the Disaster Response Account for fire costs incurred by the Department of Natural Resources.
- 2. Susp Loc Publ Safety Acct Transfer** - The transfer into the Local Public Safety Enhancement Account is suspended for 2013-15.
- 3. SOS Archives/Records Management** - Adjustments are made to agency budgets to align with expected billing levels for Archives/Records Management in 2013-15.
- 4. Audit Services** - Adjustments are made to agency budgets to align with expected billing levels for Audit Services in 2013-15.
- 5. Attorney General Legal Services** - Adjustments are made to agency budgets to align with expected billing levels for Agency Legal Services in 2013-15.
- 6. Administrative Hearings** - Adjustments are made to agency budgets to align with expected billing levels for the Office of Administrative Hearings in 2013-15.
- 7. CTS Central Services** - Funding is provided for this agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees.

2013-15 Omnibus Operating Budget Special Approps to the Governor

8. DES Central Services - Adjustments are made to agency budgets to align with expected billing levels for Department of Enterprise Services in 2013-15.

9. Consolidated Savings Efficiencies - General Fund--State appropriations are reduced to reflect (1) available fund balances in dedicated revolving funds used for central services to state agencies, and (2) more efficient delivery of consolidated central services to state agencies.

10. Information Technology Savings - General Fund--State appropriations are reduced in each fiscal year of the biennium to reflect efficiencies in information technology expenditures statewide.

11. Industrial Insurance Savings - General Fund--State appropriations are reduced in each fiscal year of the biennium to reflect lower agency industrial insurance costs under Senate Bill No. 5127 and 5128 (industrial insurance).

12. Public Health Funding Transfer - Local public health funding previously in the Department of Health is consolidated for distribution to local public health districts.

2013-15 Omnibus Operating Budget
Office of the Lieutenant Governor
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	5.8	1,301	1,396
2013-15 Maintenance Level	5.8	1,318	1,413
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-6	-6
Policy -- Other Total	0.0	-6	-6
Total Policy Changes	0.0	-6	-6
Total 2013-15 Biennium	5.8	1,312	1,407
Difference from 2011-13	0.0	11	11
% Change from 2011-13	0.0%	0.9%	0.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Disclosure Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	19.5	3,962	3,962
2013-15 Maintenance Level	19.6	4,090	4,090
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-32	-32
Policy -- Other Total	0.0	-32	-32
Total Policy Changes	0.0	-32	-32
Total 2013-15 Biennium	19.6	4,058	4,058
Difference from 2011-13	0.1	96	96
% Change from 2011-13	0.5%	2.4%	2.4%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the Secretary of State
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	311.4	24,668	85,623
2013-15 Maintenance Level	314.6	29,598	86,818
Policy Other Changes:			
1. Election & Voters' Pamphlet Savings	0.0	-1,600	-1,600
2. State Library Reductions	0.0	-632	-632
3. State Library to Heritage Fund	0.0	-8,860	0
4. Voter Registration & Online Service	0.0	0	-5,314
5. Productivity Board	0.0	0	-781
6. Information Technology Academy	0.0	1,543	1,543
7. Administrative Efficiencies	0.0	-448	-448
Policy -- Other Total	0.0	-9,997	-7,232
Total Policy Changes	0.0	-9,997	-7,232
Total 2013-15 Biennium	314.6	19,601	79,586
Difference from 2011-13	3.3	-5,067	-6,037
% Change from 2011-13	1.0%	-20.5%	-7.1%

Comments:

1. Election & Voters' Pamphlet Savings - Election savings will be gained in the 2013-15 biennium by repealing the statutory requirement to include the full text of each proposed measure in the printed voters' pamphlet and to hold primary elections in a judicial race when only one or two candidates have filed.

2. State Library Reductions - The State Library will reduce programs and services to create General Fund-State savings.

3. State Library to Heritage Fund - State Library services are permanently shifted from the state General Fund to the Heritage Center Account. (General Fund-State, Washington State Heritage Center Account-State)

4. Voter Registration & Online Service - The Office of the Secretary of State maintains the statewide voter registration database required by the federal Help America Vote Act of 2002 (HAVA). The database was launched in January 2006. HAVA funds that have been used to build and maintain the voter database will be reduced by \$5.314 million in Fiscal Year 2015. The remaining federal HAVA funds will allow the Elections Office to maintain the new system until the 2015-17 biennium. (Election Account-Federal)

5. Productivity Board - The operations of the Productivity Board were suspended during the 2011-13 biennium. The suspension is continued for the 2013-15 biennium. (Personnel Service Account--State)

6. Information Technology Academy - Funding is provided for the State Library to purchase statewide on-line access to the Information Technology Academy to allow public access to on-line courses and learning resources through public libraries.

7. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Governor's Office of Indian Affairs
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2.0	517	517
2013-15 Maintenance Level	2.0	503	503
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	499	499
Difference from 2011-13	0.0	-18	-18
% Change from 2011-13	0.0%	-3.5%	-3.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Asian-Pacific-American Affrs
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2.0	446	446
2013-15 Maintenance Level	2.0	421	421
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	417	417
Difference from 2011-13	0.0	-29	-29
% Change from 2011-13	0.0%	-6.5%	-6.5%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of the State Treasurer
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	67.0	0	15,160
2013-15 Maintenance Level	67.0	0	15,435
Policy Other Changes:			
1. Reduce Excess Expenditure Authority	0.0	0	-756
Policy -- Other Total	0.0	0	-756
Total Policy Changes	0.0	0	-756
Total 2013-15 Biennium	67.0	0	14,679
Difference from 2011-13	0.0	0	-481
% Change from 2011-13	0.0%	0.0%	-3.2%

Comments:

1. Reduce Excess Expenditure Authority - Expenditure authority is reduced to reflect 2013-15 efficiency savings anticipated in the Governor's veto message in the 2012 Supplemental Budget (chapter 7, Laws of 2012 2nd sp.sess.). (Treasurer's Service Account--State)

2013-15 Omnibus Operating Budget
Redistricting Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	5.9	1,781	1,781
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-5.9	-1,781	-1,781
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
Office of the State Auditor
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	336.3	0	72,894
2013-15 Maintenance Level	336.3	1,461	80,614
Policy Other Changes:			
1. School Audits	0.0	-1,461	0
2. DSHS Fraud Investigation	0.0	0	-4,941
3. Foster Care Cost Audit	0.0	77	77
Policy -- Other Total	0.0	-1,384	-4,864
Total Policy Changes	0.0	-1,384	-4,864
Total 2013-15 Biennium	336.3	77	75,750
Difference from 2011-13	0.0	77	2,856
% Change from 2011-13	0.0%	0.0%	3.9%

Comments:

1. School Audits - Funding for select state school district audits will be funded from the Performance Audits of Government Account rather than General Fund-State. (General Fund-State, Performance Audits of Government Account-State)

2. DSHS Fraud Investigation - The Performance Audits of Government Account is reduced to allow for the shifting of expenditure authority to the Division of Fraud Investigations (DFI) within the Department of Social and Health Services. (Performance Audits of Government Account-Nonappropriated)

3. Foster Care Cost Audit - Funding is provided for the State Auditor to examine cases with extraordinary costs within the foster care system managed by the Children's Administration of the Department of Social and Health Services. This audit will examine the highest cost foster children to determine if the child's care could be provided in a more cost-effective manner and whether the cost for these placements is consistent across similarly acute children.

2013-15 Omnibus Operating Budget
Comm Salaries for Elected Officials
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1.3	327	327
2013-15 Maintenance Level	1.3	313	313
Total 2013-15 Biennium	1.3	313	313
Difference from 2011-13	0.1	-14	-14
% Change from 2011-13	4.0%	-4.3%	-4.3%

Comments:

2013-15 Omnibus Operating Budget
Office of the Attorney General
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,100.7	12,448	228,713
2013-15 Maintenance Level	1,067.6	19,380	229,321
Policy Other Changes:			
1. Legal Services Reduction	0.0	0	-3,005
2. Law Office Software Upgrades	0.0	0	609
3. Reduce Anti-Trust to Balance Fund	0.0	0	-3,000
4. Increase Public Counsel Resources	1.0	0	235
5. Lease of Personal Computers	0.0	0	424
6. Administrative Efficiencies	0.0	-338	-338
Policy -- Other Total	1.0	-338	-5,075
Total Policy Changes	1.0	-338	-5,075
Total 2013-15 Biennium	1,068.6	19,042	224,246
Difference from 2011-13	-32.2	6,594	-4,467
% Change from 2011-13	-2.9%	53.0%	-2.0%

Comments:

1. Legal Services Reduction - Legal Services Revolving Account funds are reduced. The Attorney General will work with client agencies to implement stricter policies and best practices regarding use of Attorney General services to achieve lower legal bills. (Legal Services Revolving Account-State)

2. Law Office Software Upgrades - Funding is provided for upgrades to software programs including Concordance Image Network, Summation Pro, and Sharepoint 2010. (Legal Services Revolving Account-State)

3. Reduce Anti-Trust to Balance Fund - Expenditures in the Anti-Trust Revolving Account are reduced to reflect lower-than-anticipated revenues in the 2013-15 biennium. (Anti-Trust Revolving Account-Nonappropriated)

4. Increase Public Counsel Resources - Funding is provided for additional Public Counsel Unit resources for expedited treatment of Utilities and Transportation Commission cases. (Public Service Revolving Account-State)

5. Lease of Personal Computers - The Office of the Attorney General is provided funding in the 2013-15 biennium to replace a portion of its computers with expired warranties. (Legal Services Revolving Account-State)

6. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Caseload Forecast Council
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	12.0	2,457	2,457
2013-15 Maintenance Level	12.0	2,494	2,494
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-20	-20
Policy -- Other Total	-0.1	-20	-20
Total Policy Changes	-0.1	-20	-20
Total 2013-15 Biennium	11.9	2,474	2,474
Difference from 2011-13	-0.1	17	17
% Change from 2011-13	-0.8%	0.7%	0.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Financial Institutions
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	188.3	0	46,209
2013-15 Maintenance Level	188.3	0	47,151
Policy Other Changes:			
1. Enhance Cr. Union Compliance Exams	2.6	0	563
2. Small Consumer Installment Loans	3.6	0	630
Policy -- Other Total	6.2	0	1,193
Total Policy Changes	6.2	0	1,193
Total 2013-15 Biennium	194.4	0	48,344
Difference from 2011-13	6.2	0	2,135
% Change from 2011-13	3.3%	0.0%	4.6%

Comments:

1. Enhance Cr. Union Compliance Exams - Funding is provided to conduct more compliance exams at Washington State chartered credit unions. (Financial Services Regulation Account-Nonappropriated)

2. Small Consumer Installment Loans - Funding is provided for the implementation of Engrossed Substitute Senate Bill 5312 (small consumer installment loans), which establishes the Small Consumer Installment Act and requires the department to regulate businesses offering these types of loans, and imposes a fee for the purposes of regulating these activities. (Financial Services Regulation Account- Non-Appropriated-State)

2013-15 Omnibus Operating Budget
Department of Commerce
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	256.0	124,671	588,702
2013-15 Maintenance Level	273.5	144,379	533,553
Policy Other Changes:			
1. Eliminate Global Health Grant	0.0	-500	-500
2. Eliminate Microenterprise Grant	0.0	-328	-328
3. Eliminate Community Mobilization Gr	-1.9	-1,786	-1,786
4. Eliminate Innovation Research Grant	0.0	-3,718	-3,718
5. Reduce State Energy Policy	0.0	-52	-52
6. Eliminate Economic Development Comm	-2.8	-882	-882
7. Unanticipated Receipt	2.4	0	1,240
8. HEN Underspending	0.0	-30,251	-30,251
9. HEN - Funding	0.0	-31,237	0
10. Housing - Funding	0.0	0	-25,860
11. THOR	0.0	0	-2,500
12. Eliminate IPZ Grants	0.0	-100	-100
13. Eliminate Impact WA Pass-Thru	0.0	-292	-292
14. Eliminate Admin for Grant Services	0.0	-983	-983
15. Reduce ADO Grants	0.0	-2,500	-2,500
16. Reduce Foreign Int'l Trade	0.0	-106	-106
17. Reduce Domestic Int'l Trade	0.0	-665	-665
18. Reduce Biz Development/Admin	0.0	-1,000	-1,000
19. Eliminate Portfolio Management	0.0	-131	-131
20. Water and Environmental Center	0.0	750	750
21. Reduce Northwest Ag Center	0.0	-200	-200
22. Washington Tourism Alliance	0.0	200	200
23. Administrative Efficiencies	0.0	-304	-304
24. Covington Town Center	0.0	50	50
Policy -- Other Total	-2.3	-74,035	-69,918
Total Policy Changes	-2.3	-74,035	-69,918
Total 2013-15 Biennium	271.2	70,344	463,635
Difference from 2011-13	15.2	-54,327	-125,067
% Change from 2011-13	5.9%	-43.6%	-21.2%

Comments:

- 1. Eliminate Global Health Grant** - Funding for the Washington Global Health Alliance is eliminated.
- 2. Eliminate Microenterprise Grant** - Funding for the Washington State Microenterprise Association is eliminated.
- 3. Eliminate Community Mobilization Gr** - Funding for Community Mobilization grants, used by counties to help prevent and reduce substance abuse and violence, is eliminated.
- 4. Eliminate Innovation Research Grant** - Funding for the Strategically Targeted Academic Research team (STARS) program is eliminated.
- 5. Reduce State Energy Policy** - Funding is reduced by 5 percent.

2013-15 Omnibus Operating Budget Department of Commerce

- 6. Eliminate Economic Development Comm** - Funding for the Washington Economic Development Commission (EDC) is eliminated. The EDC is an independent state commission responsible for evaluating the state's economic development systems and developing long-term comprehensive strategic planning.
- 7. Unanticipated Receipt** - Funding is increased for the following unanticipated receipts: Protecting Inmates and Safeguarding Communities, Washington Homeless and Poverty Policy Alignment, State Trade and Export Promotion Grant, 2012 State Energy Program Competitive Grants, and Energy Efficiency Resource Standard. (General Fund-State, General Fund-Private Local)
- 8. HEN Underspending** - Funding is adjusted to reflect actual monthly expenditures from July through December 2012 in the Housing and Essential Needs program. The adjusted funding assumes, beginning July 1, 2013, the disabled population from the former Aged, Blind, and Disabled program that meets the housing eligibility requirements will be served by the Housing and Essential Needs program within the amounts appropriated.
- 9. HEN - Funding** - Funding from the state general fund for the Housing and Essential Needs program is reduced, and appropriation authority is increased from the Home Security and Affordable Housing for All accounts for the 2013-15 biennium. (General Fund-State, Home Security Account-State, Affordable Housing for All Account-State)
- 10. Housing - Funding** - Funding is adjusted based on assumed reduced activities in various housing programs. Funding is maintained for Independent Youth Housing, for homeless family shelters, and 75 percent of emergency shelter prevention. (Affordable Housing for All-State, Home Security Fund-State)
- 11. THOR** - Funding for transitional housing is reduced. (Transitional Housing Operating and Rent Account- State, nonappropriated)
- 12. Eliminate IPZ Grants** - Funding for the innovation partnership zone competitive grants is eliminated.
- 13. Eliminate Impact WA Pass-Thru** - Funding for grants to the not-for-profit organization, Impact Washington, are eliminated.
- 14. Eliminate Admin for Grant Services** - Funding for grant services is reduced by 60 percent in fiscal year 2014 and eliminated in fiscal year 2015.
- 15. Reduce ADO Grants** - Funding is reduced for grants for Associate Development Organizations (ADOs). During the 2013-15 biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086, and shall direct resources to limit the fiscal impact to ADOs where this grant comprised 20 percent or more of the annual budget of the ADO for the previous two years.
- 16. Reduce Foreign Int'l Trade** - Funding is reduced for foreign representatives providing export assistance in China and Europe by 25 percent.
- 17. Reduce Domestic Int'l Trade** - Funding is reduced for export assistance contracting services by 25 percent.
- 18. Reduce Biz Development/Admin** - Funding for the business services division administration and activities is reduced.
- 19. Eliminate Portfolio Management** - Funding for portfolio management is reduced by 25 percent in fiscal year 2014 and eliminated in fiscal year 2015.
- 20. Water and Environmental Center** - Funding is provided to Walla Walla Community College for the William Grant Water and Environmental Center.
- 21. Reduce Northwest Ag Center** - Funding for the Northwest Agricultural Business Center is reduced by \$200,000.
- 22. Washington Tourism Alliance** - Funding is provided for the Washington Tourism Alliance for website maintenance and/or development.
- 23. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.
- 24. Covington Town Center** - Funding is provided for an economic impact and infrastructure cost study for Covington Town Center.

2013-15 Omnibus Operating Budget
Economic & Revenue Forecast Council
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	5.6	1,437	1,487
2013-15 Maintenance Level	6.1	1,569	1,619
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-10	-10
Policy -- Other Total	-0.1	-10	-10
Total Policy Changes	-0.1	-10	-10
Total 2013-15 Biennium	6.0	1,559	1,609
Difference from 2011-13	0.4	122	122
% Change from 2011-13	7.1%	8.5%	8.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Office of Financial Management
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	186.1	36,994	116,760
2013-15 Maintenance Level	205.7	37,688	117,875
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	1.5	916	916
2. Aerospace Sector Lead	-1.0	-254	-254
3. Education Data Center - 2SSB 5330	0.4	106	106
4. GMAP Program	-8.5	-2,735	-2,735
5. Greenhouse Gas Emissions SB 5802	0.0	175	175
6. Audit & Financial Management	0.0	-4,400	0
7. Administrative Efficiencies	0.0	-370	-370
Policy -- Other Total	-7.7	-6,562	-2,162
Total Policy Changes	-7.7	-6,562	-2,162
Total 2013-15 Biennium	198.0	31,126	115,713
Difference from 2011-13	11.9	-5,868	-1,047
% Change from 2011-13	6.4%	-15.9%	-0.9%

Comments:

1. Charter Schools (Initiative 1240) - Initiative 1240 established a State Charter Schools Commission to be housed within the Office of the Governor. Funding is provided for an executive director, part-time administrative assistant, and operations staff support for the commission.

2. Aerospace Sector Lead - Funding for the Governor's Office of Aerospace is eliminated.

3. Education Data Center - 2SSB 5330 - Second Substitute Senate Bill 5330 (improving student achievement and student outcomes) requires the Office of Financial Management's Education Data Center to monitor outcomes for students with disabilities after high school graduation.

4. GMAP Program - Funding for the Government Management, Accountability and Productivity (GMAP) Program is eliminated.

5. Greenhouse Gas Emissions SB 5802 - Funding is provided for implementation of Engrossed Second Substitute Senate Bill 5802 (greenhouse gas emission targets).

6. Audit & Financial Management - Funding for a portion of agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for audit functions and related financial management during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

7. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
WA State Health Care Authority
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,055.6	4,065,447	10,207,243
2013-15 Maintenance Level	1,005.0	4,779,748	10,378,915
Policy Other Changes:			
1. HealthPath Washington	0.0	-4,214	-4,214
2. Restore Hospital Safety Net	0.0	-238,036	714,226
3. Federal Medicaid Expansion	-20.5	-234,515	839,636
4. Expansion Eligibility Determination	-50.8	-3,438	-7,859
5. Language Access Provider Agreement	0.0	434	607
6. Prescription Monitoring Program	0.0	0	100
7. Health Information Technology	10.0	0	170,561
8. Health Information Exchange Grant	2.3	430	930
9. HBE Cost Allocation	0.0	4,151	10,435
10. Inpatient and Outpatient Rebase	0.0	0	566
11. International Class. of Diseases	7.8	0	10,873
12. Medicaid IT Architecture Assessment	1.0	0	359
13. Autism Services	1.0	0	8,698
14. ProviderOne Phase 2 Project	30.5	1,811	12,614
15. Bree Collaborative	0.0	0	126
16. Foster Care and Adoption	0.0	-1,686	-1,035
17. Adult Dental	0.0	9,789	30,690
18. 12 Month Dispensing	0.0	-4,426	-8,852
19. Wellness Program	0.0	0	571
20. Managed Care Premiums	0.0	-18,778	-37,556
21. Medicaid Benefit Alignment	0.0	778	1,556
22. Medicaid Fraud Penalty	0.0	-1,500	0
23. Apple Health Hotline	0.0	40	80
24. HCA Financial Oversight	0.0	184	368
25. Sole Community Hospitals	0.0	2,000	4,000
26. RHC Reconciliation	0.0	3,645	3,645
27. Child Premiums	0.0	714	714
28. Administrative Efficiencies	0.0	-2,620	-2,620
Policy -- Other Total	-18.8	-485,237	1,749,219
Total Policy Changes	-18.8	-485,237	1,749,219
Total 2013-15 Biennium	986.3	4,294,511	12,128,134
Difference from 2011-13	-69.3	229,064	1,920,891
% Change from 2011-13	-6.6%	5.6%	18.8%

2013-15 Omnibus Operating Budget WA State Health Care Authority

Comments:

1. HealthPath Washington - HealthPath Washington is a demonstration project that allows the Department of Social and Health Services to establish a care management program for high-cost, high-risk Medicare and Medicaid enrollees. Coordinated services across Medicare and Medicaid will result in savings to the Health Care Authority. The demonstration project is scheduled to begin April 1, 2013, and will continue until December 31, 2016.

2. Restore Hospital Safety Net - The Hospital Safety Net Assessment program imposes assessments on most hospitals and the revenue from the assessment is placed in the Hospital Safety Net Assessment Fund (Fund). Currently the state spends \$199.8 million from the fund in lieu of General Fund-State. The Hospital Safety Net Assessment program is set to expire on July 1, 2013. Funding is provided to restore the program for a six-year period. Savings are achieved by allowing the state to use Safety Net funds in lieu of the state general fund for Medicaid hospital services. The program will be incrementally decreased over the six years to zero at its expiration. The phase-down of this program coincides with the the ramp up of federal health care reform. (General Fund-Federal, Hospital Safety Net Assessment Account-State)

3. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that newly eligible caseloads will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will decrease, and after 10 years, the federal government will continue to pay 90 percent of the FFP for the newly eligible group. As a result, several currently funded optional programs may duplicate coverage or services provided under federal health care reform. Effective January 1, 2014, savings are achieved through ending the following programs for current and or new enrollees: Disability Lifeline Medical, Basic Health Plan, ADATSA Medical, and non-dual Medically Needy Blind Disabled. Additional savings are achieved by ending the program for new enrollees or reducing funding for the following: Presumptive SSI, Breast Cervical Cancer Treatment, and Take Charge Family Planning. (General Fund-State, General Fund-Federal, Basic Health Plan Subscription Account-Nonappropriated)

4. Expansion Eligibility Determination - Funding and FTE authority are reduced. Eligibility determinations and post-eligibility case reviews required as part of the Affordable Care Act will be centralized in the Department of Social and Health Services. (General Fund-State, General Fund-Federal)

5. Language Access Provider Agreement - Pursuant to the 2013-15 collective bargaining agreement, funding is provided for a change to no-show payment rules and a rate increase of 50 cents per hour on July 1, 2013, and 50 cents per hour on July 1, 2014. (General Fund-State, General Fund-Federal)

6. Prescription Monitoring Program - The Prescription Monitoring Program helps practitioners identify and prevent abuse, misuse, duplication and forgery of prescriptions, as well as dangerous drug interactions. Federal grant funding was used to develop the program within the Department of Health; however, these federal grants are not ongoing and will be fully depleted by June 2013. Funding is provided to the Department of Health for the continuation of the Prescription Monitoring Program and local authority is provided to the Health Care Authority to claim eligible federal funding. (General Fund-Private/Local).

7. Health Information Technology - Funding is provided to issue federally funded incentive payments, manage the provider incentive program and to plan and launch other initiatives related to the State Health Information Technology (HIT) Medicaid Plan (SMHP) in the 2013-2015 Biennium. Funding continues for the current Electronic Health Record (EHR) incentive program. (General Fund-Federal)

8. Health Information Exchange Grant - One-time funding is provided to complete grant requirements for the Health Information Exchange (HIE), which was implemented using funds awarded through the American Recovery and Reinvestment Act (ARRA) Health Information Technology for Economic and Clinical Health (HITECH) Act, provisions of 2009. (General Fund-State, General Fund-Federal)

9. HBE Cost Allocation - Funding is provided to the Health Care Authority for the Medicaid and Children's Health Insurance Program (CHIP) share of costs allocated from the Washington Health Benefits Exchange. The amounts provided are contingent on the health benefit exchange developing a self-sustaining methodology under which revenues to the exchange from charges to health carriers, premiums paid by enrollees, and receipts from the state from appropriations do not exceed \$26,000,000 annually. This funding level is about 50 percent of the Exchange funding request. (General Fund-State, General Fund-Federal).

2013-15 Omnibus Operating Budget WA State Health Care Authority

10. Inpatient and Outpatient Rebase - Funding is provided for an expert contractor to rebase outpatient and inpatient payment methodologies. Rebasing will improve payment methodologies and ensure compliance with upcoming ICD-10 technology requirements. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

11. International Class. of Diseases - Funding is provided to implement the federally mandated conversion to the tenth version of the World Health Organization's International Classification of Diseases (ICD-10). ICD-10 is a method of coding a patient's state of health and institutional procedures for efficient handling in data systems. This version of classification will provide greater granularity in the definition of disease severity and associated health risk. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

12. Medicaid IT Architecture Assessment - Funding is provided to update the federally mandated Medicaid Information Technology Architecture (MITA) State Self-Assessment and to develop and implement the five-year road map for the MITA architect. The department will have ongoing responsibility to oversee implementation of the roadmap, maintain business process models, and prepare annual updates as required by the Centers for Medicare and Medicaid. (General Fund-Federal)

13. Autism Services - Federal funding is provided to add Applied Behavioral Analysis (ABA) therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health for Kids program. These services are in response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A v. Porter). The services will ameliorate the core symptoms of conditions classified as Autism Spectrum Disorders (ASD), improve functioning in communication, and enhance behavior and social skills. This item includes interpreter services and transportation costs associated with delivering these services. The Authority will use existing funds to match federal spending. (General Fund-Federal)

14. ProviderOne Phase 2 Project - Funding is provided to complete the ProviderOne Phase 2 project and to support ongoing operations and maintenance costs once the project has been completed. The ProviderOne Phase 2 project consolidates Medicaid expenditures to include approximately \$2 billion in Medicaid payments for home and community-based services. (General Fund-State, General Fund-Federal)

15. Bree Collaborative - Funds are provided for the Health Care Authority to subcontract for dissemination of evidence-based best practices for preventing and treating health problems. (General Fund-Federal)

16. Foster Care and Adoption - Approximately 87 percent of foster children and adopted children receive medical care through fee-for-service. Starting January 1, 2014, savings are achieved by moving foster children and adoptive children from medical care delivered through fee-for-service to managed care. (General Fund-State, General Fund-Federal)

17. Adult Dental - Funding is provided to restore adult dental preventative and denture benefits beginning January 1, 2014. The Authority shall not provide additional dental service benefits without a direct appropriation in the Omnibus Appropriations Act. (General Fund-State, General Fund-Federal)

18. 12 Month Dispensing - Savings and efficiencies are achieved by modifying the dispensing methods of contraceptive drugs. The Health Care Authority must make arrangements for all Medicaid programs offered through managed care plans or fee-for-service to require dispensing of contraceptive drugs with up to a one-year supply provided at one time. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

19. Wellness Program - Funding is provided solely for implementation of Engrossed Substitute Senate Bill 5811 (employee wellness program).

20. Managed Care Premiums - The current Medicaid managed care contract rates are expiring in December 2013 and will be renegotiated with the state. Savings and efficiencies are achieved by the Health Care Authority negotiating contract extensions for managed care premiums for the Health Options Blind Disabled population to the weighted average of the four least expensive plans. (General Fund-State, General Fund-Federal)

21. Medicaid Benefit Alignment - Funding is provided for the mental health visit limit removal, shingles vaccine, and the screening, brief intervention, and referral to treatment benefits available in the Medicaid alternative benefit plan to the current Medicaid benefit plan beginning January 1, 2014. The authority shall monitor the habilitative benefit costs as part of the forecasting process but shall not provide this benefit without a direct appropriation in the Omnibus Appropriations Act.

22. Medicaid Fraud Penalty - A portion of the state general fund for the Medicaid services are shifted to the Medicaid Fraud Penalty Account on a one-time basis. (General Fund-State, Medicaid Fraud Penalty Account-State)

2013-15 Omnibus Operating Budget WA State Health Care Authority

23. Apple Health Hotline - Funds are provided to enhance and continue operation by a nonprofit organization of a toll-free phone line that helps families learn about and enroll in Apple Health for Kids, which provides publicly-funded medical and dental care for families with incomes below 300 percent of the federal poverty level. (General Fund-State, General Fund-Federal)

24. HCA Financial Oversight - Funding is provided to build and enhance a financial oversight system of Medicaid managed care organizations and related costs. The authority's financial oversight system shall be able to monitor performance and financial data independently of outside organizations, have the systems and personnel necessary to perform these functions, and understand how state and federal reforms will affect state health care costs. (General Fund-State, General Fund-Federal)

25. Sole Community Hospitals - In concert with the Hospital Safety Net Assessment, additional funding is provided to enhance funding for Medicaid services to sole community hospitals. (General Fund-State, General Fund-Federal)

26. RHC Reconciliation - Funding is provided the health care authority and the authority shall consider services provided by rural health clinics associated with the alternative payment methodology number 2, alternative payment methodology number 3, and the calendar year 2009 managed care enhancement and fee-for-service encounter reconciliation as paid in full and no longer pursue reconciliation.

27. Child Premiums - Funding is provided to reduce premiums for children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Premiums in the state and federal children's health insurance program shall be equal.

28. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
WA State Health Care Authority
Other
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,055.3	4,065,447	10,088,193
2013-15 Maintenance Level	1,004.7	4,779,748	10,259,862
Policy Other Changes:			
1. HealthPath Washington	0.0	-4,214	-4,214
2. Restore Hospital Safety Net	0.0	-238,036	714,226
3. Federal Medicaid Expansion	-20.5	-234,515	839,636
4. Expansion Eligibility Determination	-50.8	-3,438	-7,859
5. Language Access Provider Agreement	0.0	434	607
6. Prescription Monitoring Program	0.0	0	100
7. Health Information Technology	10.0	0	170,561
8. Health Information Exchange Grant	2.3	430	930
9. HBE Cost Allocation	0.0	4,151	10,435
10. Inpatient and Outpatient Rebase	0.0	0	566
11. International Class. of Diseases	7.8	0	10,873
12. Medicaid IT Architecture Assessment	1.0	0	359
13. Autism Services	1.0	0	8,698
14. ProviderOne Phase 2 Project	30.5	1,811	12,614
15. Bree Collaborative	0.0	0	126
16. Foster Care and Adoption	0.0	-1,686	-1,035
17. Adult Dental	0.0	9,789	30,690
18. 12 Month Dispensing	0.0	-4,426	-8,852
19. Wellness Program	0.0	0	571
20. Managed Care Premiums	0.0	-18,778	-37,556
21. Medicaid Benefit Alignment	0.0	778	1,556
22. Medicaid Fraud Penalty	0.0	-1,500	0
23. Apple Health Hotline	0.0	40	80
24. HCA Financial Oversight	0.0	184	368
25. Sole Community Hospitals	0.0	2,000	4,000
26. RHC Reconciliation	0.0	3,645	3,645
27. Child Premiums	0.0	714	714
28. Administrative Efficiencies	0.0	-2,620	-2,620
Policy -- Other Total	-18.8	-485,237	1,749,219
Total Policy Changes	-18.8	-485,237	1,749,219
Total 2013-15 Biennium	986.0	4,294,511	12,009,081
Difference from 2011-13	-69.3	229,064	1,920,888
% Change from 2011-13	-6.6%	5.6%	19.0%

2013-15 Omnibus Operating Budget
WA State Health Care Authority
Other

Comments:

1. HealthPath Washington - HealthPath Washington is a demonstration project that allows the Department of Social and Health Services to establish a care management program for high-cost, high-risk Medicare and Medicaid enrollees. Coordinated services across Medicare and Medicaid will result in savings to the Health Care Authority. The demonstration project is scheduled to begin April 1, 2013, and will continue until December 31, 2016.

2. Restore Hospital Safety Net - The Hospital Safety Net Assessment program imposes assessments on most hospitals and the revenue from the assessment is placed in the Hospital Safety Net Assessment Fund (Fund). Currently the state spends \$199.8 million from the fund in lieu of General Fund-State. The Hospital Safety Net Assessment program is set to expire on July 1, 2013. Funding is provided to restore the program for a six-year period. Savings are achieved by allowing the state to use Safety Net funds in lieu of the state general fund for Medicaid hospital services. The program will be incrementally decreased over the six years to zero at its expiration. The phase-down of this program coincides with the the ramp up of federal health care reform. (General Fund-Federal, Hospital Safety Net Assessment Account-State)

3. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that newly eligible caseloads will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will decrease, and after 10 years, the federal government will continue to pay 90 percent of the FFP for the newly eligible group. As a result, several currently funded optional programs may duplicate coverage or services provided under federal health care reform. Effective January 1, 2014, savings are achieved through ending the following programs for current and or new enrollees: Disability Lifeline Medical, Basic Health Plan, ADATSA Medical, and non-dual Medically Needy Blind Disabled. Additional savings are achieved by ending the program for new enrollees or reducing funding for the following: Presumptive SSI, Breast Cervical Cancer Treatment, and Take Charge Family Planning. (General Fund-State, General Fund-Federal, Basic Health Plan Subscription Account-Nonappropriated)

4. Expansion Eligibility Determination - Funding and FTE authority are reduced. Eligibility determinations and post-eligibility case reviews required as part of the Affordable Care Act will be centralized in the Department of Social and Health Services. (General Fund-State, General Fund-Federal)

5. Language Access Provider Agreement - Pursuant to the 2013-15 collective bargaining agreement, funding is provided for a change to no-show payment rules and a rate increase of 50 cents per hour on July 1, 2013, and 50 cents per hour on July 1, 2014. (General Fund-State, General Fund-Federal)

6. Prescription Monitoring Program - The Prescription Monitoring Program helps practitioners identify and prevent abuse, misuse, duplication and forgery of prescriptions, as well as dangerous drug interactions. Federal grant funding was used to develop the program within the Department of Health; however, these federal grants are not ongoing and will be fully depleted by June 2013. Funding is provided to the Department of Health for the continuation of the Prescription Monitoring Program and local authority is provided to the Health Care Authority to claim eligible federal funding. (General Fund-Private/Local).

7. Health Information Technology - Funding is provided to issue federally funded incentive payments, manage the provider incentive program and to plan and launch other initiatives related to the State Health Information Technology (HIT) Medicaid Plan (SMHP) in the 2013-2015 Biennium. Funding continues for the current Electronic Health Record (EHR) incentive program. (General Fund-Federal)

8. Health Information Exchange Grant - One-time funding is provided to complete grant requirements for the Health Information Exchange (HIE), which was implemented using funds awarded through the American Recovery and Reinvestment Act (ARRA) Health Information Technology for Economic and Clinical Health (HITECH) Act, provisions of 2009. (General Fund-State, General Fund-Federal)

9. HBE Cost Allocation - Funding is provided to the Health Care Authority for the Medicaid and Children's Health Insurance Program (CHIP) share of costs allocated from the Washington Health Benefits Exchange. The amounts provided are contingent on the health benefit exchange developing a self-sustaining methodology under which revenues to the exchange from charges to health carriers, premiums paid by enrollees, and receipts from the state from appropriations do not exceed \$26,000,000 annually. This funding level is about 50 percent of the Exchange funding request. (General Fund-State, General Fund-Federal).

2013-15 Omnibus Operating Budget
WA State Health Care Authority
Other

10. Inpatient and Outpatient Rebase - Funding is provided for an expert contractor to rebase outpatient and inpatient payment methodologies. Rebasings will improve payment methodologies and ensure compliance with upcoming ICD-10 technology requirements. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

11. International Class. of Diseases - Funding is provided to implement the federally mandated conversion to the tenth version of the World Health Organization's International Classification of Diseases (ICD-10). ICD-10 is a method of coding a patient's state of health and institutional procedures for efficient handling in data systems. This version of classification will provide greater granularity in the definition of disease severity and associated health risk. (Medicaid Fraud Penalty Account-State, General Fund-Federal)

12. Medicaid IT Architecture Assessment - Funding is provided to update the federally mandated Medicaid Information Technology Architecture (MITA) State Self-Assessment and to develop and implement the five-year road map for the MITA architect. The department will have ongoing responsibility to oversee implementation of the roadmap, maintain business process models, and prepare annual updates as required by the Centers for Medicare and Medicaid. (General Fund-Federal)

13. Autism Services - Federal funding is provided to add Applied Behavioral Analysis (ABA) therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health for Kids program. These services are in response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A v. Porter). The services will ameliorate the core symptoms of conditions classified as Autism Spectrum Disorders (ASD), improve functioning in communication, and enhance behavior and social skills. This item includes interpreter services and transportation costs associated with delivering these services. The Authority will use existing funds to match federal spending. (General Fund-Federal)

14. ProviderOne Phase 2 Project - Funding is provided to complete the ProviderOne Phase 2 project and to support ongoing operations and maintenance costs once the project has been completed. The ProviderOne Phase 2 project consolidates Medicaid expenditures to include approximately \$2 billion in Medicaid payments for home and community-based services. (General Fund-State, General Fund-Federal)

15. Bree Collaborative - Funds are provided for the Health Care Authority to subcontract for dissemination of evidence-based best practices for preventing and treating health problems. (General Fund-Federal)

16. Foster Care and Adoption - Approximately 87 percent of foster children and adopted children receive medical care through fee-for-service. Starting January 1, 2014, savings are achieved by moving foster children and adoptive children from medical care delivered through fee-for-service to managed care. (General Fund-State, General Fund-Federal)

17. Adult Dental - Funding is provided to restore adult dental preventative and denture benefits beginning January 1, 2014. The Authority shall not provide additional dental service benefits without a direct appropriation in the Omnibus Appropriations Act. (General Fund-State, General Fund-Federal)

18. 12 Month Dispensing - Savings and efficiencies are achieved by modifying the dispensing methods of contraceptive drugs. The Health Care Authority must make arrangements for all Medicaid programs offered through managed care plans or fee-for-service to require dispensing of contraceptive drugs with up to a one-year supply provided at one time. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

19. Wellness Program - Funding is provided solely for implementation of Engrossed Substitute Senate Bill 5811 (employee wellness program).

20. Managed Care Premiums - The current Medicaid managed care contract rates are expiring in December 2013 and will be renegotiated with the state. Savings and efficiencies are achieved by the Health Care Authority negotiating contract extensions for managed care premiums for the Health Options Blind Disabled population to the weighted average of the four least expensive plans. (General Fund-State, General Fund-Federal)

21. Medicaid Benefit Alignment - Funding is provided for the mental health visit limit removal, shingles vaccine, and the screening, brief intervention, and referral to treatment benefits available in the Medicaid alternative benefit plan to the current Medicaid benefit plan beginning January 1, 2014. The authority shall monitor the habilitative benefit costs as part of the forecasting process but shall not provide this benefit without a direct appropriation in the Omnibus Appropriations Act.

2013-15 Omnibus Operating Budget
WA State Health Care Authority
Other

22. Medicaid Fraud Penalty - A portion of the state general fund for the Medicaid services are shifted to the Medicaid Fraud Penalty Account on a one-time basis. (General Fund-State, Medicaid Fraud Penalty Account-State)

23. Apple Health Hotline - Funds are provided to enhance and continue operation by a nonprofit organization of a toll-free phone line that helps families learn about and enroll in Apple Health for Kids, which provides publicly-funded medical and dental care for families with incomes below 300 percent of the federal poverty level. (General Fund-State, General Fund-Federal)

24. HCA Financial Oversight - Funding is provided to build and enhance a financial oversight system of Medicaid managed care organizations and related costs. The authority's financial oversight system shall be able to monitor performance and financial data independently of outside organizations, have the systems and personnel necessary to perform these functions, and understand how state and federal reforms will affect state health care costs. (General Fund-State, General Fund-Federal)

25. Sole Community Hospitals - In concert with the Hospital Safety Net Assessment, additional funding is provided to enhance funding for Medicaid services to sole community hospitals. (General Fund-State, General Fund-Federal)

26. RHC Reconciliation - Funding is provided the health care authority and the authority shall consider services provided by rural health clinics associated with the alternative payment methodology number 2, alternative payment methodology number 3, and the calendar year 2009 managed care enhancement and fee-for-service encounter reconciliation as paid in full and no longer pursue reconciliation.

27. Child Premiums - Funding is provided to reduce premiums for children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Premiums in the state and federal children's health insurance program shall be equal.

28. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
WA State Health Care Authority
Employee Benefits
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.3	0	119,050
2013-15 Maintenance Level	0.3	0	119,053
Total 2013-15 Biennium	0.3	0	119,053
Difference from 2011-13	0.0	0	3
% Change from 2011-13	0.0%	0.0%	0.0%

Comments:

2013-15 Omnibus Operating Budget
Office of Administrative Hearings
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	170.4	0	35,765
2013-15 Maintenance Level	170.4	0	37,335
Policy Other Changes:			
1. IT Infrastructure	0.0	0	151
2. New Lease Adjustments	0.0	0	313
Policy -- Other Total	0.0	0	464
Total Policy Changes	0.0	0	464
Total 2013-15 Biennium	170.4	0	37,799
Difference from 2011-13	0.0	0	2,034
% Change from 2011-13	0.0%	0.0%	5.7%

Comments:

1. IT Infrastructure - Funding is provided for information technology improvements including cloud server hosting and enhanced data lines. (Administrative Hearings Revolving Account-State)

2. New Lease Adjustments - Funding is provided for the following lease-related costs: one-time moving costs in Fiscal Year 2014 and future lease increases associated with a new Spokane office; reducing the size of the Vancouver office by 60 percent, resulting in ongoing lease savings; and increasing the size of the Seattle office by 2,000 square feet. (Administrative Hearings Revolving Account-State)

2013-15 Omnibus Operating Budget
State Lottery Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	142.9	0	779,422
2013-15 Maintenance Level	142.9	0	812,818
Policy Other Changes:			
1. Reduce Advertising Costs	0.0	0	-1,500
2. Gaming Vendor Contract	0.0	0	596
Policy -- Other Total	0.0	0	-904
Total Policy Changes	0.0	0	-904
Total 2013-15 Biennium	142.9	0	811,914
Difference from 2011-13	0.0	0	32,492
% Change from 2011-13	0.0%	0.0%	4.2%

Comments:

1. Reduce Advertising Costs - The Lottery will reduce advertising expenses in order to increase distributions to the Washington Opportunity Pathways Account. (State Lottery Account-Nonappropriated, Shared Game Lottery Account-Nonappropriated, Washington Opportunity Pathways Account-State)

2. Gaming Vendor Contract - Funding is provided to obtain temporary project staff and other resources to facilitate the replacement of the Lottery's gaming systems vendor contract. The current contract expires June 30, 2016. (Lottery Administrative Account-State, Washington Opportunity Pathways Account-State)

2013-15 Omnibus Operating Budget
Washington State Gambling Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	155.5	0	30,402
2013-15 Maintenance Level	146.5	0	29,946
Total 2013-15 Biennium	146.5	0	29,946
Difference from 2011-13	-9.0	0	-456
% Change from 2011-13	-5.8%	0.0%	-1.5%

Comments:

2013-15 Omnibus Operating Budget
WA State Comm on Hispanic Affairs
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2.0	488	488
2013-15 Maintenance Level	2.0	474	474
Policy Other Changes:			
1. Administrative Efficiencies	<u>0.0</u>	<u>-4</u>	<u>-4</u>
Policy -- Other Total	0.0	-4	-4
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	2.0	470	470
Difference from 2011-13	0.0	-18	-18
% Change from 2011-13	0.0%	-3.7%	-3.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
African-American Affairs Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2.0	469	469
2013-15 Maintenance Level	2.0	458	458
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-2	-2
Policy -- Other Total	0.0	-2	-2
Total Policy Changes	0.0	-2	-2
Total 2013-15 Biennium	2.0	456	456
Difference from 2011-13	0.0	-13	-13
% Change from 2011-13	0.0%	-2.8%	-2.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Human Rights Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	34.2	3,954	5,847
2013-15 Maintenance Level	34.2	4,063	6,024
Policy Other Changes:			
1. Service Animal Investigations	0.0	0	218
Policy -- Other Total	0.0	0	218
Total Policy Changes	0.0	0	218
Total 2013-15 Biennium	34.2	4,063	6,242
Difference from 2011-13	0.0	109	395
% Change from 2011-13	0.0%	2.8%	6.8%

Comments:

1. Service Animal Investigations - Expenditure authority is provided for additional financial resources from the U.S. Department of Housing and Urban Development for the investigation of discrimination cases involving service animals. (General Fund-Federal)

2013-15 Omnibus Operating Budget
Department of Retirement Systems
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	249.0	0	52,637
2013-15 Maintenance Level	248.7	0	53,909
Policy Other Changes:			
1. Upgrade Employer Reporting System	3.0	0	3,074
2. Retirement Savings Plan Option	0.0	0	2,250
Policy -- Other Total	3.0	0	5,324
Total Policy Changes	3.0	0	5,324
Total 2013-15 Biennium	251.7	0	59,233
Difference from 2011-13	2.7	0	6,596
% Change from 2011-13	1.1%	0.0%	12.5%

Comments:

1. Upgrade Employer Reporting System - The Department of Retirement Systems' Employer Information System (EIS) is responsible for processing retirement data for 291,000 active members from over 1,300 employers who participate in the state's 16 pension plans, and the Deferred Compensation Program. EIS collects and processes more than one million transactions each month containing the critical core data that is ultimately used to calculate and distribute benefits. One-time funding and 3 FTE staff are provided to upgrade the EIS to provide the agency with a more efficient tool that will continue to meet the needs of its customers. (Department of Retirement Systems Expense Account-State, Deferred Compensation Administrative Account-Nonappropriated)

2. Retirement Savings Plan Option - Funding is provided to implement a new defined contribution retirement savings plan, as provided in SSB 5851. (Department of Retirement Systems Expense Account-State)

2013-15 Omnibus Operating Budget
State Investment Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	83.4	0	29,093
2013-15 Maintenance Level	83.4	0	29,950
Policy Other Changes:			
1. Investment Officers and Staff	3.0	0	1,530
2. Investment Accounting	2.0	0	452
3. Audit Services	0.0	0	100
4. Office Space for Additional Staff	0.0	0	46
Policy -- Other Total	5.0	0	2,128
Total Policy Changes	5.0	0	2,128
Total 2013-15 Biennium	88.4	0	32,078
Difference from 2011-13	5.0	0	2,985
% Change from 2011-13	6.0%	0.0%	10.3%

Comments:

1. Investment Officers and Staff - Funding is provided for the State Investment Board (SIB) to hire additional investment officers to begin implementation of its model portfolio and for investment officer compensation increases pursuant to RCW 43.33A.100 RCW. (State Investment Board Expense Account-State)

2. Investment Accounting - The SIB is moving its investment accounting book of record from its current provider to its custody bank. Accounting for the book of record is currently done by an outside provider, independent of the bank. This funding would allow the board to hire staff to perform investment accounting currently performed by the book of record provider. The staff and a new investment accounting application will provide a verification system independent of the custody bank, as is required by Office of Financial Management policy. (State Investment Board Expense Account-State)

3. Audit Services - This funding would allow the SIB to contract with independent audit service providers to replace audit work no longer performed by the State Auditor's Office. The funding will provide access to qualified audit teams to provide assurance to the board regarding financial reporting, accountability and compliance, as well as information technology. (State Investment Board Expense Account-State)

4. Office Space for Additional Staff - This item provides increased office space for additional staff, including investment officers and investment accounting staff. (State Investment Board Expense Account-State)

2013-15 Omnibus Operating Budget
Innovate Washington
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	15.2	5,634	9,448
2013-15 Maintenance Level	1.0	5,610	8,987
Policy Other Changes:			
1. GF-S Reduction	0.0	-4,610	-4,610
Policy -- Other Total	0.0	-4,610	-4,610
Total Policy Changes	0.0	-4,610	-4,610
Total 2013-15 Biennium	1.0	1,000	4,377
Difference from 2011-13	-14.2	-4,634	-5,071
% Change from 2011-13	-93.4%	-82.3%	-53.7%

Comments:

- 1. GF-S Reduction** - Funding from the state general fund for Innovate Washington is eliminated.

2013-15 Omnibus Operating Budget
Department of Revenue
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,168.8	199,991	231,637
2013-15 Maintenance Level	1,164.3	209,831	236,918
Policy Other Changes:			
1. City Business Tax Study SB 5688	0.5	113	113
2. City Business Licenses SB 5656	11.2	0	2,060
3. I-1183 Implementation Costs	6.5	1,004	1,004
4. Legacy Migration	9.0	6,751	11,604
5. Administrative Efficiencies	-13.9	-1,848	-1,848
Policy -- Other Total	13.3	6,020	12,933
Total Policy Changes	13.3	6,020	12,933
Total 2013-15 Biennium	1,177.6	215,851	249,851
Difference from 2011-13	8.8	15,860	18,214
% Change from 2011-13	0.8%	7.9%	7.9%

Comments:

1. City Business Tax Study SB 5688 - Funding is provided for the implementation of Engrossed Second Substitute Senate Bill 5688 (state and local tax systems) which requires the Department of Revenue to establish a workgroup to review issues of simplification, uniformity, classification, apportionment, and nexus related to business and occupation taxation.

2. City Business Licenses SB 5656 - Funding is provided for the implementation of Engrossed Substitute Senate Bill 5656 (Revising business license systems) which requires cities with a business and occupation tax to offer their general business license through the states business license service or a city-developed portal by 2016. All other cities must offer their general business licenses through one of the two options by 2019. (Master License Account-State)

3. I-1183 Implementation Costs - Funding is provided for additional audit staff to establish new auditing and administrative processes and documentation for liquor tax collections. With these additional resources, the department will generate an additional \$4.8 million per year in revenues through the enforcement of liquor taxes.

4. Legacy Migration - Funding is provided to update the portion of the Department of Revenue's legacy systems that involve business information and its business licensing system. The Department of Revenue collects taxes and licenses businesses on a platform of legacy systems that are more than 20 years old. This represents the first two years of a six-year plan to replace these systems and migrate to modern technologies to reduce operational risks and increase available features. Business licensing system replacement is funded by the Master License Account. (General Fund-State, Master License Account-State)

5. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Board of Tax Appeals
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	11.2	2,339	2,339
2013-15 Maintenance Level	11.2	2,398	2,398
Policy Other Changes:			
1. Administrative Efficiencies	-0.1	-18	-18
Policy -- Other Total	-0.1	-18	-18
Total Policy Changes	-0.1	-18	-18
Total 2013-15 Biennium	11.1	2,380	2,380
Difference from 2011-13	-0.1	41	41
% Change from 2011-13	-0.9%	1.8%	1.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Minority & Women's Business Enterp
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	17.0	0	3,655
2013-15 Maintenance Level	17.0	0	3,890
Policy Other Changes:			
1. Small Business Certification	1.0	0	200
Policy -- Other Total	1.0	0	200
Total Policy Changes	1.0	0	200
Total 2013-15 Biennium	18.0	0	4,090
Difference from 2011-13	1.0	0	435
% Change from 2011-13	5.9%	0.0%	11.9%

Comments:

1. Small Business Certification - Funding is provided to the Office of Minority and Women's Business Enterprises (OMWBE) for the Small Business Enterprises certification project, in cooperation with the Department of Transportation. Prior to implementing this new program, OMWBE will provide assurances to the Office of Financial Management and the Legislature that the backlog of existing certification cases has been eliminated. (Office of Minority and Women's Business Enterprises Account-State)

2013-15 Omnibus Operating Budget
Office of Insurance Commissioner
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	232.0	650	53,095
2013-15 Maintenance Level	232.4	300	54,116
Policy Other Changes:			
1. Out-of-State Health Plans 2SSB 5540	5.1	0	1,209
2. Association Health Plans SSB 5605	1.6	0	758
3. Administrative Efficiencies	0.0	0	-1,422
Policy -- Other Total	6.7	0	545
Total Policy Changes	6.7	0	545
Total 2013-15 Biennium	239.1	300	54,661
Difference from 2011-13	7.1	-350	1,566
% Change from 2011-13	3.1%	-53.9%	3.0%

Comments:

1. Out-of-State Health Plans 2SSB 5540 - Funding is provided for the implementation of Second Substitute Senate Bill 5540 (out-of-state health insurance plans). (Insurance Commissioner's Regulatory Account--State)

2. Association Health Plans SSB 5605 - Funding is provided for the implementation of Substitute Senate Bill 5605 (association health insurance plans). (Insurance Commissioner's Regulatory Account--State)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Consolidated Technology Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	279.5	0	208,054
2013-15 Maintenance Level	279.5	0	185,378
Policy Other Changes:			
1. Enterprise Network Security	1.0	0	1,300
2. State Data Center Operations	0.0	0	34,404
Policy -- Other Total	1.0	0	35,704
Total Policy Changes	1.0	0	35,704
Total 2013-15 Biennium	280.5	0	221,082
Difference from 2011-13	1.0	0	13,028
% Change from 2011-13	0.4%	0.0%	6.3%

Comments:

1. Enterprise Network Security - Funding is provided to enhance enterprise security services for Washington State's information technology (IT) systems. (Data Processing Revolving Account-Nonappropriated)

2. State Data Center Operations - Funding is provided for core data network and security services for the State Data Center (SDC). Most of the existing Consolidated Technology Services (CTS) information technology services will move from the Office Building Two data center to the SDC. Expenditure authority is provided for one-time costs to build out the SDC's core infrastructure and associated project management costs. Funding also is provided for ongoing maintenance and operation costs of the SDC. (Data Processing Revolving Account-Nonappropriated)

2013-15 Omnibus Operating Budget
State Board of Accountancy
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	11.3	0	2,692
2013-15 Maintenance Level	11.3	0	2,702
Total 2013-15 Biennium	11.3	0	2,702
Difference from 2011-13	0.0	0	10
% Change from 2011-13	0.0%	0.0%	0.4%

Comments:

2013-15 Omnibus Operating Budget
Forensic Investigations Council
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	490
2013-15 Maintenance Level	0.0	0	288
Policy Other Changes:			
1. Identifying Human Remains	0.0	0	210
Policy -- Other Total	0.0	0	210
Total Policy Changes	0.0	0	210
Total 2013-15 Biennium	0.0	0	498
Difference from 2011-13	0.0	0	8
% Change from 2011-13	0.0%	0.0%	1.6%

Comments:

1. Identifying Human Remains - The Legislature established funding in Fiscal Year 2013 to reimburse King County for the time spent by its forensic anthropologist to work on cases from other counties. This funding will be ongoing to continue the human remains identification work statewide. (Death Investigations Account-State)

2013-15 Omnibus Operating Budget
Dept of Enterprise Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,070.0	6,710	479,724
2013-15 Maintenance Level	1,070.0	7,284	461,428
Policy Other Changes:			
1. Time, Leave & Attendance System	0.0	0	3,013
2. Statewide Financial System (ERP)	0.0	0	2,400
3. Time, Leave & Attendance System	0.0	0	5,000
4. Adjust to Revenue	0.0	0	-3
5. Transfer Geospatial Portal to DES	0.0	0	212
6. Efficiencies & Savings to State Gov	-27.2	0	-20,158
7. Visitor Center Rent	0.0	0	-12
8. Administrative Efficiencies	0.0	-80	-80
9. State Building Code Council	0.0	0	-368
Policy -- Other Total	-27.2	-80	-9,996
Total Policy Changes	-27.2	-80	-9,996
Total 2013-15 Biennium	1,042.8	7,204	451,432
Difference from 2011-13	-27.2	494	-28,292
% Change from 2011-13	-2.5%	7.4%	-5.9%

Comments:

1. Time, Leave & Attendance System - Funding is provided for the repayment of short-term financing used for the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

2. Statewide Financial System (ERP) - Existing fund balance related to closing out the Central Stores and Materials Management Center programs will provide funding for process assessment and preparation associated with the configuration and implementation of a modernized financial management system known as Enterprise Resource Planning. The scope of work scheduled for 2013-15 is estimated at \$2.4 million. (Enterprise Services Account-Nonappropriated)

3. Time, Leave & Attendance System - Existing fund balance in the Data Processing Account will be used to complete the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

4. Adjust to Revenue - Adjust spending authority to match expected revenue. (Commemorative Works Account-Nonappropriated)

5. Transfer Geospatial Portal to DES - The existing Geospatial Portal that is managed and used by multiple agencies is transferred to the Department of Enterprise Services to be centrally managed and offered as a shared service. (Data Processing Revolving Account-Nonappropriated)

6. Efficiencies & Savings to State Gov - Funding is reduced in recognition of efficiencies gained by consolidating back-office functions such as internal human resources, accounting, purchasing, contracts, and facilities management after the consolidation of five state agencies in the implementation of Chapter 43, Laws of 2011, 1st Special Session (ESSB 5931). (Personnel Service Account-State, Data Processing Revolving Account-Nonappropriated, Enterprise Services Account-State)

7. Visitor Center Rent - The Department of Enterprise Services will lower the amount of rent charged for the Capitol Campus visitor center by twenty percent.

2013-15 Omnibus Operating Budget Dept of Enterprise Services

8. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

9. State Building Code Council - The State Building Code Council is directed to shift its code review and release cycle to a six-year cycle and the council's operating budget is reduced accordingly.

2013-15 Omnibus Operating Budget
Washington Horse Racing Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	28.5	0	6,746
2013-15 Maintenance Level	28.5	0	5,708
Policy Other Changes:			
1. License and Background Check Fees	<u>0.0</u>	<u>0</u>	<u>30</u>
Policy -- Other Total	0.0	0	30
Total Policy Changes	0.0	0	30
Total 2013-15 Biennium	28.5	0	5,738
Difference from 2011-13	0.0	0	-1,008
% Change from 2011-13	0.0%	0.0%	-14.9%

Comments:

1. License and Background Check Fees - Funding is increased to reflect that, in each year of the 2013-15 biennium, the Horse Racing Commission will increase license fees by five percent and background check fees by one dollar to recover the actual costs of licensing and background investigations. (Horse Racing Commission Operating Account-State)

2013-15 Omnibus Operating Budget
Bd of Industrial Insurance Appeals
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	163.8	0	39,213
2013-15 Maintenance Level	161.0	0	39,243
Policy Other Changes:			
1. Worker Compensation	0.0	0	356
Policy -- Other Total	0.0	0	356
Total Policy Changes	0.0	0	356
Total 2013-15 Biennium	161.0	0	39,599
Difference from 2011-13	-2.8	0	386
% Change from 2011-13	-1.7%	0.0%	1.0%

Comments:

1. Worker Compensation - Expenditure authority is provided for the implementation of either Engrossed Substitute Senate Bill 5127 (structured settlement for workers) or Engrossed Substitute Senate Bill 5128 (injured worker compensation), which modifies existing structured settlement options. (Accident Account-State, Medical Aid Account-State)

2013-15 Omnibus Operating Budget
WA State Liquor Control Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	843.0	0	192,976
2013-15 Maintenance Level	275.5	0	63,210
Policy Other Changes:			
1. I-502 Implementation	0.0	0	2,494
Policy -- Other Total	0.0	0	2,494
Total Policy Changes	0.0	0	2,494
Total 2013-15 Biennium	275.5	0	65,704
Difference from 2011-13	-567.5	0	-127,272
% Change from 2011-13	-67.3%	0.0%	-66.0%

Comments:

1. I-502 Implementation - Funding is provided for the implementation of Initiative 502 (an act relating to marijuana) which creates the necessity of additional rulemaking, information technology, and licensing activities related to marijuana production, distribution, and sales. Expenditure authority is increased in the Liquor Revolving Account to reflect these costs. (Liquor Revolving Account-State).

2013-15 Omnibus Operating Budget
Utilities and Transportation Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	167.4	0	48,626
2013-15 Maintenance Level	165.7	0	48,831
Policy Other Changes:			
1. Federal Stimulus Funds	0.5	0	150
2. Federal Funding Rate Decrease	0.0	0	-960
3. Utility Damage Prevention Awareness	0.0	0	1,250
Policy -- Other Total	0.5	0	440
Policy Transfer Changes:			
4. Public Counsel	0.0	0	-1,858
Policy -- Transfer Total	0.0	0	-1,858
Total Policy Changes	0.5	0	-1,418
Total 2013-15 Biennium	166.2	0	47,413
Difference from 2011-13	-1.2	0	-1,213
% Change from 2011-13	-0.7%	0.0%	-2.5%

Comments:

1. Federal Stimulus Funds - Expenditure authority is extended for the 2010 American Recovery and Reinvestment Act grant used for electricity sector activities and the policy initiatives that significantly affect electric utility resource alternatives and infrastructure investment. The grant expires in December 2013. (General Fund-Federal)

2. Federal Funding Rate Decrease - Funding is reduced to reflect decreases in federal appropriations to state pipeline safety programs. (Pipeline Safety Account-Federal)

3. Utility Damage Prevention Awareness - Funding is provided for a program to increase public awareness of the "Call 811 before you dig" utility location service. (Pipeline Safety Account-State)

4. Public Counsel - Expenditure authority is transferred from the Utilities and Transportation Commission (UTC) to the Office of the Attorney General for Public Counsel work directly related to cases filed before the UTC. Transferred funding authority is set at the previous biennium's carry-forward level. (Public Service Revolving Account-State)

2013-15 Omnibus Operating Budget
Board for Volunteer Firefighters
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	4.0	0	1,043
2013-15 Maintenance Level	4.0	0	1,054
Total 2013-15 Biennium	4.0	0	1,054
Difference from 2011-13	0.0	0	11
% Change from 2011-13	0.0%	0.0%	1.1%

Comments:

2013-15 Omnibus Operating Budget
Washington State Patrol
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	510.7	67,738	129,581
2013-15 Maintenance Level	511.7	70,648	133,306
Policy Other Changes:			
1. Criminal History System Upgrade	0.0	0	3,480
2. Crim. History Microfilm Conversion	0.0	0	536
3. Crime Lab GF-S/Death Investigations	0.0	-4,226	0
4. Administrative Efficiencies	0.0	-1,182	-1,182
Policy -- Other Total	0.0	-5,408	2,834
Policy Comp Changes:			
5. WSP Lieutenants' Association	0.0	40	40
6. WSP Troopers' Association	0.0	337	355
Policy -- Comp Total	0.0	377	395
Total Policy Changes	0.0	-5,031	3,229
Total 2013-15 Biennium	511.7	65,617	136,535
Difference from 2011-13	1.0	-2,121	6,954
% Change from 2011-13	0.2%	-3.1%	5.4%

Comments:

1. Criminal History System Upgrade - Funding is provided for the replacement of the Washington State Identification System and Washington Crime Information Center, which store and share criminal justice information within Washington State and with other states, federal agencies, and other countries. This funding will begin a phased upgrade to current technology capable of interfacing with modern web-based systems. (Enhanced 911 Account-State)

2. Crim. History Microfilm Conversion - Funding is provided to convert the microfilm library of approximately 17 million source documents to electronic images. This will improve the efficiency in accessing those documents and eliminate the need to maintain and operate two archival systems. (Fingerprint Identification Account-State)

3. Crime Lab GF-S/Death Investigations - Funding from the state general fund for the state crime lab is reduced and appropriation authority is increased from the Death Investigations Account for the 2013-15 biennium. (General Fund-State, Death Investigations Account-State)

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

5. WSP Lieutenants' Association - Funding is provided for the arbitration award for the Washington State Patrol Lieutenants' Association that includes a pay increase of 3 percent effective July 1, 2014, and paid parking for assigned agency vehicles for non-reserved parking on the Capital campus. (General Fund-State, State Highway Account-State, State Patrol Highway Account-Federal)

6. WSP Troopers' Association - Funding is provided for the arbitration award for the Washington State Patrol Troopers' Association that includes a pay increase of 3 percent effective July 1, 2013, and a longevity pay increase of 1 percent for troopers in their 5th-9th years, effective July 1, 2014. (General Fund-State, General Fund-Federal, State Patrol Highway Account-State, Various Other Accounts)

2013-15 Omnibus Operating Budget
Criminal Justice Training Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	34.1	28,740	42,449
2013-15 Maintenance Level	35.4	31,124	42,082
Policy Other Changes:			
1. Eliminate Grant Funding	0.0	-2,000	-2,000
2. Partial BLEA Reimbursement	0.0	-1,552	0
3. Crisis Intervention Training	0.0	330	330
4. Administrative Efficiencies	0.0	-20	-20
5. Jail Booking and Reporting System	0.0	162	162
Policy -- Other Total	0.0	-3,080	-1,528
Total Policy Changes	0.0	-3,080	-1,528
Total 2013-15 Biennium	35.4	28,044	40,554
Difference from 2011-13	1.3	-696	-1,895
% Change from 2011-13	3.8%	-2.4%	-4.5%

Comments:

1. Eliminate Grant Funding - Funding for the Rural Drug Task Force is eliminated. Pursuant to Chapter 339, laws of 2006 (Engrossed Second Substitute Senate Bill 6239), the Legislature provided general fund-state dollars for three narcotic task force pilots in rural areas beginning July 1, 2006 and ending June 30, 2010. These grants were provided to Washington state counties that were not recognized as High Intensity Drug Trafficking Areas (HIDTA) by the United States Office of National Drug Control Policy (ONDCP) and therefore did not qualify for federal funds. However, several counties participating in the state grant program now qualify and receive federal funds as well. Of the counties that are participating in the state funded pilots, Pacific, Wahkiakum, Cowlitz, Columbia, and Pend Oreille are now recognized as Drug Free Communities by ONDCP and received federal grant funds in fiscal year 2012. In addition, Lewis and Cowlitz Counties are now recognized by the federal government as HIDTAs and therefore receive federal resources to combat drug trafficking.

2. Partial BLEA Reimbursement - Funding is reduced to reflect a 25 percent partial reimbursement of the Basic Law Enforcement Academy (BLEA) costs for law enforcement agencies that send cadets for training, and for local reimbursement of ammunition costs. (General Fund-Private/Local)

3. Crisis Intervention Training - Funding is provided to implement eight hours of crisis intervention training into the BLEA and to provide an eight-hour optional in-service curriculum for officers already in the field.

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

5. Jail Booking and Reporting System - The Washington Association of Sheriffs and Police Chiefs (WASPC) is responsible for the state Jail Booking and Reporting System (JBRS) which is funded in the Criminal Justice Training Commission (CJTC) budget. WASPC has a contract with Appriss (the vendor) to operate the system. The Department of Revenue (DOR) has audited the vendor and has determined the vendor is required to pay sales tax on JBRS system, under RCW 82.04.257. DOR has sent a sales tax bill to the vendor for \$300,000 in back taxes. The ongoing tax is identified as \$162,000 each biennium. Since WASPC is the end user, WASPC will be billed for this sales tax by the vendor. Funding is provided to cover this increased cost to WASPC.

2013-15 Omnibus Operating Budget
Department of Labor and Industries
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,784.4	35,325	633,621
2013-15 Maintenance Level	2,776.9	34,068	639,894
Policy Other Changes:			
1. Vancouver Office Move	0.0	0	649
2. Reduce Specialty Compliance	0.0	-1,461	-1,461
3. Elevator Program Staff	6.0	1,526	1,526
4. Medical Management Best Practices	12.0	0	4,150
5. Federal Medicaid Expansion	0.0	-1,040	-1,040
6. Farm Internship Program	0.0	208	208
7. Worker Compensation	0.0	0	442
Policy -- Other Total	18.0	-767	4,474
Total Policy Changes	18.0	-767	4,474
Total 2013-15 Biennium	2,794.9	33,301	644,368
Difference from 2011-13	10.5	-2,024	10,747
% Change from 2011-13	0.4%	-5.7%	1.7%

Comments:

1. Vancouver Office Move - One-time funding is provided for tenant improvements and other move-related costs for the Department of Labor and Industries' (L&I) Region 4 field office. The new office space will backfill currently unused state-owned space in the Vancouver area. (Accident Account-State, Medical Aid Account-State)

2. Reduce Specialty Compliance - Funding for specialty compliance services is reduced by 10 percent. The Department of Labor and Industries shall limit the impact of these reductions by prioritizing activities which generate revenue and improve workplace safety.

3. Elevator Program Staff - Funding is provided for five additional elevator program staff intended to ensure that statutorily required annual inspections and other reviews are completed on schedule. The additional staff are funded by a 13 percent fee increase.

4. Medical Management Best Practices - Funding is provided for a pilot project to provide additional clinical staff to bring the current ratio of Occupational Nurse Consultants (ONCs) to claim managers from 1:23 to 1:10. The addition of clinical staff is intended to provide the medical expertise and intervention that will help claimants return to work. The Department shall report back to the Legislature by December 1, 2014 on the impact of this pilot project on claimants' return to work. (Accident Account-State, Medical Aid Account-State)

5. Federal Medicaid Expansion - The Department of Labor and Industries (L&I) Crime Victims Compensation Program provides services, including medical care for crime victims. Funding is reduced to reflect the anticipated shift of clients to expanded Medicaid when it becomes available under the Affordable Care Act (ACA) in January 2014. Funding is retained for services to: 1) clients who are ineligible for Medicaid or the Health Benefit Exchange (HBE) due to citizenship status; 2) clients who cannot afford to pay HBE cost-sharing requirements and receive a financial hardship exemption, and; 3) Medicare clients, Dual-eligible clients, and clients enrolled in the Healthcare for Workers with Disabilities (HWD) program.

6. Farm Internship Program - Expenditure authority is provided for the implementation of Substitute Senate Bill 5123 (farm internship program), which creates a farm internship pilot program in sixteen counties and requires certification by the Department. (Accident Account-State, Medical Aid Account-State)

2013-15 Omnibus Operating Budget Department of Labor and Industries

7. Worker Compensation - Expenditure authority is provided for the implementation of either Engrossed Substitute Senate Bill 5127 (structured settlement for workers) or Engrossed Substitute Senate Bill 5128 (injured worker compensation), which modifies existing structured settlement options. (Accident Account-State, Medical Aid Account-State)

2013-15 Omnibus Operating Budget
Department of Licensing
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	230.9	2,444	40,579
2013-15 Maintenance Level	231.6	2,451	41,117
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-56	-56
Policy -- Other Total	0.0	-56	-56
Total Policy Changes	0.0	-56	-56
Total 2013-15 Biennium	231.6	2,395	41,061
Difference from 2011-13	0.8	-49	482
% Change from 2011-13	0.3%	-2.0%	1.2%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Military Department
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	323.4	14,004	338,964
2013-15 Maintenance Level	323.4	14,850	237,742
Policy Other Changes:			
1. Emergency Management Division	0.0	-448	0
2. Disaster Recovery	0.0	0	26,711
3. Next Generation 911 Capability	0.0	0	8,000
4. GF-S/E911	0.0	-10,842	0
5. Administrative Efficiencies	0.0	-98	-98
Policy -- Other Total	0.0	-11,388	34,613
Total Policy Changes	0.0	-11,388	34,613
Total 2013-15 Biennium	323.4	3,462	272,355
Difference from 2011-13	0.0	-10,542	-66,609
% Change from 2011-13	0.0%	-75.3%	-19.7%

Comments:

1. Emergency Management Division - Funding for staff in the Emergency Management Division is shifted from General Fund-State to General Fund-Federal. (General Fund-State, General Fund-Federal)

2. Disaster Recovery - Funds are appropriated to complete projects necessary to recover from previously declared disasters. (Disaster Response Account-State; Disaster Response Account-Federal)

3. Next Generation 911 Capability - Expenditure authority is provided from the Enhanced 911 account to begin the upgrade of the current 911 telephone system to accommodate Next Generation 911 (NG911) technology. During Fiscal Years 2014 and 2015, financial assistance will be provided to 22 counties for the replacement of 911 telephone equipment that is at the end of its life, and will not be supported by the manufacturer beyond 2014. (General Fund-Federal, Enhanced 911 Account-State)

4. GF-S/E911 - General fund-state appropriations are reduced, appropriation authority is increased from the Enhanced 911 Account for the 2013-15 biennium. (General Fund-State, Enhanced 911 Account-State)

5. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Employment Relations Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	41.6	4,236	7,803
2013-15 Maintenance Level	41.3	4,211	7,800
Policy Other Changes:			
1. Higher Education Workload Adjust	0.0	-219	0
2. Administrative Efficiencies	0.0	-28	-28
Policy -- Other Total	0.0	-247	-28
Total Policy Changes	0.0	-247	-28
Total 2013-15 Biennium	41.3	3,964	7,772
Difference from 2011-13	-0.3	-272	-31
% Change from 2011-13	-0.6%	-6.4%	-0.4%

Comments:

1. Higher Education Workload Adjust - Appropriations are adjusted to reflect the distribution of workload between higher education employers supported by appropriations from the Higher Education Personnel Services Account and those services supported by General Fund-State appropriations. (General Fund-State, Higher Education Personnel Services Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	16,479.9	5,481,543	11,071,210
2013-15 Maintenance Level	16,536.3	5,799,820	11,512,661
Policy Other Changes:			
1. DSHS Fraud Investigation	0.0	-4,941	0
2. Federal Medicaid Expansion	1.6	-60,095	62,871
3. Autism Licensing	0.0	0	56
4. Agency Provider Parity	0.0	32,945	65,888
5. Adult Behavioral Health - 2SSB 5732	0.0	938	1,551
6. Access Data/Documents in FamLink	-0.5	0	0
7. Implement Family Assmnt Rspnse Svcs	0.0	500	10,480
8. PC and Server Replacement	0.0	232	232
9. Mental Health Services Need	6.0	183	566
10. Prison Rape Elimination Act (PREA)	2.2	437	437
11. Competency to Stand Trial - SSB 5551	0.0	260	260
12. ITA - 2SHB 3076 Laws of 2010	0.0	15,824	23,020
13. Electronic Medical Record System	0.0	4,134	4,374
14. Critical Community Placements	1.5	2,956	5,779
15. Community Crisis Stabilization	23.0	2,519	4,156
16. SOLA Needs	22.0	1,677	3,175
17. Basic Plus Waiver	6.5	4,475	8,712
18. FAR Staffing	29.0	2,491	5,458
19. Impaired Physician Account	0.0	-900	0
20. Information System Changes	4.5	1,150	6,221
21. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,862
22. Delay Nursing Home Rebase	0.0	-36,506	-73,011
23. Mental Health Security Enhancements	63.7	7,478	9,563
24. Eliminate Incapacity Evaluations	-61.9	-10,525	-21,460
25. Modify Safety Net Programs	0.0	-40,882	-40,882
26. Earn Adoption Incentive Grant	0.0	-1,633	0
27. Adult Family Home Agreement	0.0	1,538	3,044
28. In-Home Provider Arbitration	0.0	113,181	226,364
29. Walla Walla Veterans Home	0.0	777	1,553
30. Community Connections Grant	2.0	0	1,593
31. Empowering Adults Grant	0.4	0	800
32. Mental Health First Aid	0.0	75	96
33. Dual Eligibles Grant	0.0	0	76
34. Quality Measures Grant	0.0	0	500
35. PC Replacement	0.0	44	44
36. Reduce Contracts	0.0	-612	-612
37. Receiving Care Centers	0.0	-413	-1,395
38. Adoption Support Payments	0.0	-1,649	-1,649
39. FAR Caseload Savings	0.0	-1,024	-1,365
40. TANF WCCC Caseload Savings	0.0	-143,918	-105,724
41. Muckleshoot Tribe	0.0	1,422	1,422
42. Household Size Increase	0.0	-2,708	-2,708
43. Reduce WorkFirst Partners	0.0	-14,526	-14,526
44. TANF PRISM	0.0	712	712

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
(Dollars in Thousands)

		Passed Senate		
	FTEs	NGF-P	Total	
45. OFM Eligibility Study	0.0	536	536	
46. TANF Redesign Caseload	0.0	-4,073	-4,073	
47. Swap CCDF for GFS	0.0	-5,000	-5,000	
48. Administrative Efficiencies	0.0	-22,530	-22,530	
49. Reduce Child Care Cap	0.0	-17,415	-17,415	
50. Extended Foster Care	3.7	3,080	4,019	
51. Powell Fatality Team	0.0	100	356	
52. AFH Quality-SSB 5630	0.0	861	1,724	
53. IFS Expansion	0.0	976	976	
54. State Food Assistance	0.0	9,427	9,427	
55. Expansion Eligibility Determination	68.5	5,524	10,668	
56. LTC Planning Task Force	0.0	50	50	
57. MR v Dreyfus Exception to Rule	0.0	12,090	24,754	
58. Kinship Caregiver	0.0	-2,100	-2,100	
59. Volunteer Chore	0.0	500	500	
60. Assisted Living Capital Add-On	0.0	-1,668	-3,336	
61. Housekeeping and Shopping Hours	0.0	-10,660	-21,320	
62. Managed Care Rates	0.0	-1,126	-2,252	
63. County Grant Reduction	0.0	-8,044	-8,044	
Policy -- Other Total	172.1	-168,031	154,473	
Policy Comp Changes:				
64. Family Childcare Provider CBA	0.0	970	970	
65. Coll. Bargained Personal Leave Day	0.0	1,105	1,539	
Policy -- Comp Total	0.0	2,075	2,509	
Policy Transfer Changes:				
66. McNeil Island Stewardship	-39.0	-9,204	-9,204	
Policy -- Transfer Total	-39.0	-9,204	-9,204	
Total Policy Changes	133.1	-175,160	147,778	
Total 2013-15 Biennium	16,669.4	5,624,660	11,660,439	
Difference from 2011-13	189.5	143,117	589,229	
% Change from 2011-13	1.2%	2.6%	5.3%	

Comments:

1. DSHS Fraud Investigation - Funding for the Division of Fraud Investigations (DFI) to investigate welfare fraud is shifted to the Performance Audits of Government Account from the General Fund-State. Welfare fraud investigations conducted by DFI include auditing for unlawful practices in obtaining cash assistance, medical assistance and food assistance. (General Fund-State, Performance Audits of Government Account-State)

2. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget

Dept of Social and Health Services

3. Autism Licensing - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

4. Agency Provider Parity - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.

5. Adult Behavioral Health - 2SSB 5732 - Funding is provided to implement Second Substitute Senate Bill 5732 (adult behavioral health system).

6. Access Data/Documents in FamLink - Funding is provided for the Children's Administration (CA) to purchase a software application that will enable staff to access FamLink data through ad hoc reports. Funding is reduced to reflect staff savings once ad hoc reporting is enabled. (General Fund-State, General Fund-Federal)

7. Implement Family Assmnt Rspnse Svcs - Funding is provided for concrete goods and services to families entering the Family Assessment Response (FAR) pathway beginning in January 2014. The purpose of FAR is to safely prevent out-of-home foster care placements by engaging and providing basic needs for families. Funding for FAR is provided through the use of Washington's Title IV-E Waiver. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)

8. PC and Server Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years. (General Fund-State)

9. Mental Health Services Need - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

10. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

11. Competency to Stand Trial - SSB 5551 - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial).

12. ITA - 2SHB 3076 Laws of 2010 - Funding is provided to implement changes made to RCW 71.05, Mental Illness, in the 2010 Legislative Session. These changes broaden the criteria for involuntary commitment under the state's Involuntary Treatment Act (ITA). These changes are to take place by July 1, 2015.

13. Electronic Medical Record System - Funding is provided to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10). The World Health Organization's Tenth Revision of ICD-10 codes must be implemented by the federally imposed date of October 1, 2014. If an ICD-10 compliant system is not in place, all Medicare, Medicaid, and private insurance billing claims submitted by the agency will be rejected, and revenue recovery claims of \$100 million will be lost. (General Fund-State, General Fund-Federal)

14. Critical Community Placements - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

15. Community Crisis Stabilization - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget Dept of Social and Health Services

16. SOLA Needs - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

17. Basic Plus Waiver - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)

18. FAR Staffing - Funding is provided for staffing for families entering the FAR pathway beginning in January 2014. These staff will engage with families in an assessment and voluntary services. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)

19. Impaired Physician Account - Funding from the Impaired Physician Account is directed to providing mental health treatment to non-Medicaid clients.

20. Information System Changes - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. Funding and staff are provided to support the first phase in modifying the Automated Client Eligibility System (ACES) to support the new modified gross income rules. (General Fund-State, General Fund-Federal)

21. Recover Cost of AFH Quality Assuran - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

22. Delay Nursing Home Rebase - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)

23. Mental Health Security Enhancements - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

24. Eliminate Incapacity Evaluations - Beginning July 1, 2015, the state will stop providing facilitation services to move clients to Social Security Insurance (SSI) payments and will no longer conduct the incapacity examinations used to determine eligibility for SSI facilitation and previously other disability programs. (General Fund-State, General Fund-Federal)

25. Modify Safety Net Programs - Funding is reduced to reflect a 50 percent reduction to the cash grant for clients of the aged assistance program. Beginning July 1, 2013, the disabled population from the former aged, blind, disabled program will no longer receive cash assistance but will be served by the Housing and Essential Needs program, if they meet the housing eligibility requirements.

26. Earn Adoption Incentive Grant - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)

27. Adult Family Home Agreement - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)

28. In-Home Provider Arbitration - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

29. Walla Walla Veterans Home - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget Dept of Social and Health Services

30. Community Connections Grant - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

31. Empowering Adults Grant - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

32. Mental Health First Aid - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

33. Dual Eligibles Grant - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.

34. Quality Measures Grant - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.

35. PC Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

36. Reduce Contracts - Funding is reduced to eliminate unnecessary training contracts and to reduce contracts for educational coordinators by 20 percent.

37. Receiving Care Centers - Funding is eliminated for all Receiving Care Centers, except one located east of the cascade mountains, beginning July 1, 2014. (General Fund-State, General Fund-Federal)

38. Adoption Support Payments - Funding is reduced by 50 percent for adoption support maintenance payments to adoptive parents with children who don't have significant special needs.

39. FAR Caseload Savings - Funding is reduced to reflect a 30 percent decline in out of home placement for cases referred to the FAR pathway in the final six months of SFY 2015. (General Fund-State, General Fund-Federal)

40. TANF WCCC Caseload Savings - Funding for the Temporary Assistance for Needy Families (TANF) and the Working Connections Child Care (WCCC) Programs is adjusted to reflect caseload and per capita under-expenditures.

41. Muckleshoot Tribe - Funding is provided for the Muckleshoot Tribe to begin providing TANF services to its tribal members.

42. Household Size Increase - Funding is reduced to reflect capping the TANF grant at the household size of the family upon entry into TANF. The grant may not increase with additional family members.

43. Reduce WorkFirst Partners - Funding is reduced for WorkFirst activities by 10 percent for the 2013-15 biennium.

44. TANF PRISM - Funding is provided for the implementation of the TANF Predictive Risk Information System (PRISM) application.

45. OFM Eligibility Study - Funding is provided for a study of the state's eligibility systems and infrastructure in order to determine if eligibility processes can be further streamlined in light of changes related to the ACA. The study will also examine which entities shall play various roles in the eligibility and data verification processes for state assistance programs.

46. TANF Redesign Caseload - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.

47. Swap CCDF for GFS - State funding is reduced to reflect the use of discretionary Child Care Development Fund (CCDF) for child care subsidies.

48. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget

Dept of Social and Health Services

- 49. Reduce Child Care Cap** - Funding is reduced to reflect lowering the cap on Working Connection Child Care from 33,000 families to 29,000 families.
- 50. Extended Foster Care** - Funding is provided to implement Engrossed Substitute Senate Bill 5405 (extended foster care), which extends foster care services to youth exiting the foster care system who are engaged in activities which remove barriers to employment. (General Fund-State, General Fund-Federal)
- 51. Powell Fatality Team** - Funding is provided to implement Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made by the Powell Fatality Team. This includes funding for initial and ongoing domestic violence training for social workers.
- 52. AFH Quality-SSB 5630** - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).
- 53. IFS Expansion** - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.
- 54. State Food Assistance** - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.
- 55. Expansion Eligibility Determination** - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will remain the primary access point to the Health Benefit Exchange and eligibility for other benefits. (General Fund-State, General Fund-Federal)
- 56. LTC Planning Task Force** - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.
- 57. MR v Dreyfus Exception to Rule** - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.
- 58. Kinship Caregiver** - Funding is eliminated for the Kinship Caregiver program.
- 59. Volunteer Chore** - Additional funding is provided to the Volunteer Chore program to provide additional support and services to elderly family members raising young children.
- 60. Assisted Living Capital Add-On** - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.
- 61. Housekeeping and Shopping Hours** - Funding is reduced assuming the department no longer awards personal care hours for assistance with client housekeeping and shopping tasks.
- 62. Managed Care Rates** - Rates for the managed care plan options administered by the department are reduced five percent.
- 63. County Grant Reduction** - Savings are assumed from a ten percent reduction to the county grant amounts for chemical dependency treatment services.
- 64. Family Childcare Provider CBA** - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.
- 65. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 66. McNeil Island Stewardship** - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,475.0	572,757	1,065,407
2013-15 Maintenance Level	2,455.4	580,948	1,069,242
Policy Other Changes:			
1. Access Data/Documents in FamLink	-0.5	0	0
2. Implement Family Assmnt Rspnse Svcs	0.0	500	10,480
3. FAR Staffing	29.0	2,491	5,458
4. Earn Adoption Incentive Grant	0.0	-1,633	0
5. Reduce Contracts	0.0	-612	-612
6. Receiving Care Centers	0.0	-413	-1,395
7. Adoption Support Payments	0.0	-1,649	-1,649
8. FAR Caseload Savings	0.0	-1,024	-1,365
9. Administrative Efficiencies	0.0	-2,304	-2,304
10. Extended Foster Care	3.7	3,080	4,019
11. Powell Fatality Team	0.0	100	356
Policy -- Other Total	32.2	-1,464	12,988
Total Policy Changes	32.2	-1,464	12,988
Total 2013-15 Biennium	2,487.5	579,484	1,082,230
Difference from 2011-13	12.5	6,727	16,823
% Change from 2011-13	0.5%	1.2%	1.6%

Comments:

- 1. Access Data/Documents in FamLink** - Funding is provided for the Children's Administration (CA) to purchase a software application that will enable staff to access FamLink data through ad hoc reports. Funding is reduced to reflect staff savings once ad hoc reporting is enabled. (General Fund-State, General Fund-Federal)
- 2. Implement Family Assmnt Rspnse Svcs** - Funding is provided for concrete goods and services to families entering the Family Assessment Response (FAR) pathway beginning in January 2014. The purpose of FAR is to safely prevent out-of-home foster care placements by engaging and providing basic needs for families. Funding for FAR is provided through the use of Washington's Title IV-E Waiver. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)
- 3. FAR Staffing** - Funding is provided for staffing for families entering the FAR pathway beginning in January 2014. These staff will engage with families in an assessment and voluntary services. (General Fund-State, General Fund-Federal, Child and Family Reinvestment Account-State)
- 4. Earn Adoption Incentive Grant** - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)
- 5. Reduce Contracts** - Funding is reduced to eliminate unnecessary training contracts and to reduce contracts for educational coordinators by 20 percent.
- 6. Receiving Care Centers** - Funding is eliminated for all Receiving Care Centers, except one located east of the cascade mountains, beginning July 1, 2014. (General Fund-State, General Fund-Federal)
- 7. Adoption Support Payments** - Funding is reduced by 50 percent for adoption support maintenance payments to adoptive parents with children who don't have significant special needs.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Children and Family Services

8. FAR Caseload Savings - Funding is reduced to reflect a 30 percent decline in out of home placement for cases referred to the FAR pathway in the final six months of SFY 2015. (General Fund-State, General Fund-Federal)

9. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

10. Extended Foster Care - Funding is provided to implement Engrossed Substitute Senate Bill 5405 (extended foster care), which extends foster care services to youth exiting the foster care system who are engaged in activities which remove barriers to employment. (General Fund-State, General Fund-Federal)

11. Powell Fatality Team - Funding is provided to implement Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made by the Powell Fatality Team. This includes funding for initial and ongoing domestic violence training for social workers.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Juvenile Rehabilitation
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	755.9	170,981	179,690
2013-15 Maintenance Level	735.3	176,093	181,698
Policy Other Changes:			
1. PC and Server Replacement	0.0	232	232
2. Mental Health Services Need	6.0	183	566
3. Prison Rape Elimination Act (PREA)	2.2	437	437
4. Administrative Efficiencies	0.0	-1,240	-1,240
Policy -- Other Total	8.2	-388	-5
Policy Comp Changes:			
5. Coll. Bargained Personal Leave Day	0.0	182	182
Policy -- Comp Total	0.0	182	182
Total Policy Changes	8.2	-206	177
Total 2013-15 Biennium	743.5	175,887	181,875
Difference from 2011-13	-12.5	4,906	2,185
% Change from 2011-13	-1.7%	2.9%	1.2%

Comments:

1. PC and Server Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years. (General Fund-State)

2. Mental Health Services Need - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

3. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

5. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,643.3	880,826	1,587,031
2013-15 Maintenance Level	2,625.5	934,023	1,650,565
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-40,937	26,184
2. Autism Licensing	0.0	0	56
3. Adult Behavioral Health - 2SSB 5732	0.0	938	1,551
4. Competency to Stand Trial - SSB 5551	0.0	260	260
5. ITA - 2SHB 3076 Laws of 2010	0.0	15,824	23,020
6. Electronic Medical Record System	0.0	4,134	4,374
7. Impaired Physician Account	0.0	-900	0
8. Mental Health Security Enhancements	63.7	7,478	9,563
9. Mental Health First Aid	0.0	75	96
10. Administrative Efficiencies	0.0	-2,572	-2,572
Policy -- Other Total	63.7	-15,700	62,532
Policy Comp Changes:			
11. Coll. Bargained Personal Leave Day	0.0	433	493
Policy -- Comp Total	0.0	433	493
Total Policy Changes	63.7	-15,267	63,025
Total 2013-15 Biennium	2,689.2	918,756	1,713,590
Difference from 2011-13	45.9	37,930	126,559
% Change from 2011-13	1.7%	4.3%	8.0%

Comments:

1. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2. Autism Licensing - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

3. Adult Behavioral Health - 2SSB 5732 - Funding is provided to implement Second Substitute Senate Bill 5732 (adult behavioral health system).

4. Competency to Stand Trial - SSB 5551 - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial).

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health

5. ITA - 2SHB 3076 Laws of 2010 - Funding is provided to implement changes made to RCW 71.05, Mental Illness, in the 2010 Legislative Session. These changes broaden the criteria for involuntary commitment under the state's Involuntary Treatment Act (ITA). These changes are to take place by July 1, 2015.

6. Electronic Medical Record System - Funding is provided to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10). The World Health Organization's Tenth Revision of ICD-10 codes must be implemented by the federally imposed date of October 1, 2014. If an ICD-10 compliant system is not in place, all Medicare, Medicaid, and private insurance billing claims submitted by the agency will be rejected, and revenue recovery claims of \$100 million will be lost. (General Fund-State, General Fund-Federal)

7. Impaired Physician Account - Funding from the Impaired Physician Account is directed to providing mental health treatment to non-Medicaid clients.

8. Mental Health Security Enhancements - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

9. Mental Health First Aid - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

10. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

11. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	642,053	1,114,761
2013-15 Maintenance Level	1.0	667,378	1,160,638
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-40,937	26,184
2. Adult Behavioral Health - 2SSB 5732	0.0	938	1,551
3. Competency to Stand Trial - SSB 5551	0.0	260	260
4. ITA - 2SHB 3076 Laws of 2010	0.0	15,824	23,020
5. Impaired Physician Account	0.0	-900	0
6. Mental Health First Aid	0.0	75	96
Policy -- Other Total	0.0	-24,740	51,111
Total Policy Changes	0.0	-24,740	51,111
Total 2013-15 Biennium	1.0	642,638	1,211,749
Difference from 2011-13	1.0	585	96,988
% Change from 2011-13	0.0%	0.1%	8.7%

Comments:

1. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2. Adult Behavioral Health - 2SSB 5732 - Funding is provided to implement Second Substitute Senate Bill 5732 (adult behavioral health system).

3. Competency to Stand Trial - SSB 5551 - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial).

4. ITA - 2SHB 3076 Laws of 2010 - Funding is provided to implement changes made to RCW 71.05, Mental Illness, in the 2010 Legislative Session. These changes broaden the criteria for involuntary commitment under the state's Involuntary Treatment Act (ITA). These changes are to take place by July 1, 2015.

5. Impaired Physician Account - Funding from the Impaired Physician Account is directed to providing mental health treatment to non-Medicaid clients.

6. Mental Health First Aid - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,573.4	227,620	448,563
2013-15 Maintenance Level	2,552.1	254,383	463,621
Policy Other Changes:			
1. Electronic Medical Record System	0.0	4,134	4,374
2. Mental Health Security Enhancements	63.7	7,478	9,563
3. Administrative Efficiencies	0.0	-2,472	-2,472
Policy -- Other Total	63.7	9,140	11,465
Policy Comp Changes:			
4. Coll. Bargained Personal Leave Day	0.0	433	493
Policy -- Comp Total	0.0	433	493
Total Policy Changes	63.7	9,573	11,958
Total 2013-15 Biennium	2,615.8	263,956	475,579
Difference from 2011-13	42.4	36,336	27,016
% Change from 2011-13	1.7%	16.0%	6.0%

Comments:

1. Electronic Medical Record System - Funding is provided to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10). The World Health Organization's Tenth Revision of ICD-10 codes must be implemented by the federally imposed date of October 1, 2014. If an ICD-10 compliant system is not in place, all Medicare, Medicaid, and private insurance billing claims submitted by the agency will be rejected, and revenue recovery claims of \$100 million will be lost. (General Fund-State, General Fund-Federal)

2. Mental Health Security Enhancements - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

4. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.6	2,424	7,322
2013-15 Maintenance Level	3.1	3,219	9,505
Policy Other Changes:			
1. Administrative Efficiencies	<u>0.0</u>	<u>-2</u>	<u>-2</u>
Policy -- Other Total	0.0	-2	-2
Total Policy Changes	0.0	-2	-2
Total 2013-15 Biennium	3.1	3,217	9,503
Difference from 2011-13	2.5	793	2,181
% Change from 2011-13	416.7%	32.7%	29.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Mental Health
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	69.3	8,729	16,385
2013-15 Maintenance Level	69.3	9,043	16,801
Policy Other Changes:			
1. Autism Licensing	0.0	0	56
2. Administrative Efficiencies	0.0	-98	-98
Policy -- Other Total	0.0	-98	-42
Total Policy Changes	0.0	-98	-42
Total 2013-15 Biennium	69.3	8,945	16,759
Difference from 2011-13	0.0	216	374
% Change from 2011-13	0.0%	2.5%	2.3%

Comments:

1. Autism Licensing - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	3,081.3	992,616	1,932,377
2013-15 Maintenance Level	3,059.8	1,026,181	1,982,810
Policy Other Changes:			
1. Federal Medicaid Expansion	0.2	-75	486
2. Agency Provider Parity	0.0	4,377	8,753
3. Critical Community Placements	1.5	2,956	5,779
4. Community Crisis Stabilization	23.0	2,519	4,156
5. SOLA Needs	22.0	1,677	3,175
6. Basic Plus Waiver	6.5	4,475	8,712
7. In-Home Provider Arbitration	0.0	33,908	67,818
8. Administrative Efficiencies	0.0	-2,226	-2,226
9. IFS Expansion	0.0	976	976
10. MR v Dreyfus Exception to Rule	0.0	2,257	4,514
Policy -- Other Total	53.2	50,844	102,143
Policy Comp Changes:			
11. Coll. Bargained Personal Leave Day	0.0	375	749
Policy -- Comp Total	0.0	375	749
Total Policy Changes	53.2	51,219	102,892
Total 2013-15 Biennium	3,112.9	1,077,400	2,085,702
Difference from 2011-13	31.6	84,784	153,325
% Change from 2011-13	1.0%	8.5%	7.9%

Comments:

1. Federal Medicaid Expansion - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. (General Fund-State, General Fund-Federal)

2. Agency Provider Parity - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.

3. Critical Community Placements - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

4. Community Crisis Stabilization - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities

5. SOLA Needs - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

6. Basic Plus Waiver - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)

7. In-Home Provider Arbitration - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

8. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

9. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

10. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

11. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	768.9	825,739	1,577,982
2013-15 Maintenance Level	854.2	850,174	1,621,886
Policy Other Changes:			
1. Federal Medicaid Expansion	0.2	-75	486
2. Agency Provider Parity	0.0	4,377	8,753
3. Critical Community Placements	1.5	2,956	5,779
4. Community Crisis Stabilization	23.0	2,519	4,156
5. SOLA Needs	22.0	1,677	3,175
6. Basic Plus Waiver	6.5	4,475	8,712
7. In-Home Provider Arbitration	0.0	33,908	67,818
8. Administrative Efficiencies	0.0	-662	-662
9. IFS Expansion	0.0	976	976
10. MR v Dreyfus Exception to Rule	0.0	2,257	4,514
Policy -- Other Total	53.2	52,408	103,707
Policy Comp Changes:			
11. Coll. Bargained Personal Leave Day	0.0	86	86
Policy -- Comp Total	0.0	86	86
Total Policy Changes	53.2	52,494	103,793
Total 2013-15 Biennium	907.4	902,668	1,725,679
Difference from 2011-13	138.5	76,929	147,697
% Change from 2011-13	18.0%	9.3%	9.4%

Comments:

1. Federal Medicaid Expansion - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. (General Fund-State, General Fund-Federal)

2. Agency Provider Parity - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.

3. Critical Community Placements - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

4. Community Crisis Stabilization - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities

5. SOLA Needs - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

6. Basic Plus Waiver - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)

7. In-Home Provider Arbitration - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

8. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

9. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

10. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

11. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,153.8	154,942	330,555
2013-15 Maintenance Level	2,186.4	169,269	351,029
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-1,542	-1,542
Policy -- Other Total	0.0	-1,542	-1,542
Policy Comp Changes:			
2. Coll. Bargained Personal Leave Day	0.0	289	663
Policy -- Comp Total	0.0	289	663
Total Policy Changes	0.0	-1,253	-879
Total 2013-15 Biennium	2,186.4	168,016	350,150
Difference from 2011-13	32.6	13,074	19,595
% Change from 2011-13	1.5%	8.4%	5.9%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	133.5	9,187	19,773
2013-15 Maintenance Level	0.0	2,800	4,000
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-6	-6
Policy -- Other Total	0.0	-6	-6
Total Policy Changes	0.0	-6	-6
Total 2013-15 Biennium	0.0	2,794	3,994
Difference from 2011-13	-133.5	-6,393	-15,779
% Change from 2011-13	-100.0%	-69.6%	-79.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Developmental Disabilities
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	25.2	2,748	4,067
2013-15 Maintenance Level	19.2	3,938	5,895
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-16	-16
Policy -- Other Total	0.0	-16	-16
Total Policy Changes	0.0	-16	-16
Total 2013-15 Biennium	19.2	3,922	5,879
Difference from 2011-13	-6.0	1,174	1,812
% Change from 2011-13	-23.8%	42.7%	44.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,363.4	1,600,831	3,410,729
2013-15 Maintenance Level	1,422.1	1,729,754	3,665,580
Policy Other Changes:			
1. Federal Medicaid Expansion	1.4	-7,313	5,709
2. Agency Provider Parity	0.0	28,568	57,135
3. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,862
4. Delay Nursing Home Rebase	0.0	-36,506	-73,011
5. Adult Family Home Agreement	0.0	1,538	3,044
6. In-Home Provider Arbitration	0.0	79,273	158,546
7. Walla Walla Veterans Home	0.0	777	1,553
8. Community Connections Grant	2.0	0	1,593
9. Empowering Adults Grant	0.4	0	800
10. Dual Eligibles Grant	0.0	0	76
11. Quality Measures Grant	0.0	0	500
12. Administrative Efficiencies	0.0	-1,176	-1,176
13. AFH Quality-SSB 5630	0.0	861	1,724
14. LTC Planning Task Force	0.0	50	50
15. MR v Dreyfus Exception to Rule	0.0	9,833	20,240
16. Kinship Caregiver	0.0	-2,100	-2,100
17. Volunteer Chore	0.0	500	500
18. Assisted Living Capital Add-On	0.0	-1,668	-3,336
19. Housekeeping and Shopping Hours	0.0	-10,660	-21,320
20. Managed Care Rates	0.0	-1,126	-2,252
Policy -- Other Total	3.8	56,676	150,137
Total Policy Changes	3.8	56,676	150,137
Total 2013-15 Biennium	1,425.9	1,786,430	3,815,717
Difference from 2011-13	62.5	185,599	404,988
% Change from 2011-13	4.6%	11.6%	11.9%

Comments:

1. Federal Medicaid Expansion - Staffing and funding adjustments are made due to expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Affordable Care Act (ACA). (General Fund-State, General Fund-Federal)

2. Agency Provider Parity - Funding is provided for the homecare agency parity impacts of the recently negotiated 2013-15 homecare worker collective bargaining agreement.

3. Recover Cost of AFH Quality Assuran - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

4. Delay Nursing Home Rebase - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Long-Term Care

5. Adult Family Home Agreement - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)

6. In-Home Provider Arbitration - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations; and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

7. Walla Walla Veterans Home - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

8. Community Connections Grant - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

9. Empowering Adults Grant - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

10. Dual Eligibles Grant - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.

11. Quality Measures Grant - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.

12. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

13. AFH Quality-SSB 5630 - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

14. LTC Planning Task Force - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.

15. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impacts related to the exception to rule expansion that was negotiated between Governor Gregoire and the Department of Justice.

16. Kinship Caregiver - Funding is eliminated for the Kinship Caregiver program.

17. Volunteer Chore - Additional funding is provided to the Volunteer Chore program to provide additional support and services to elderly family members raising young children.

18. Assisted Living Capital Add-On - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.

19. Housekeeping and Shopping Hours - Funding is reduced assuming the department no longer awards personal care hours for assistance with client housekeeping and shopping tasks.

20. Managed Care Rates - Rates for the managed care plan options administered by the department are reduced five percent.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	4,275.6	854,036	2,059,044
2013-15 Maintenance Level	4,208.3	922,618	2,112,168
Policy Other Changes:			
1. Information System Changes	4.5	1,150	6,221
2. Eliminate Incapacity Evaluations	-61.9	-10,525	-21,460
3. Modify Safety Net Programs	0.0	-40,882	-40,882
4. TANF WCCC Caseload Savings	0.0	-143,918	-105,724
5. Muckleshoot Tribe	0.0	1,422	1,422
6. Household Size Increase	0.0	-2,708	-2,708
7. Reduce WorkFirst Partners	0.0	-14,526	-14,526
8. TANF PRISM	0.0	712	712
9. OFM Eligibility Study	0.0	536	536
10. TANF Redesign Caseload	0.0	-4,073	-4,073
11. Swap CCDF for GFS	0.0	-5,000	-5,000
12. Administrative Efficiencies	0.0	-10,630	-10,630
13. Reduce Child Care Cap	0.0	-17,415	-17,415
14. State Food Assistance	0.0	9,427	9,427
15. Expansion Eligibility Determination	68.5	5,524	10,668
Policy -- Other Total	11.1	-230,906	-193,432
Policy Comp Changes:			
16. Family Childcare Provider CBA	0.0	970	970
Policy -- Comp Total	0.0	970	970
Total Policy Changes	11.1	-229,936	-192,462
Total 2013-15 Biennium	4,219.3	692,682	1,919,706
Difference from 2011-13	-56.3	-161,354	-139,338
% Change from 2011-13	-1.3%	-18.9%	-6.8%

Comments:

1. Information System Changes - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. Funding and staff are provided to support the first phase in modifying the Automated Client Eligibility System (ACES) to support the new modified gross income rules. (General Fund-State, General Fund-Federal)

2. Eliminate Incapacity Evaluations - Beginning July 1, 2015, the state will stop providing facilitation services to move clients to Social Security Insurance (SSI) payments and will no longer conduct the incapacity examinations used to determine eligibility for SSI facilitation and previously other disability programs. (General Fund-State, General Fund-Federal)

3. Modify Safety Net Programs - Funding is reduced to reflect a 50 percent reduction to the cash grant for clients of the aged assistance program. Beginning July 1, 2013, the disabled population from the former aged, blind, disabled program will no longer receive cash assistance but will be served by the Housing and Essential Needs program, if they meet the housing eligibility requirements.

4. TANF WCCC Caseload Savings - Funding for the Temporary Assistance for Needy Families (TANF) and the Working Connections Child Care (WCCC) Programs is adjusted to reflect caseload and per capita under-expenditures.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Economic Services Administration

- 5. Muckleshoot Tribe** - Funding is provided for the Muckleshoot Tribe to begin providing TANF services to its tribal members.
- 6. Household Size Increase** - Funding is reduced to reflect capping the TANF grant at the household size of the family upon entry into TANF. The grant may not increase with additional family members.
- 7. Reduce WorkFirst Partners** - Funding is reduced for WorkFirst activities by 10 percent for the 2013-15 biennium.
- 8. TANF PRISM** - Funding is provided for the implementation of the TANF Predictive Risk Information System (PRISM) application.
- 9. OFM Eligibility Study** - Funding is provided for a study of the state's eligibility systems and infrastructure in order to determine if eligibility processes can be further streamlined in light of changes related to the ACA. The study will also examine which entities shall play various roles in the eligibility and data verification processes for state assistance programs.
- 10. TANF Redesign Caseload** - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.
- 11. Swap CCDF for GFS** - State funding is reduced to reflect the use of discretionary Child Care Development Fund (CCDF) for child care subsidies.
- 12. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.
- 13. Reduce Child Care Cap** - Funding is reduced to reflect lowering the cap on Working Connection Child Care from 33,000 families to 29,000 families.
- 14. State Food Assistance** - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.
- 15. Expansion Eligibility Determination** - Implementation of the Affordable Care Act (ACA) simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will remain the primary access point to the Health Benefit Exchange and eligibility for other benefits. (General Fund-State, General Fund-Federal)
- 16. Family Childcare Provider CBA** - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	73.3	144,960	365,043
2013-15 Maintenance Level	70.3	148,499	371,983
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-11,770	30,492
2. Administrative Efficiencies	0.0	-96	-96
3. County Grant Reduction	0.0	-8,044	-8,044
Policy -- Other Total	0.0	-19,910	22,352
Total Policy Changes	0.0	-19,910	22,352
Total 2013-15 Biennium	70.3	128,589	394,335
Difference from 2011-13	-3.0	-16,371	29,292
% Change from 2011-13	-4.1%	-11.3%	8.0%

Comments:

1. Federal Medicaid Expansion - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. (General Fund-State, General Fund-Federal)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. County Grant Reduction - Savings are assumed from a ten percent reduction to the county grant amounts for chemical dependency treatment services.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Vocational Rehabilitation
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	322.1	21,255	129,081
2013-15 Maintenance Level	320.1	22,482	124,670
Policy Other Changes:			
1. Administrative Efficiencies	<u>0.0</u>	<u>-272</u>	<u>-272</u>
Policy -- Other Total	0.0	-272	-272
Total Policy Changes	0.0	-272	-272
Total 2013-15 Biennium	320.1	22,210	124,398
Difference from 2011-13	-2.0	955	-4,683
% Change from 2011-13	-0.6%	4.5%	-3.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Administration/Support Svcs
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	436.2	50,543	97,021
2013-15 Maintenance Level	491.1	59,756	99,435
Policy Other Changes:			
1. DSHS Fraud Investigation	0.0	-4,941	0
2. Administrative Efficiencies	0.0	-1,370	-1,370
Policy -- Other Total	0.0	-6,311	-1,370
Total Policy Changes	0.0	-6,311	-1,370
Total 2013-15 Biennium	491.1	53,445	98,065
Difference from 2011-13	54.9	2,902	1,044
% Change from 2011-13	12.6%	5.7%	1.1%

Comments:

1. DSHS Fraud Investigation - Funding for the Division of Fraud Investigations (DFI) to investigate welfare fraud is shifted to the Performance Audits of Government Account from the General Fund-State. Welfare fraud investigations conducted by DFI include auditing for unlawful practices in obtaining cash assistance, medical assistance and food assistance. (General Fund-State, Performance Audits of Government Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Special Commitment Center
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	413.7	84,295	84,295
2013-15 Maintenance Level	407.3	78,992	78,992
Policy Other Changes:			
1. PC Replacement	0.0	44	44
2. Administrative Efficiencies	0.0	-644	-644
Policy -- Other Total	0.0	-600	-600
Policy Comp Changes:			
3. Coll. Bargained Personal Leave Day	0.0	115	115
Policy -- Comp Total	0.0	115	115
Policy Transfer Changes:			
4. McNeil Island Stewardship	-39.0	-9,204	-9,204
Policy -- Transfer Total	-39.0	-9,204	-9,204
Total Policy Changes	-39.0	-9,689	-9,689
Total 2013-15 Biennium	368.3	69,303	69,303
Difference from 2011-13	-45.4	-14,992	-14,992
% Change from 2011-13	-11.0%	-17.8%	-17.8%

Comments:

1. PC Replacement - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

3. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

4. McNeil Island Stewardship - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services.

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Payments to Other Agencies
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	108,443	161,492
2013-15 Maintenance Level	0.0	120,474	175,518
Total 2013-15 Biennium	0.0	120,474	175,518
Difference from 2011-13	0.0	12,031	14,026
% Change from 2011-13	0.0%	11.1%	8.7%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	198.6	0	0
2013-15 Maintenance Level	197.6	0	0
Total 2013-15 Biennium	197.6	0	0
Difference from 2011-13	-1.0	0	0
% Change from 2011-13	-0.5%	0.0%	0.0%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Consolidated Field Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	441.7	0	0
2013-15 Maintenance Level	543.9	0	0
Total 2013-15 Biennium	543.9	0	0
Difference from 2011-13	102.3	0	0
% Change from 2011-13	23.2%	0.0%	0.0%

Comments:

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	4,444.7	2,593,447	5,343,106
2013-15 Maintenance Level	4,481.8	2,755,935	5,648,390
Policy Other Changes:			
1. Federal Medicaid Expansion (040)	0.2	-75	486
2. Federal Medicaid Expansion (050)	1.4	-7,313	5,709
3. Agency Provider Parity (040)	0.0	4,377	8,753
4. Agency Provider Parity (050)	0.0	28,568	57,135
5. Critical Community Placements (040)	1.5	2,956	5,779
6. Community Crisis Stabilization (040)	23.0	2,519	4,156
7. SOLA Needs (040)	22.0	1,677	3,175
8. Basic Plus Waiver (040)	6.5	4,475	8,712
9. Recover Cost of AFH Quality Assuran (050)	0.0	-4,175	1,862
10. Delay Nursing Home Rebase (050)	0.0	-36,506	-73,011
11. Adult Family Home Agreement (050)	0.0	1,538	3,044
12. In-Home Provider Arbitration (040)	0.0	33,908	67,818
13. In-Home Provider Arbitration (050)	0.0	79,273	158,546
14. Walla Walla Veterans Home (050)	0.0	777	1,553
15. Community Connections Grant (050)	2.0	0	1,593
16. Empowering Adults Grant (050)	0.4	0	800
17. Dual Eligibles Grant (050)	0.0	0	76
18. Quality Measures Grant (050)	0.0	0	500
19. Administrative Efficiencies (040)	0.0	-2,226	-2,226
20. Administrative Efficiencies (050)	0.0	-1,176	-1,176
21. AFH Quality-SSB 5630 (050)	0.0	861	1,724
22. IFS Expansion (040)	0.0	976	976
23. LTC Planning Task Force (050)	0.0	50	50
24. MR v Dreyfus Exception to Rule (040)	0.0	2,257	4,514
25. MR v Dreyfus Exception to Rule (050)	0.0	9,833	20,240
26. Kinship Caregiver (050)	0.0	-2,100	-2,100
27. Volunteer Chore (050)	0.0	500	500
28. Assisted Living Capital Add-On (050)	0.0	-1,668	-3,336
29. Housekeeping and Shopping Hours (050)	0.0	-10,660	-21,320
30. Managed Care Rates (050)	0.0	-1,126	-2,252
Policy -- Other Total	57.0	107,520	252,280
Policy Comp Changes:			
31. Coll. Bargained Personal Leave Day (040)	0.0	375	749
Policy -- Comp Total	0.0	375	749
Total Policy Changes	57.0	107,895	253,029
Total 2013-15 Biennium	4,538.8	2,863,830	5,901,419
Difference from 2011-13	94.1	270,383	558,313
% Change from 2011-13	2.1%	10.4%	10.5%

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services

Comments:

- 1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. (General Fund-State, General Fund-Federal)
- 3. Agency Provider Parity** - Funding is provided for the homecare agency parity impact of the recently negotiated homecare workers collective bargaining agreement.
- 5. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)
- 6. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)
- 7. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)
- 8. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for high school graduates who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services. (General Fund-State, General Fund-Federal)
- 9. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)
- 10. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing nursing home rates until July 1, 2015. Non-capital rates will be frozen at current levels, and the Comparison and Acuity rate add-ons will be continued. (General Fund-State, General Fund-Federal)
- 11. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)
- 12. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)
- 14. Walla Walla Veterans Home** - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)
- 15. Community Connections Grant** - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

2013-15 Omnibus Operating Budget
Dept of Social and Health Services
Aging & Disability Services

16. Empowering Adults Grant - The Department of Social and Health Services will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

17. Dual Eligibles Grant - Federal funds authority is provided for department for continued participation in the Dual Eligibles grant.

18. Quality Measures Grant - Federal funding authority is provided to the department for the recently awarded Quality Measures grant.

19. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

21. AFH Quality-SSB 5630 - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

22. IFS Expansion - Funding is provided to expand the Individual and Family Support program. The department should use any program underspend, combined with the additional funding provided in this item, to extend services to individuals with developmental disabilities not otherwise receiving paid services from the department.

23. LTC Planning Task Force - Funding is provided for the department to lead a task force and undertake research tasks related to the aging population.

24. MR v Dreyfus Exception to Rule - Funding is provided for the per capita impact of the exception to rule expansion that Governor Gregoire negotiated with the federal Department of Justice.

26. Kinship Caregiver - Funding is eliminated for the Kinship Caregiver program.

27. Volunteer Chore - Additional funding is provided to the Volunteer Chore program to provide additional support and services to elderly family members raising young children.

28. Assisted Living Capital Add-On - Savings are assumed through the reduction of the of the capital rate add-on component for assisted living facilities.

29. Housekeeping and Shopping Hours - Funding is reduced assuming the department no longer awards personal care hours for assistance with client housekeeping and shopping tasks.

30. Managed Care Rates - Rates for the managed care plan options administered by the department are reduced five percent.

31. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Health
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,641.1	157,544	1,105,116
2013-15 Maintenance Level	1,623.7	158,292	1,070,696
Policy Other Changes:			
1. Federal Medicaid Expansion	0.0	-8,362	-8,362
2. Online Licensing	8.1	0	2,475
3. MD Licensure Requirements	0.1	0	14
4. MQAC Communication Plan	0.0	0	200
5. MQAC Business Access Enhancement	0.0	0	55
6. Newborn Screening	2.4	0	1,382
7. Prescription Monitoring Program	2.7	0	923
8. HIV Drug Rebates	0.0	-3,431	0
9. Oral Health Funding	0.0	-592	-592
10. Public Health Block Grant	-3.0	-936	-936
11. Midwives	0.0	14	14
12. WA Autism Alliance	0.0	400	400
13. Water Protection	0.0	-645	0
14. Public Health Laboratories	0.0	-2,350	0
15. Water Filtration	0.0	0	150
16. Coordination of Care	0.1	0	64
17. Hepatitis C Screening	0.0	100	100
18. Birth Certificates	0.8	0	141
19. UW Health Science Library	1.4	0	809
20. Spay Neuter Assistance Program	1.6	0	409
21. Administrative Efficiencies	0.0	-2,424	-2,424
22. Diarrhetic Shellfish Poisoning	0.3	0	156
Policy -- Other Total	14.4	-18,226	-5,022
Policy Transfer Changes:			
23. Public Health Funding Transfer	0.0	-25,063	-25,063
Policy -- Transfer Total	0.0	-25,063	-25,063
Total Policy Changes	14.4	-43,289	-30,085
Total 2013-15 Biennium	1,638.1	115,003	1,040,611
Difference from 2011-13	-3.0	-42,541	-64,505
% Change from 2011-13	-0.2%	-27.0%	-5.8%

Comments:

2013-15 Omnibus Operating Budget Department of Health

1. Federal Medicaid Expansion - Under federal health reform legislation and through the state option to expand Medicaid coverage, individuals and families with adjusted gross income up to 400 percent of the federal poverty level will be required to have health insurance through a combination of public and private coverage beginning January 1, 2014. As a result, several currently funded state programs may duplicate coverage or services provided under federal health care reform. For the Department of Health (DOH) this includes 1) the HIV Client Services program which provides assistance to eligible HIV positive clients and 2) the Breast, Cervical and Colon Health program which is an early detection program that provides free breast, cervical, and colon cancer screening to low-income clients.

Funding is reduced to reflect the anticipated shift of clients to expanded Medicaid when it becomes available under the Affordable Care Act (ACA) in January 2014. The DOH programs retain funding for those clients who are ineligible for Medicaid or the Health Benefit Exchange (HBE) due to citizenship status. For the HIV program funding is also retained for those clients who are unable to afford out-of-pocket expenses in the HBE. DOH case managers shall work to transition all Medicaid eligible clients by January 1, 2014.

2. Online Licensing - One-time funding is provided for DOH to implement online access and credit card payment functionality for new license applications for health care professions, as well as new license applications and renewals for at least five regulated facility types. If the department has available funds or resources, DOH may implement online access and credit card payment functionality for the Emergency Medical Services licensees. (General Fund-State, General Fund-Private/Local, Health Professions Account-State, Medical Test Site Licensure Account-State)

3. MD Licensure Requirements - The Medical Quality Assurance Commission (MQAC) will update the training standards for licensed allopathic physicians in Washington state. One-time expenditure authority is provided to cover the costs of rulemaking to update these licensure requirements. (Health Professions Account-State)

4. MQAC Communication Plan - Expenditure authority is provided for the MQAC to continue a quarterly newsletter, direct mailings, and educational events for stakeholders. (Health Professions Account-State)

5. MQAC Business Access Enhancement - Expenditure authority is provided for a Citrix server access portal to consolidate business functions performed by MQAC members and staff. (Health Professions Account-State)

6. Newborn Screening - The DOH will add a screening for Severe Combined Immunodeficiency Disease (SCID) to the state newborn screening program. Fees paid by the facility of birth to fund these screenings will increase from \$60.90 to \$69 per child. (Health Professions Account-State)

7. Prescription Monitoring Program - Through the Prescription Monitoring Program (PMP), DOH monitors the prescribing and dispensing of controlled substances and provides this information to prescribers, dispensers, patients, and other legally-designated authorities. The DOH expects to deplete its current federal grant funding for PMP by June 2013 and to be ineligible for future federal grants. Ongoing funding is provided to continue the program from non-general fund state sources. (Medicaid Fraud Penalty Account-State, Medical Aid Account-State)

8. HIV Drug Rebates - DOH receives drug rebate revenue from medications paid for by the HIV Client Services, Early Intervention Program (EIP) on behalf of clients. Through efficiencies and other cost saving measures, DOH anticipates deferring rebate revenue to cover a one-time fund shift. The larger shift in the first year can be accomplished as the current level of rebate revenue is expected to continue for the first six months of FY14. However, once the Affordable Care Act (ACA) is implemented in January 2014, rebate revenue is expected to decrease.

9. Oral Health Funding - This proposal eliminates all state funding for the Oral Health Program beginning January 2014. The department contracts with local health jurisdictions to provide oral health services in their counties. This funding supports local oral health activities including in schools, referrals for services, access promotion, and needs assessment.

2013-15 Omnibus Operating Budget Department of Health

10. Public Health Block Grant - The state provides non-categorical financial support to local public health agencies through the Local Capacity Development Fund, the Motor Vehicle Excise Tax (MVET) replacement funds, and the Blue Ribbon Commission funds. The MVET is paid from the Treasurer's Office directly to the local public health jurisdictions through a directed formula. The other two sources are paid by the DOH to the health jurisdictions. DOH charges an indirect rate to manage these funds and for related programming. The Senate budget collapses these disparate funding streams into a single block grant dispersed through the Treasurer's Office per the current formula. Savings are achieved by eliminating the DOH indirect charge, FTE, and related programming. Local Health Jurisdictions will be required to report to the legislature each November measures that show whether their programs are achieving intended outcomes and spending information by category of spending.

11. Midwives - Additional funding is provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. The department shall charge no more than \$525 annually for new or renewed licenses for the midwifery program.

12. WA Autism Alliance - Under federal health reform legislation and through the state option to expand Medicaid coverage, individuals and families with adjusted gross income up to 400 percent of the federal poverty level will be required to have health insurance through a combination of public and private coverage beginning January 1, 2014. Funding is provided to the Washington Autism Alliance to help autistic individuals or families with autistic children to transition to federal health reform.

13. Water Protection - A portion of the state general fund for the Drinking Water and Water Protection programs are shifted to the Waterworks Operator Certification Account on a one-time basis. (General Fund-State, Waterworks Operator Certification Account-State)

14. Public Health Laboratories - A portion of the state general fund for the Public Health Laboratories are shifted to the Medical Test Site Licensure Account on a one-time basis. (General Fund-State, Medical Test Site Licensure Account-State)

15. Water Filtration - Funding is provided to the department for low income households with individuals at high public health risk from nitrate-contaminated wells in the lower Yakima basin. (State Toxics Control Account-State)

16. Coordination of Care - Funding is provided to begin the integration of the prescription monitoring program into the coordinated care electronic tracking program. The integration must provide prescription monitoring program data to emergency department personnel when the patient registers in the emergency department. (Medicaid Fraud Penalty Account-State)

17. Hepatitis C Screening - Funding is provided for the department to begin a hepatitis c screening program for individuals who were born between 1946 and 1956.

18. Birth Certificates - Funding is provided for staffing due to the estimated increase in birth certificate requests related to adopted children under the implementation Engrossed Second Substitute Senate Bill 5118 (Birth Certificates). (General Fund-Local)

19. UW Health Science Library - Funding is provided for the implementation of Engrossed Senate Bill 5206 (UW Health Services Library). (Health Professions Account-State)

20. Spay Neuter Assistance Program - Funding is provided to develop and implement the companion animal safety, population control, and spay/neuter assistance program in Substitute Senate Bill 5202 (companion animals). (Companion Animal Spay/Neuter Assistance Account-State)

21. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

22. Diarrhetic Shellfish Poisoning - Expenditure authority is provided for DOH to begin testing and analyzing diarrhetic shellfish poisoning samples at the Washington State Public Health Laboratory. (Biotoxin Account-State)

2013-15 Omnibus Operating Budget Department of Health

23. Public Health Funding Transfer - The state provides non-categorical financial support to local public health agencies through the Local Capacity Development Fund, the Motor Vehicle Excise Tax (MVET) replacement funds, and the Blue Ribbon Commission funds. The MVET is paid from the Treasurer's Office directly to the local public health jurisdictions through a directed formula. The other two sources are paid by the DOH to the health jurisdictions. DOH charges an indirect rate to manage these funds and for related programming. The Senate budget collapses these disparate funding streams into a single block grant dispersed through the Treasurer's Office per the current formula.

2013-15 Omnibus Operating Budget
Department of Veterans' Affairs
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	690.3	15,339	116,790
2013-15 Maintenance Level	690.3	14,035	125,095
Policy Other Changes:			
1. DVA Workforce Management System	0.0	0	204
2. Administrative Efficiencies	0.0	-135	-135
3. Veterans Innovation Program	0.0	600	600
4. Walla Walla State Veterans Home	37.0	0	6,729
Policy -- Other Total	37.0	465	7,398
Policy Comp Changes:			
5. Coll. Bargained Personal Leave Day	0.0	0	150
Policy -- Comp Total	0.0	0	150
Total Policy Changes	37.0	465	7,548
Total 2013-15 Biennium	727.3	14,500	132,643
Difference from 2011-13	37.0	-839	15,853
% Change from 2011-13	5.4%	-5.5%	13.6%

Comments:

1. DVA Workforce Management System - The Department of Veterans Affairs (DVA) will begin the planning phase of an electronic time, leave, and attendance scheduling system for the state veteran homes. The current scheduling system is a manual, paper-based process. The new system will be more effective and reduce processing errors. (General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Veterans Innovation Program - Funding is provided for the Veteran's Innovation Program.

4. Walla Walla State Veterans Home - Federal and local expenditure authority is provided for the first year of operation of the Walla Walla State Veterans Home. DVA expects to break ground in May 2013 and open the facility in July 2014. (General Fund-Federal, General Fund-Private/Local)

5. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This item provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Veterans' Affairs
Headquarters
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	18.9	3,630	3,640
2013-15 Maintenance Level	18.9	3,878	3,904
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-34	-34
Policy -- Other Total	0.0	-34	-34
Total Policy Changes	0.0	-34	-34
Total 2013-15 Biennium	18.9	3,844	3,870
Difference from 2011-13	0.0	214	230
% Change from 2011-13	0.0%	5.9%	6.3%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Department of Veterans' Affairs
Field Services
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	63.7	9,966	20,464
2013-15 Maintenance Level	63.7	10,040	20,330
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-68	-68
2. Veterans Innovation Program	0.0	600	600
Policy -- Other Total	0.0	532	532
Total Policy Changes	0.0	532	532
Total 2013-15 Biennium	63.7	10,572	20,862
Difference from 2011-13	0.0	606	398
% Change from 2011-13	0.0%	6.1%	1.9%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Veterans Innovation Program - Funding is provided for the Veteran's Innovation Program.

2013-15 Omnibus Operating Budget
Department of Veterans' Affairs
Institutional Services
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	607.7	1,743	92,686
2013-15 Maintenance Level	607.7	117	100,861
Policy Other Changes:			
1. DVA Workforce Management System	0.0	0	204
2. Administrative Efficiencies	0.0	-33	-33
3. Walla Walla State Veterans Home	37.0	0	6,729
Policy -- Other Total	37.0	-33	6,900
Policy Comp Changes:			
4. Coll. Bargained Personal Leave Day	0.0	0	150
Policy -- Comp Total	0.0	0	150
Total Policy Changes	37.0	-33	7,050
Total 2013-15 Biennium	644.7	84	107,911
Difference from 2011-13	37.0	-1,659	15,225
% Change from 2011-13	6.1%	-95.2%	16.4%

Comments:

1. DVA Workforce Management System - The Department of Veterans Affairs (DVA) will begin the planning phase of an electronic time, leave, and attendance scheduling system for the state veteran homes. The current scheduling system is a manual, paper-based process. The new system will be more effective and reduce processing errors. (General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Walla Walla State Veterans Home - Federal and local expenditure authority is provided for the first year of operation of the Walla Walla State Veterans Home. DVA expects to break ground in May 2013 and open the facility in July 2014. (General Fund-Federal, General Fund-Private/Local)

4. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This item provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Corrections
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	7,950.7	1,602,757	1,626,752
2013-15 Maintenance Level	7,931.9	1,659,765	1,675,313
Policy Other Changes:			
1. Provider Payments	0.0	-2,528	-2,528
2. Move OMNI off Mainframe	1.0	-1,531	-1,531
3. Federal Medicaid Expansion	0.0	-2,169	-2,169
4. New Hepatitis C Protocol	0.0	1,005	1,005
5. Assault Near Court Proceedings	0.0	72	72
6. Stalking Protection	0.0	96	96
7. Sex Offender Registration	0.0	48	48
8. Aggravated 1st Degree Murder	0.0	24	24
9. Radio Infrastructure Upgrades	0.0	981	981
10. Maple Lane Ongoing Costs	2.5	672	672
11. Prison Rape Elimination Act (PREA)	3.0	358	358
12. Special Needs Population	6.0	982	982
13. Sex Offender Risk Assessment	4.0	0	530
14. Improving Safety	25.5	2,494	2,494
15. Reducing Corrections Costs	0.0	-4,528	-4,528
16. Delay Opening Units	0.0	-12,879	-12,879
17. Residential DOSA	0.0	4,106	4,106
18. Drug Treatment Fund Shift	0.0	-4,106	0
19. Centralized Pharmacy	0.0	-2,458	-2,458
20. Offender Housing Voucher Program	1.5	0	203
21. Rent Jail Beds	0.0	3,975	3,975
22. Crimes Against Pharmacies	0.0	72	72
23. Program Underexpenditures	0.0	-6,707	-6,707
24. Risk Needs Responsivity Programming	0.0	225	225
25. Administrative Efficiencies	0.0	-16,286	-16,286
26. Trafficking	0.0	48	48
27. Vehicle Prowling	0.0	48	48
Policy -- Other Total	43.5	-37,986	-33,147
Policy Comp Changes:			
28. Coll. Bargained Personal Leave Day	0.0	16	16
Policy -- Comp Total	0.0	16	16
Policy Transfer Changes:			
29. McNeil Island Stewardship	35.0	8,308	8,308
Policy -- Transfer Total	35.0	8,308	8,308
Total Policy Changes	78.5	-29,662	-24,823
Total 2013-15 Biennium	8,010.4	1,630,103	1,650,490
Difference from 2011-13	59.7	27,346	23,738
% Change from 2011-13	0.8%	1.7%	1.5%

2013-15 Omnibus Operating Budget Department of Corrections

Comments:

- 1. Provider Payments** - The 2012 supplemental operating budget required the Department of Corrections (DOC) to standardize payments for inpatient and outpatient services using the same reimbursement methodology and rate structure as the state Medicaid program. Pursuant to Senate Bill 5288 (contracts for health care) payments to contracted health care providers and ancillary providers will also be standardized using the Medicaid reimbursement methodology and rate structure.
- 2. Move OMNI off Mainframe** - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.
- 3. Federal Medicaid Expansion** - Implementation of the Affordable Care Act (ACA) expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the Federal Poverty Level. Savings will be realized by expanding the number of offenders who are eligible for hospital in-patient Medicaid reimbursement. The federal funds which are generated to offset these costs are reflected in the Health Care Authority budget. (General Fund-State, General Fund-Federal)
- 4. New Hepatitis C Protocol** - A new treatment protocol is made available for offenders screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy beyond any previous drug treatment therapies and is an allowable benefit on other insurance programs including Medicaid.
- 5. Assault Near Court Proceedings** - Funding is provided for three additional prison beds to accommodate anticipated increases in the adult daily population (ADP). Pursuant to Engrossed Senate Bill 5484 (assault in the third degree), a person is guilty of assault in the third degree when that person assaults another individual in any area of a building that is used in connection with court proceedings. Assault in the third degree is a Class C felony offense ranked at Seriousness Level III on the adult felony sentencing grid. An offender convicted of assault in the third degree may receive a prison sentence of between 51-68 months. Based on the Administrative Office of the Courts, there may be 13-20 cases per year that would meet the criteria.
- 6. Stalking Protection** - Pursuant to Substitute Senate Bill 5452 (Stalking Protection Orders), the definition of stalking is expanded and the penalties for violating stalking orders are increased. Two existing Class C felonies are expanded and an aggravating factor for court employees is added. A Class C felony ranked at a Seriousness Level V on the adult felony sentencing grid may be punishable with a term of prison confinement between 72-96 months. It is expected this will increase the demand for prison beds by four ADP.
- 7. Sex Offender Registration** - Pursuant to Engrossed Substitute Senate Bill 5735 (Sex or Kidnapping Offenders), the definition of failure to register as a sex offender for a second or third violation is expanded to include previous failure to register for convictions under federal law. Failure to register as a sex offender (second offense) is a Class C felony ranked at Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. Failure to register as a sex offender (third or subsequent offense) is a Class B felony ranked at a Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. It is expected that this expanded definition of failure to register will increase the demand for prison beds by two ADP.
- 8. Aggravated 1st Degree Murder** - Pursuant to Senate Bill 5015 (aggravated first-degree murder), the definition of aggravated first degree murder is expanded by adding a new aggravating circumstance when the victim was fourteen years of age or younger. According to the Bureau of Justice Statistics, victims under fourteen years of age comprise about 4.8 percent of all homicide victims. While the age of victims are currently not tracked and therefore unknown, there were approximately 33 sentences in FY 2012 that may have risen to aggravated first degree murder if the victim was under age fourteen. It is anticipated that the demand for adult prison beds will increase by one ADP.
- 9. Radio Infrastructure Upgrades** - Funding is provided for certificate of participation debt service payments to replace critical radio systems essential to staff safety at Larch Corrections Center, Cedar Creek Corrections Center, Clallam Bay Corrections Center, Stafford Creek Corrections Center, and Airway Heights Corrections Center. Debt service payments are scheduled for ten years.
- 10. Maple Lane Ongoing Costs** - In the 2012 supplemental operating budget, DOC was provided \$165,000 per year to assume responsibility for a warm closure of the Maple Lane School property. Additional funding is provided to pay for utilities, fire protection contracts, and other costs previously not covered but necessary to maintain Maple Lane so that it stays in good repair and maintains its value while long-term plans are made for the facility. An additional 0.5 FTE is provided, bringing the total to 2.5 FTEs for on site staffing coverage.

2013-15 Omnibus Operating Budget Department of Corrections

11. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in adult institutions. Standards released June 2012, require DOC to have one-third of its facilities audited by an outside source each year with the first deadline being August 2013. In addition, the DOC is required to monitor 70 jails with which it contracts for beds to demonstrate compliance system-wide. One-time funding is provided for one temporary FTE to conduct agency-wide training on PREA implementation. Two ongoing FTEs are provided to conduct internal compliance reviews, make audit preparations on four prisons and five work release sites each year, and monitor jail contracts. Of the total costs, \$120,000 are estimated to be one-time and \$238,000 to be ongoing.

12. Special Needs Population - Funding for six psychiatric associates is provide to deliver additional support for offenders with developmental disabilities or traumatic brain injuries. Approximately nine percent of those incarcerated in the Washington prison system are offenders with special needs and many of these are housed in intensive management units for their own safety. These additional mental health staff will augment current staffing at Monroe Correctional Center and Washington State Penitentiary to provide specialized mission housing units for approximately 150 offenders with special needs as recommended by a review conducted by the Disability Rights of Washington.

13. Sex Offender Risk Assessment - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

14. Improving Safety - Pursuant to recommendations by the Statewide Security Advisory Committee, correctional officer staffing levels are increased in two areas: (1) stand-alone minimum security facilities on graveyard shift and (2) medium security housing units on the day shift.

15. Reducing Corrections Costs - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), areas are standardized in the system where inconsistencies occur and the forecasted demand for prison beds is reduced by 246 ADP through the following policy items: 1) The drug sentencing grid is modified so that any offender who commits a Seriousness Level 1 drug offense and has a criminal history score within the range of 3-5, will serve their sentence in jail. Currently, drug offenders who have committed an identical Seriousness Level 1 drug offense and have identical criminal history scores may be sentenced to either prison or jail. At no other seriousness level and for no other completed criminal offense does this discretionary placement occur; 2) Rates paid by county and city jails for offender health care are standardized to be no greater than the amount payable under the Medicaid reimbursement structure. Because of this, the DOC will see a reduction in the rates they are billed by jails for health care provided to DOC offenders who are in jail due to a violation in the terms of their community supervision; and 3) The DOC will implement a positive time option. Offenders who qualify and who are entering the last 12 months of their prison sentence may choose from a list of department approved programs. If they remain infraction free, continue to do everything they are required to in the reentry program, and complete the approved program, they may earn an additional 30 days off their sentence. Noncompliance with any of these provisions results in a revocation of the positive time option for the duration of the offender's sentence. These items are expected to decrease the adult daily prison population and thereby reduce the need for the DOC to open or build additional housing units.

16. Delay Opening Units - Two new medium custody units at Washington State Penitentiary are delayed in opening and the minimum security unit is delayed in closing until the 2015-17 biennium due to a declining trend in forecasted prison populations and strategic investments by the Legislature to reduce the future need for prison beds. Investments to reduce the forecasted Adult Daily Prison (ADP) population are as follows: 1) Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds; 2) modifications to the drug sentencing grid and the implementation of a positive time earned release program are expected to reduce ADP by 246 beds; 3) funds provided to rent jail beds for offenders with 120 days or less left to serve on their sentence when they would otherwise be transferred to the Department of Corrections is expected to reduce ADP by 83 beds.

17. Residential DOSA - Funding is provided to expand the Drug Offender Sentencing Alternative (DOSA) program to 220 residential beds. This program is provided as a community alternative by the courts for otherwise prison bound offenders who are in need of chemical dependency treatment and supervision. In FY 2013, the program was funded for 145 beds, but the courts have over-utilized this program by as much as 200 beds. This expansion will reduce the forecasted average daily population for prison beds by 197 in fiscal year 2014 and by 272 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

2013-15 Omnibus Operating Budget Department of Corrections

18. Drug Treatment Fund Shift - Excess funds from the Ignition Interlock Device account and the County Criminal Justice Assistance account will be used one-time to support drug treatment provided through the Drug Offender Sentencing Alternative (DOSA) residential program for offenders on community supervision. In 2012, there were 4,975 offenders who were admitted to this 95-day evidence-based residential program. Use of these excess funds does not impact or alter amounts distributed to the counties by the State Treasurer or Washington State Patrol appropriated levels in the County Criminal Justice Assistance account. (County Criminal Justice Assistance Account-State, Ignition Interlock Device Revolving Account-State)

19. Centralized Pharmacy - The Department of Corrections will realize savings by creating a centralizing pharmacy. Five independent prison based pharmacies will be consolidated into two (one on the Eastern side and one on the Western side of the state). One-time funding in the amount of \$700,000 is in the capital budget to coincide with this item and will be used to modify leased space so that it can accommodate the storage and disbursement of pharmaceuticals. Savings is achieved from a reduction in pharmacy waste and reduced staffing requirements.

20. Offender Housing Voucher Program - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

21. Rent Jail Beds - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), the DOC will contract for jail beds to house offenders with an earned release date of less than 120 days remaining on his or her sentence at the time when the offender would otherwise be transferred to the state correctional facility. The DOC saves on booking, transportation, and the daily costs of housing these offenders. The daily rate paid to jails for this population is lower than the daily rate paid for housing violators of community supervision. This short-term, otherwise prison-bound population has already been booked by the jails and are housed in the jail while awaiting sentencing. Because these offenders will remain in the jail, they will not need to be rebooked. In addition, medical, mental health, and substance abuse conditions have already been assessed by the jails and are typically already stabilized. The average daily rate is \$70.00 per day per offender which includes \$3 per offender per day to cover extraordinary medical costs. The rental of jail beds for this population is expected to reduce the forecasted average daily population for prison beds by 72 in fiscal year 2014 and by 83 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

22. Crimes Against Pharmacies - Pursuant to Senate Bill 5149 (Crimes Against Pharmacies), a special allegation may be brought against a person who commits robbery in the first degree if the crime is committed in a pharmacy. An additional 12 months is added to the standard sentence if the allegation is proven beyond a reasonable doubt. Funding is provided for three additional prison beds for an expected increase in adult daily population.

23. Program Underexpenditures - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the 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 targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

2013-15 Omnibus Operating Budget Department of Corrections

24. Risk Needs Responsivity Programming - One-time funding is provided for the Department of Corrections (DOC) to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the Risk Needs Responsivity (RNR) model. By October 1, 2013, the consultant will provide an evaluation to the DOC, Office of Financial Management (OFM), and the Legislature on current plans and processes to phase out ineffective programs and to implement programs that are evidence-based or research-based. The Washington State Institute of Public Policy (WSIPP) will be consulted to systematically review select programs. Based on the report provided by the consultant and WSIPP's review of programs, the DOC will work collaboratively with the consultant to develop a comprehensive written implementation plan and provide it to OFM and the Legislature by January 15, 2014. The written plan must include an implementation timeline, the types of programs to be included, the locations for the programs, and a phasing up of the projected number of participants that will meet the threshold of available funds. Using the written implementation plan as a guide, the DOC must have programs in place and fully phase-up no later than June 30, 2015. The consultant will review quarterly the actual implementation compared to the written plan and will provide a report to the Secretary of DOC. The DOC will provide progress updates to OFM and the Legislature on July 1, 2014, and December 1, 2014.

25. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

26. Trafficking - Pursuant to Engrossed Substitute Senate Bill 5669 (Trafficking) the definition for a felony related to communication with a minor is expanded to include the purchase or sale of commercial sex acts and sex trafficking. This Class C felony may be punishable by 51-60 months in prison depending on criminal history. Consent of a minor no longer constitutes a defense. It is expected that this will increase the demand for prison beds by two ADP.

27. Vehicle Prowling - A new Class C felony offense is established pursuant to Engrossed Senate Bill 5053 (Vehicle Prowling). The offense is ranked at Seriousness Level V on the adult felony sentencing grid. Statistics on the number of adult offenses for vehicle prowl in the second degree are not available. Vehicle prowling in the second degree on the third or subsequent offense, would be subject to a standard range of confinement between 6-12 months in jail and 51-60 months in prison. An increase in the ADP for two prison beds is anticipated.

28. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

29. McNeil Island Stewardship - Funding is provided for Correctional Industries (CI) to manage stewardship of McNeil Island. Prior to April 2011 closure of the McNeil Island prison, Marine operations, the fire department, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of the DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Of the funding provided for this item, \$234,000 is one-time start-up and equipment funding.

2013-15 Omnibus Operating Budget
Department of Corrections
Admin & Support Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	638.7	105,006	105,006
2013-15 Maintenance Level	635.7	110,670	110,670
Policy Other Changes:			
1. Move OMNI off Mainframe	1.0	1,530	1,530
2. Delay Opening Units	0.0	-319	-319
3. Risk Needs Responsivity Programming	0.0	225	225
4. Administrative Efficiencies	0.0	-4,540	-4,540
Policy -- Other Total	1.0	-3,104	-3,104
Total Policy Changes	1.0	-3,104	-3,104
Total 2013-15 Biennium	636.7	107,566	107,566
Difference from 2011-13	-2.1	2,560	2,560
% Change from 2011-13	-0.3%	2.4%	2.4%

Comments:

1. Move OMNI off Mainframe - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

2. Delay Opening Units - Two new medium custody units at Washington State Penitentiary are delayed in opening and the minimum security unit is delayed in closing until the 2015-17 biennium due to a declining trend in forecasted prison populations and strategic investments by the Legislature to reduce the future need for prison beds. Investments to reduce the forecasted Adult Daily Prison (ADP) population are as follows: 1) Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds; 2) modifications to the drug sentencing grid and the implementation of a positive time earned release program are expected to reduce ADP by 246 beds; 3) funds provided to rent jail beds for offenders with 120 days or less left to serve on their sentence when they would otherwise be transferred to the Department of Corrections is expected to reduce ADP by 83 beds.

3. Risk Needs Responsivity Programming - One-time funding is provided for the Department of Corrections (DOC) to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the Risk Needs Responsivity (RNR) model. By October 1, 2013, the consultant will provide an evaluation to the DOC, Office of Financial Management (OFM), and the Legislature on current plans and processes to phase out ineffective programs and to implement programs that are evidence-based or research-based. The Washington State Institute of Public Policy (WSIPP) will be consulted to systematically review select programs. Based on the report provided by the consultant and WSIPP's review of programs, the DOC will work collaboratively with the consultant to develop a comprehensive written implementation plan and provide it to OFM and the Legislature by January 15, 2014. The written plan must include an implementation timeline, the types of programs to be included, the locations for the programs, and a phasing up of the projected number of participants that will meet the threshold of available funds. Using the written implementation plan as a guide, the DOC must have programs in place and fully phase-up no later than June 30, 2015. The consultant will review quarterly the actual implementation compared to the written plan and will provide a report to the Secretary of DOC. The DOC will provide progress updates to OFM and the Legislature on July 1, 2014, and December 1, 2014.

2013-15 Omnibus Operating Budget
Department of Corrections
Admin & Support Services

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Department of Corrections
Institutional Services
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	6,154.0	1,173,694	1,193,097
2013-15 Maintenance Level	6,183.6	1,211,305	1,222,318
Policy Other Changes:			
1. Provider Payments	0.0	-2,528	-2,528
2. Federal Medicaid Expansion	0.0	-2,169	-2,169
3. New Hepatitis C Protocol	0.0	1,005	1,005
4. Assault Near Court Proceedings	0.0	72	72
5. Stalking Protection	0.0	96	96
6. Sex Offender Registration	0.0	48	48
7. Aggravated 1st Degree Murder	0.0	24	24
8. Radio Infrastructure Upgrades	0.0	981	981
9. Maple Lane Ongoing Costs	2.5	672	672
10. Prison Rape Elimination Act (PREA)	3.0	358	358
11. Special Needs Population	6.0	982	982
12. Sex Offender Risk Assessment	2.0	0	294
13. Improving Safety	25.5	2,494	2,494
14. Reducing Corrections Costs	0.0	-4,528	-4,528
15. Delay Opening Units	0.0	-12,560	-12,560
16. Centralized Pharmacy	0.0	-2,458	-2,458
17. Offender Housing Voucher Program	0.8	0	96
18. Rent Jail Beds	0.0	3,975	3,975
19. Crimes Against Pharmacies	0.0	72	72
20. Program Underexpenditures	0.0	-4,484	-4,484
21. Administrative Efficiencies	0.0	-9,756	-9,756
22. Trafficking	0.0	48	48
23. Vehicle Prowling	0.0	48	48
Policy -- Other Total	39.8	-27,608	-27,218
Policy Comp Changes:			
24. Coll. Bargained Personal Leave Day	0.0	4	4
Policy -- Comp Total	0.0	4	4
Total Policy Changes	39.8	-27,604	-27,214
Total 2013-15 Biennium	6,223.4	1,183,701	1,195,104
Difference from 2011-13	69.4	10,007	2,007
% Change from 2011-13	1.1%	0.9%	0.2%

2013-15 Omnibus Operating Budget

Department of Corrections

Institutional Services

Comments:

1. Provider Payments - The 2012 supplemental operating budget required the Department of Corrections (DOC) to standardize payments for inpatient and outpatient services using the same reimbursement methodology and rate structure as the state Medicaid program. Pursuant to Senate Bill 5288 (contracts for health care) payments to contracted health care providers and ancillary providers will also be standardized using the Medicaid reimbursement methodology and rate structure.

2. Federal Medicaid Expansion - Implementation of the Affordable Care Act (ACA) expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the Federal Poverty Level. Savings will be realized by expanding the number of offenders who are eligible for hospital in-patient Medicaid reimbursement. The federal funds which are generated to offset these costs are reflected in the Health Care Authority budget. (General Fund-State, General Fund-Federal)

3. New Hepatitis C Protocol - A new treatment protocol is made available for offenders screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy beyond any previous drug treatment therapies and is an allowable benefit on other insurance programs including Medicaid.

4. Assault Near Court Proceedings - Funding is provided for three additional prison beds to accommodate anticipated increases in the adult daily population (ADP). Pursuant to Engrossed Senate Bill 5484 (assault in the third degree), a person is guilty of assault in the third degree when that person assaults another individual in any area of a building that is used in connection with court proceedings. Assault in the third degree is a Class C felony offense ranked at Seriousness Level III on the adult felony sentencing grid. An offender convicted of assault in the third degree may receive a prison sentence of between 51-68 months. Based on the Administrative Office of the Courts, there may be 13-20 cases per year that would meet the criteria.

5. Stalking Protection - Pursuant to Substitute Senate Bill 5452 (Stalking Protection Orders), the definition of stalking is expanded and the penalties for violating stalking orders are increased. Two existing Class C felonies are expanded and an aggravating factor for court employees is added. A Class C felony ranked at a Seriousness Level V on the adult felony sentencing grid may be punishable with a term of prison confinement between 72-96 months. It is expected this will increase the demand for prison beds by four ADP.

6. Sex Offender Registration - Pursuant to Engrossed Substitute Senate Bill 5735 (Sex or Kidnapping Offenders), the definition of failure to register as a sex offender for a second or third violation is expanded to include previous failure to register for convictions under federal law. Failure to register as a sex offender (second offense) is a Class C felony ranked at Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. Failure to register as a sex offender (third or subsequent offense) is a Class B felony ranked at a Seriousness Level II and may be punishable by a term of prison confinement between 43-57 months. It is expected that this expanded definition of failure to register will increase the demand for prison beds by two ADP.

7. Aggravated 1st Degree Murder - Pursuant to Senate Bill 5015 (aggravated first-degree murder), the definition of aggravated first degree murder is expanded by adding a new aggravating circumstance when the victim was fourteen years of age or younger. According to the Bureau of Justice Statistics, victims under fourteen years of age comprise about 4.8 percent of all homicide victims. While the age of victims are currently not tracked and therefore unknown, there were approximately 33 sentences in FY 2012 that may have risen to aggravated first degree murder if the victim was under age fourteen. It is anticipated that the demand for adult prison beds will increase by one ADP.

8. Radio Infrastructure Upgrades - Funding is provided for certificate of participation debt service payments to replace critical radio systems essential to staff safety at Larch Corrections Center, Cedar Creek Corrections Center, Clallam Bay Corrections Center, Stafford Creek Corrections Center, and Airway Heights Corrections Center. Debt service payments are scheduled for ten years.

9. Maple Lane Ongoing Costs - In the 2012 supplemental operating budget, DOC was provided \$165,000 per year to assume responsibility for a warm closure of the Maple Lane School property. Additional funding is provided to pay for utilities, fire protection contracts, and other costs previously not covered but necessary to maintain Maple Lane so that it stays in good repair and maintains its value while long-term plans are made for the facility. An additional 0.5 FTE is provided, bringing the total to 2.5 FTEs for on site staffing coverage.

2013-15 Omnibus Operating Budget

Department of Corrections

Institutional Services

10. Prison Rape Elimination Act (PREA) - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in adult institutions. Standards released June 2012, require DOC to have one-third of its facilities audited by an outside source each year with the first deadline being August 2013. In addition, the DOC is required to monitor 70 jails with which it contracts for beds to demonstrate compliance system-wide. One-time funding is provided for one temporary FTE to conduct agency-wide training on PREA implementation. Two ongoing FTEs are provided to conduct internal compliance reviews, make audit preparations on four prisons and five work release sites each year, and monitor jail contracts. Of the total costs, \$120,000 are estimated to be one-time and \$238,000 to be ongoing.

11. Special Needs Population - Funding for six psychiatric associates is provide to deliver additional support for offenders with developmental disabilities or traumatic brain injuries. Approximately nine percent of those incarcerated in the Washington prison system are offenders with special needs and many of these are housed in intensive management units for their own safety. These additional mental health staff will augment current staffing at Monroe Correctional Center and Washington State Penitentiary to provide specialized mission housing units for approximately 150 offenders with special needs as recommended by a review conducted by the Disability Rights of Washington.

12. Sex Offender Risk Assessment - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

13. Improving Safety - Pursuant to recommendations by the Statewide Security Advisory Committee, correctional officer staffing levels are increased in two areas: (1) stand-alone minimum security facilities on graveyard shift and (2) medium security housing units on the day shift.

14. Reducing Corrections Costs - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), areas are standardized in the system where inconsistencies occur and the forecasted demand for prison beds is reduced by 246 ADP through the following policy items: 1) The drug sentencing grid is modified so that any offender who commits a Seriousness Level 1 drug offense and has a criminal history score within the range of 3-5, will serve their sentence in jail. Currently, drug offenders who have committed an identical Seriousness Level 1 drug offense and have identical criminal history scores may be sentenced to either prison or jail. At no other seriousness level and for no other completed criminal offense does this discretionary placement occur; 2) Rates paid by county and city jails for offender health care are standardized to be no greater than the amount payable under the Medicaid reimbursement structure. Because of this, the DOC will see a reduction in the rates they are billed by jails for health care provided to DOC offenders who are in jail due to a violation in the terms of their community supervision; and 3) The DOC will implement a positive time option. Offenders who qualify and who are entering the last 12 months of their prison sentence may choose from a list of department approved programs. If they remain infraction free, continue to do everything they are required to in the reentry program, and complete the approved program, they may earn an additional 30 days off their sentence. Noncompliance with any of these provisions results in a revocation of the positive time option for the duration of the offender's sentence. These items are expected to decrease the adult daily prison population and thereby reduce the need for the DOC to open or build additional housing units.

15. Delay Opening Units - Two new medium custody units at Washington State Penitentiary are delayed in opening and the minimum security unit is delayed in closing until the 2015-17 biennium due to a declining trend in forecasted prison populations and strategic investments by the Legislature to reduce the future need for prison beds. Investments to reduce the forecasted Adult Daily Prison (ADP) population are as follows: 1) Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds; 2) modifications to the drug sentencing grid and the implementation of a positive time earned release program are expected to reduce ADP by 246 beds; 3) funds provided to rent jail beds for offenders with 120 days or less left to serve on their sentence when they would otherwise be transferred to the Department of Corrections is expected to reduce ADP by 83 beds.

16. Centralized Pharmacy - The Department of Corrections will realize savings by creating a centralizing pharmacy. Five independent prison based pharmacies will be consolidated into two (one on the Eastern side and one on the Western side of the state). One-time funding in the amount of \$700,000 is in the capital budget to coincide with this item and will be used to modify leased space so that it can accommodate the storage and disbursement of pharmaceuticals. Savings is achieved from a reduction in pharmacy waste and reduced staffing requirements.

2013-15 Omnibus Operating Budget
Department of Corrections
Institutional Services

17. Offender Housing Voucher Program - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

18. Rent Jail Beds - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), the DOC will contract for jail beds to house offenders with an earned release date of less than 120 days remaining on his or her sentence at the time when the offender would otherwise be transferred to the state correctional facility. The DOC saves on booking, transportation, and the daily costs of housing these offenders. The daily rate paid to jails for this population is lower than the daily rate paid for housing violators of community supervision. This short-term, otherwise prison-bound population has already been booked by the jails and are housed in the jail while awaiting sentencing. Because these offenders will remain in the jail, they will not need to be rebooked. In addition, medical, mental health, and substance abuse conditions have already been assessed by the jails and are typically already stabilized. The average daily rate is \$70.00 per day per offender which includes \$3 per offender per day to cover extraordinary medical costs. The rental of jail beds for this population is expected to reduce the forecasted average daily population for prison beds by 72 in fiscal year 2014 and by 83 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

19. Crimes Against Pharmacies - Pursuant to Senate Bill 5149 (Crimes Against Pharmacies), a special allegation may be brought against a person who commits robbery in the first degree if the crime is committed in a pharmacy. An additional 12 months is added to the standard sentence if the allegation is proven beyond a reasonable doubt. Funding is provided for three additional prison beds for an expected increase in adult daily population.

20. Program Underexpenditures - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the 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 targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

21. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

22. Trafficking - Pursuant to Engrossed Substitute Senate Bill 5669 (Trafficking) the definition for a felony related to communication with a minor is expanded to include the purchase or sale of commercial sex acts and sex trafficking. This Class C felony may be punishable by 51-60 months in prison depending on criminal history. Consent of a minor no longer constitutes a defense. It is expected that this will increase the demand for prison beds by two ADP.

23. Vehicle Prowling - A new Class C felony offense is established pursuant to Engrossed Senate Bill 5053 (Vehicle Prowling). The offense is ranked at Seriousness Level V on the adult felony sentencing grid. Statistics on the number of adult offenses for vehicle prowl in the second degree are not available. Vehicle prowling in the second degree on the third or subsequent offense, would be subject to a standard range of confinement between 6-12 months in jail and 51-60 months in prison. An increase in the ADP for two prison beds is anticipated.

24. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Corrections
Community Corrections
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,151.8	255,615	260,207
2013-15 Maintenance Level	1,106.6	261,034	265,569
Policy Other Changes:			
1. Sex Offender Risk Assessment	2.0	0	236
2. Residential DOSA	0.0	4,106	4,106
3. Drug Treatment Fund Shift	0.0	-4,106	0
4. Offender Housing Voucher Program	0.8	0	107
5. Program Underexpenditures	0.0	-2,223	-2,223
6. Administrative Efficiencies	0.0	-1,976	-1,976
Policy -- Other Total	2.8	-4,199	250
Policy Comp Changes:			
7. Coll. Bargained Personal Leave Day	0.0	12	12
Policy -- Comp Total	0.0	12	12
Total Policy Changes	2.8	-4,187	262
Total 2013-15 Biennium	1,109.4	256,847	265,831
Difference from 2011-13	-42.4	1,232	5,624
% Change from 2011-13	-3.7%	0.5%	2.2%

Comments:

1. Sex Offender Risk Assessment - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

2. Residential DOSA - Funding is provided to expand the Drug Offender Sentencing Alternative (DOSA) program to 220 residential beds. This program is provided as a community alternative by the courts for otherwise prison bound offenders who are in need of chemical dependency treatment and supervision. In FY 2013, the program was funded for 145 beds, but the courts have over-utilized this program by as much as 200 beds. This expansion will reduce the forecasted average daily population for prison beds by 197 in fiscal year 2014 and by 272 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

3. Drug Treatment Fund Shift - Excess funds from the Ignition Interlock Device account and the County Criminal Justice Assistance account will be used one-time to support drug treatment provided through the Drug Offender Sentencing Alternative (DOSA) residential program for offenders on community supervision. In 2012, there were 4,975 offenders who were admitted to this 95-day evidence-based residential program. Use of these excess funds does not impact or alter amounts distributed to the counties by the State Treasurer or Washington State Patrol appropriated levels in the County Criminal Justice Assistance account. (County Criminal Justice Assistance Account-State, Ignition Interlock Device Revolving Account-State)

2013-15 Omnibus Operating Budget
Department of Corrections
Community Corrections

4. Offender Housing Voucher Program - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

5. Program Underexpenditures - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the 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 targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

6. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

7. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Department of Corrections
Correctional Industries
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	6.3	4,944	4,944
2013-15 Maintenance Level	6.0	6,966	6,966
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-14	-14
Policy -- Other Total	0.0	-14	-14
Policy Transfer Changes:			
2. McNeil Island Stewardship	35.0	8,308	8,308
Policy -- Transfer Total	35.0	8,308	8,308
Total Policy Changes	35.0	8,294	8,294
Total 2013-15 Biennium	41.0	15,260	15,260
Difference from 2011-13	34.8	10,316	10,316
% Change from 2011-13	556.0%	208.7%	208.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public.

2. McNeil Island Stewardship - Funding is provided for Correctional Industries (CI) to manage stewardship of McNeil Island. Prior to April 2011 closure of the McNeil Island prison, Marine operations, the fire department, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of the DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Of the funding provided for this item, \$234,000 is one-time start-up and equipment funding.

2013-15 Omnibus Operating Budget
Department of Corrections
Interagency Payments
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	63,498	63,498
2013-15 Maintenance Level	0.0	69,790	69,790
Policy Other Changes:			
1. Move OMNI off Mainframe	0.0	-3,061	-3,061
Policy -- Other Total	0.0	-3,061	-3,061
Total Policy Changes	0.0	-3,061	-3,061
Total 2013-15 Biennium	0.0	66,729	66,729
Difference from 2011-13	0.0	3,231	3,231
% Change from 2011-13	0.0%	5.1%	5.1%

Comments:

1. Move OMNI off Mainframe - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

2013-15 Omnibus Operating Budget
Dept of Services for the Blind
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	75.0	4,290	25,466
2013-15 Maintenance Level	75.0	4,419	25,703
Policy Other Changes:			
1. Increase Vocational Rehabilitation	5.0	0	1,656
2. Administrative Efficiencies	0.0	-38	-38
Policy -- Other Total	5.0	-38	1,618
Total Policy Changes	5.0	-38	1,618
Total 2013-15 Biennium	80.0	4,381	27,321
Difference from 2011-13	5.0	91	1,855
% Change from 2011-13	6.7%	2.1%	7.3%

Comments:

1. Increase Vocational Rehabilitation - The department leverages excess federal grant capacity to provide direct services and client supports, such as education, training, adaptive devices, and to hire additional staff. Additional funding will lower the counselor caseload and allow the department to reach 165 more clients per year (it currently serves 1,316 clients). Lower caseloads increase successful rehabilitation rates and reduce the time it takes for clients to obtain services and become active in the job market. (General Fund-Federal, General Fund-Private/Local)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Student Achievement Council
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	48.2	325,468	345,430
2013-15 Maintenance Level	101.9	666,080	707,652
Policy Other Changes:			
1. College Bound Admin Funding	2.0	476	476
2. College Bound Scholarship Funding	0.0	33,725	33,725
3. Administrative Efficiencies	0.0	-400	-400
4. Aerospace Loan Program	0.0	500	500
5. Re-suspend Future Teachers Schol	0.0	-2,000	-2,000
6. Higher Education Funding	0.0	400	400
7. Re-suspend Health Prof Scholarship	0.0	-7,650	-7,650
8. Re-suspend Small Grant Program	0.0	-1,032	-1,032
9. Re-suspend WA Scholars and WAVE	0.0	-8,422	-8,422
Policy -- Other Total	2.0	15,597	15,597
Total Policy Changes	2.0	15,597	15,597
Total 2013-15 Biennium	103.9	681,677	723,249
Difference from 2011-13	55.7	356,209	377,819
% Change from 2011-13	115.6%	109.5%	109.4%

Comments:

1. College Bound Admin Funding - In 2007, the Legislature created the College Bound Scholarship (CBS) program. In August 2008, Washington was awarded a federal College Access Challenge Grant (CACG). Some of those funds have been used for CBS program administration as the program has grown. Washington was notified in August 2012 that the state's request for a waiver of the Maintenance of Effort (MOE) requirement was not granted and that the state will not receive continued CACG funding. Therefore, funding that was being used to cover some administrative costs for the CBS program is no longer available. Funding is provided to cover that portion of administrative costs no longer funded by the federal CACG grant.

2. College Bound Scholarship Funding - In 2007, the Legislature appropriated \$7.4 million to fund scholarships for eligible students in the College Bound Scholarship (CBS) program. The funds were used to purchase Guaranteed Education Tuition program units that are now worth over \$12.1 million as of July 2012. The first CBS cohort BEGAN receiving these funds in fall 2012. This item provides additional funding to cover CBS payouts for the 2013-15 biennium.

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

4. Aerospace Loan Program - An additional \$500,000 in funding is provided for the Aerospace Student Loan Program.

5. Re-suspend Future Teachers Schol - Savings are achieved as a result of continuing the suspension of the Future Teachers Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

6. Higher Education Funding - Funding is provided to support activities of the Washington Student Achievement Council.

2013-15 Omnibus Operating Budget Student Achievement Council

7. Re-suspend Health Prof Scholarship - Savings are achieved as a result of continuing the suspension of the Health Professionals Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

8. Re-suspend Small Grant Program - Savings are achieved as a result of continuing the suspension of small grant programs that was implemented in the 2011-13 biennium for the 2013-15 biennium, including the Community Scholarship Matching Grant program, Western Interstate Commission for Higher Education student exchange, and state contributions to the Foster Care Endowed Scholarship Trust Fund.

9. Re-suspend WA Scholars and WAVE - Savings are achieved as a result of continuing the suspension of the Washington Scholars and Washington Award for Vocational Excellence Programs that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

2013-15 Omnibus Operating Budget
Student Achievement Council
Policy & Research Coordination
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	21.0	4,934	7,310
2013-15 Maintenance Level	42.0	10,177	14,997
Policy Other Changes:			
1. College Bound Admin Funding	2.0	476	476
2. Administrative Efficiencies	0.0	-400	-400
3. Higher Education Funding	0.0	400	400
Policy -- Other Total	2.0	476	476
Total Policy Changes	2.0	476	476
Total 2013-15 Biennium	44.0	10,653	15,473
Difference from 2011-13	23.0	5,719	8,163
% Change from 2011-13	109.5%	115.9%	111.7%

Comments:

1. College Bound Admin Funding - In 2007, the Legislature created the College Bound Scholarship (CBS) program. In August 2008, Washington was awarded a federal College Access Challenge Grant (CACG). Some of those funds have been used for CBS program administration as the program has grown. Washington was notified in August 2012 that the state's request for a waiver of the Maintenance of Effort (MOE) requirement was not granted and that the state will not receive continued CACG funding. Therefore, funding that was being used to cover some administrative costs for the CBS program is no longer available. Funding is provided to cover that portion of administrative costs no longer funded by the federal CACG grant.

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Higher Education Funding - Funding is provided to support activities of the Washington Student Achievement Council.

2013-15 Omnibus Operating Budget
Student Achievement Council
Student Financial Assistance
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	27.2	320,534	338,120
2013-15 Maintenance Level	59.9	655,903	692,655
Policy Other Changes:			
1. College Bound Scholarship Funding	0.0	33,725	33,725
2. Aerospace Loan Program	0.0	500	500
3. Re-suspend Future Teachers Schol	0.0	-2,000	-2,000
4. Re-suspend Health Prof Scholarship	0.0	-7,650	-7,650
5. Re-suspend Small Grant Program	0.0	-1,032	-1,032
6. Re-suspend WA Scholars and WAVE	0.0	-8,422	-8,422
Policy -- Other Total	0.0	15,121	15,121
Total Policy Changes	0.0	15,121	15,121
Total 2013-15 Biennium	59.9	671,024	707,776
Difference from 2011-13	32.7	350,490	369,656
% Change from 2011-13	120.2%	109.4%	109.3%

Comments:

1. College Bound Scholarship Funding - In 2007, the Legislature appropriated \$7.4 million to fund scholarships for eligible students in the College Bound Scholarship (CBS) program. The funds were used to purchase Guaranteed Education Tuition program units that are now worth over \$12.1 million as of July 2012. The first CBS cohort BEGAN receiving these funds in fall 2012. This item provides additional funding to cover CBS payouts for the 2013-15 biennium.

2. Aerospace Loan Program - An additional \$500,000 in funding is provided for the Aerospace Student Loan Program.

3. Re-suspend Future Teachers Schol - Savings are achieved as a result of continuing the suspension of the Future Teachers Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

4. Re-suspend Health Prof Scholarship - Savings are achieved as a result of continuing the suspension of the Health Professionals Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

5. Re-suspend Small Grant Program - Savings are achieved as a result of continuing the suspension of small grant programs that was implemented in the 2011-13 biennium for the 2013-15 biennium, including the Community Scholarship Matching Grant program, Western Interstate Commission for Higher Education student exchange, and state contributions to the Foster Care Endowed Scholarship Trust Fund.

6. Re-suspend WA Scholars and WAVE - Savings are achieved as a result of continuing the suspension of the Washington Scholars and Washington Award for Vocational Excellence Programs that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

2013-15 Omnibus Operating Budget
LEOFF 2 Retirement Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	6.0	0	2,044
2013-15 Maintenance Level	6.0	0	2,075
Total 2013-15 Biennium	6.0	0	2,075
Difference from 2011-13	0.0	0	31
% Change from 2011-13	0.0%	0.0%	1.5%

Comments:

2013-15 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	47.1	292,480	310,818
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-47.1	-292,480	-310,818
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	20.9	1,041	3,017
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-20.9	-1,041	-3,017
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	26.2	291,439	307,801
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-26.2	-291,439	-307,801
% Change from 2011-13	-100.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget

Public Schools (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	271.8	13,647,219	15,620,413
2013-15 Maintenance Level	279.0	14,579,093	16,467,354
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	2.3	584	584
2. Audit Workload Increase	1.0	0	200
3. Levy Equalization	0.0	-134	-134
4. Longitudinal Data System	4.5	1,174	1,174
5. Expand Full Day Kindergarten	0.0	41,163	41,163
6. Increase Pupil Transportation	0.0	197,521	197,521
7. Remove Hold Harmless	0.0	-24,718	-24,718
8. Materials, Supplies, & Op. Costs	0.0	520,978	520,978
9. ALE Audit Recoveries	0.0	-9,125	-9,125
10. Assessment Reforms	0.0	-17,130	-17,130
11. Mental Health First Aid	0.1	17	17
12. Mobius Science Center	0.0	200	200
13. Teacher Evaluation Training	0.0	10,215	10,215
14. Biling Student Transition (SB5330)	0.0	5,715	5,715
15. Improved Student Outcomes (SB5330)	3.3	1,109	1,109
16. STEM Alliance (SB5755)	1.0	253	253
17. High School Acceleration	0.7	2,171	2,171
18. Suspensions and Expulsions	0.7	190	190
19. Persistently Lowest-Achieving Sch.	1.0	10,281	10,281
20. Alternative Learning Experience	0.0	-1,620	-1,620
21. Learning Assistance Program (LAP)	0.0	240,816	240,816
22. Strategic Innovation Grant	0.0	5,030	5,030
23. Re-Suspend Alternative Routes	0.0	-5,064	-5,064
24. Consolidate Grants & Programs	0.0	-36,670	-36,670
25. Skills Center MSOC	0.0	15,260	15,260
26. Career & Tech. Ed. MSOC	0.0	-72,172	-72,172
27. Re-Suspend National Board Inflation	0.0	-3,167	-3,167
28. Educator Compensation Model	0.0	90	90
29. Administrative Efficiencies	0.0	-512	-512
Policy -- Other Total	14.6	882,455	882,655
Policy Comp Changes:			
30. Initiative 732	0.0	-295,804	-295,804
Policy -- Comp Total	0.0	-295,804	-295,804
Total Policy Changes	14.6	586,651	586,851
Total 2013-15 Biennium	293.5	15,165,744	17,054,205
Difference from 2011-13	21.7	1,518,525	1,433,792
% Change from 2011-13	8.0%	11.1%	9.2%

2013-15 Omnibus Operating Budget Public Schools

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (Engrossed Substitute House Bill 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account-State)

3. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for maintenance, supplies, and operating costs; the learning assistance program; full-day kindergarten; and pupil transportation among other increases. As the basic education enhancements are increased between the 2013-14 and 2017-18 school years, new state funding lifts the levy base and, without a concurrent adjustment in the lid percentage, an automatic increase in capacity. Minimum levy lid percentages are scheduled in statute to return from the current 28 percent to the pre-2010 level of 24 percent for calendar year 2018 when the basic education enhancements are scheduled to be fully phased in. The lid percentage, therefore, is decreased on a linear basis to maintain essential neutrality and avoid an extreme reduction when the lid resets in 2018. The levy equalization percentage is decreased proportionately to maintain the 50 percent equalization policy.

4. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

5. Expand Full Day Kindergarten - Funding for full-day kindergarten is expanded from the current 22 percent of kindergarten enrollment to 30 percent in the 2013-14 school year and to 35 percent in the 2014-15 school year, with first priority to those elementary schools with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. (Education Legacy Trust Account-State)

6. Increase Pupil Transportation - As of the 2013-14 school year, funding is provided to fully complete phase-in of the state's new pupil transportation funding formula as provided in Chapter 548, Laws of 2009. Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations. (Education Legacy Trust Account-State)

7. Remove Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless by increasing the funding allocations for implementing the funding enhancement targets provided in statute and enhancing funding for the Learning Assistance Program (LAP).

8. Materials, Supplies, & Op. Costs - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) established target enhancement values for each of the seven components, to be achieved by the 2015-16 school year. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

Target MSOC rates are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. State allocations for the 2013-14 school year represent a 17 percent enhancement over maintenance level funding. School districts' reported expenditures, adjusted for inflation, are 100 percent funded by the state allocation in the 2014-15 school year. These enhancements represent per-pupil MSOC rate increases above maintenance-level of \$83.65 and \$500.42 for the 2013-14 and 2014-15 school years, respectively. The rates, according to statute, will be further inflation-adjusted in subsequent years. (Education Legacy Trust Account - State)

2013-15 Omnibus Operating Budget Public Schools

9. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumption for audit recoveries is assumed based on the scope and size of the audit findings.

10. Assessment Reforms - Engrossed Substitute Senate Bill 5587 (student assessments) modifies the statewide student assessments to implement, by the 2014-15 school year, the comprehensive English language arts and mathematics assessments developed by the multi-state Smarter Balance Assessment Consortium. The mathematics end-of-course (EOC) assessments are not administered after the 2014-15 school year. As the state transitions to the Smarter Balance English language arts and mathematics assessments, the graduating classes of 2016 and 2017 may meet the state standard for high-school graduation purposes using either the current reading and writing assessments or the consortium-developed English language arts assessment; or both of the mathematics EOCs or the consortium-developed mathematics assessments. For high-school graduation the graduating class of 2018 must meet the state standard on the Smarter Balance English language arts and mathematics assessments.

11. Mental Health First Aid - The Department of Social and Health Services (DSHS), Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first-aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia. The Office of the Superintendent of Public Instruction (OSPI) will collaborate with DSHS to identify sites and methods of instruction that leverage local resources to the extent possible for the purpose of making mental health first-aid training broadly available.

12. Mobius Science Center - The Mobius Science Center provides mobile outreach to provide hands-on and accessible science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

13. Teacher Evaluation Training - Chapter 35, Laws of 2012 (Engrossed Substitute Senate Bill 5895) implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for the office of the superintendent of public instruction to collaborate with educational service districts to develop and make available a professional development program for teachers, including a comprehensive on-line training package. The teacher training base-budget funding is enhanced by approximately \$5.1 million per year.

14. Biling Student Transition (SB5330) - Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes) creates a statutory requirement for additional, non-basic education funding for students who exited the Transitional Bilingual Instructional Program (TBIP) the previous year. The funding begins in the 2014-15 school year, is based on the cost of 3.0 additional hours of instruction per week, and must be used to provide academic support for exited students, if needed, or may be used within the TBIP.

15. Improved Student Outcomes (SB5330) - Engrossed Second Substitute Senate Bill 5330 (student achievement and outcomes) requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues. The office of the superintendent of public instruction will provide technical assistance, manage program applications, report to the legislature, provide professional development opportunities to districts, and monitor compliance. The bill further requires data collection and reporting regarding transition beyond high school of special education students.

16. STEM Alliance (SB5755) - Substitute Senate Bill 5755 (science, technology, engineering, and mathematics) creates the STEM Education Innovation Alliance with representatives from specified business, organizations and agencies. The Alliance will advise the Governor and offer overall vision and guidance on STEM initiatives; consolidate all the current programs and plans into one comprehensive framework; develop a STEM benchmark Report Card that will be posted online with updated data, measures, information from state education agencies about how their activities are aligned to the framework, and data about STEM job openings.

OSPI must consult with the Alliance and identify and distribute materials to K-12 schools to encourage instruction and learning in STEM areas.

2013-15 Omnibus Operating Budget Public Schools

17. High School Acceleration - Engrossed Second Substitute Senate Bill 5243 (high-school academic acceleration) creates a requirement for school boards to adopt and academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

18. Suspensions and Expulsions - Engrossed Second Substitute Senate Bill 5244 (suspensions and expulsions), regarding school suspensions and expulsions, places limits on the length of exclusionary discipline, requires additional data analysis and reporting, encourages schools to make efforts to allow students to return to an educational setting as soon as possible, and requires reentry and reengagement plans tailored to students' individual circumstances. One-time funding is provided to make student information available for access on the internet. Included in the total is \$25,000 for a contract with the Washington State School Directors' Association to develop model policy.

19. Persistently Lowest-Achieving Sch. - Engrossed Second Substitute Senate Bill 5329 requires OSPI to, by December 1, 2013, identify the ten most persistently lowest-achieving schools using the student results on the statewide reading and math assessments. The districts in which these schools reside are designated as required action districts (RADs) and will enter a three-year improvement process to be chosen by the district from the list of four federal intervention models or Washington State's Collaborative Schools for Innovation and Success model. If, at the end of the three-year period, the State Board of Education determines the district has not met requirements for release from RAD status, OSPI must review the actions that had been taken during the RAD three years and create a new three-year plan with the school district's board of directors to be implemented by OSPI using a management structure chosen by OSPI.

At the end of the second three-year intervention, if the SBE determines that any of the schools have not met sufficient progress, then that school is closed and the students assigned to another school, unless there is no viable option to accommodate students due to a lack of capacity or inability to provide equitable access to educational programs and services.

The RADs will be identified by December 2013 and districts will require lead time to establish an improvement model; therefore, state grants averaging \$1 million per school will be provided beginning in the second fiscal year.

20. Alternative Learning Experience - Second Substitute Senate Bill 5794 (alternative learning experience courses), defines ALE by type of course rather than by type of program, clarifies that the primary instructional contact must be with a teacher, and allocates funding for ALE courses using the statewide average Basic Education rate for Running Start, grades nine through 12. Converting to a statewide average funding rate is estimated to decrease total costs by 0.6 percent from the current funding methodology given full restoration of the temporary percentage reductions taken in the 2011-13 biennium. Compared to the 2011-13 funding levels, including the temporary percentage reductions, the revised methodology is estimated to provide a statewide average increase of 14.8 percent.

21. Learning Assistance Program (LAP) - The Learning Assistance Program (LAP) is Washington's state-funded program that provides additional academic support to eligible students. LAP funds are available to support programs in grades K-12 in reading, writing, and mathematics, and in readiness for those subjects. Engrossed Second Substitute Senate Bill 5330 requires LAP funds to be used for interventions and activities for which there is research showing that they are effective in improving academic achievement. The Washington State Institute for Public Policy (WSIPP) will provide an inventory of evidence-based practices, to be updated every two years. Funded program activities must be on this inventory or otherwise approved by OSPI as an effective, evidence-based program.

In support of Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes), LAP funding is increased. Currently, LAP provides an additional 1.516 hours of LAP instruction per-week, assuming class sizes of 15 students per certificated instructional staff. The formula translates to additional funding in the 2011-12 school year of approximately \$295 per eligible student. This enhancement is increased to 3.000 hours per week, beginning with the 2013-14 school year, which translates to approximately \$603 per student.

2013-15 Omnibus Operating Budget Public Schools

22. Strategic Innovation Grant - A Strategic Innovation Grant program is created, providing grants to school districts based on innovation and the degree to which the district's proposal implements compensation systems that are evidence-based and research-based. Grants are to provide incentives for hard-to-fill subject areas and challenging schools' assignments, among others. Grants will be awarded by the Professional Educator Standards Board, with the Washington Institute of Public Policy. PESB must report on the amount and purposes of the grants awarded.

23. Re-Suspend Alternative Routes - Alternative certification routes are teacher-training programs that serve as alternatives to traditional teacher-preparation programs. Additional grants are suspended for the 2013-15 biennium.

24. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Project Citizen; Collaborative Schools; open K-12 educational resources (Chapter 178, Laws of 2012); interpreter services standards; Nurse Corps; Navigation 101; Washington Achievers Scholars; College Bound Scholarship outreach; Building Bridges grants; and Jobs for America's Graduates (JAG). School districts that wish to continue programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330 (improving student achievement and student outcomes). School districts may coordinate implementation of the programs statewide, regionally, or individually. In addition to the combined programs listed here, school districts may include Communities in Schools and the Dream Big programs.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

25. Skills Center MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in exploratory career and technical education (CTE) courses in grades seven through 12, laboratory science courses for students in grades 9 through twelve, preparatory CTE courses for students in grades 9 through twelve offered in a high school, and, preparatory CTE courses for students in grades eleven and twelve offered through a skill center. The statute states that these specialty rates are set in the omnibus appropriations budget bill.

Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE and skills center enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. This results in a skills center MSOC rate that is 125 percent higher in the 2013-14 school year than the 2012-13 school year, and 43 percent lower for the CTE middle- and high-school rate.

2013-15 Omnibus Operating Budget Public Schools

26. Career & Tech. Ed. MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (SHB 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in exploratory career and technical education (CTE) courses in grades seven through 12, laboratory science courses for students in grades 9 through twelve, preparatory CTE courses for students in grades 9 through twelve offered in a high school, and, preparatory CTE courses for students in grades eleven and twelve offered through a skill center. The statute states that these specialty rates are set in the omnibus appropriations budget bill.

Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The office of the superintendent of public instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE and skills center enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. This results in a skills center MSOC rate that is 125 percent higher in the 2013-14 school year than the 2012-13 school year, and 43 percent lower for the CTE middle- and high-school rate.

27. Re-Suspend National Board Inflation - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,510. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

28. Educator Compensation Model - Funding is provided for the Superintendent of Public Instruction to contract with the Center for Reinventing Public Education, affiliated with the University of Washington, to develop a research-based set of recommendations to revise the current salary allocation schedule to create a new educator compensation model for certificated instructional staff and principals. An interim report is due to the Legislature by December 1, 2013, and a final report with the recommended new model or models is due by December 1, 2014.

29. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. The reductions implemented will be taken in areas other than school apportionment and financial services, the agency budget office, audit management and resolution, and data collection and reporting.

30. Initiative 732 - The Initiative 732 cost-of-living adjustments are repealed pursuant to Senate Bill 5895 (education funding). Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

2013-15 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	234.3	52,476	138,057
2013-15 Maintenance Level	238.5	55,802	129,955
Policy Other Changes:			
1. Charter Schools (Initiative 1240)	2.3	584	584
2. Audit Workload Increase	1.0	0	200
3. Longitudinal Data System	4.5	1,174	1,174
4. Mental Health First Aid	0.1	17	17
5. Mobius Science Center	0.0	200	200
6. Suspensions and Expulsions	0.7	190	190
7. Re-Suspend Alternative Routes	0.0	-5,064	-5,064
8. Consolidate Grants & Programs	0.0	-18,592	-18,592
9. Educator Compensation Model	0.0	90	90
10. Administrative Efficiencies	0.0	-480	-480
Policy -- Other Total	8.6	-21,881	-21,681
Total Policy Changes	8.6	-21,881	-21,681
Total 2013-15 Biennium	247.1	33,921	108,274
Difference from 2011-13	12.8	-18,555	-29,783
% Change from 2011-13	5.4%	-35.4%	-21.6%

Comments:

1. Charter Schools (Initiative 1240) - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to forty publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

2. Audit Workload Increase - One-time funding is provided to OSPI to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (Engrossed Substitute House Bill 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audits of Government Account-State)

3. Longitudinal Data System - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, OSPI was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding will allow for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

4. Mental Health First Aid - The Department of Social and Health Services (DSHS), Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first-aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia. The Office of the Superintendent of Public Instruction (OSPI) will collaborate with DSHS to identify sites and methods of instruction that leverage local resources to the extent possible for the purpose of making mental health first-aid training broadly available.

5. Mobius Science Center - The Mobius Science Center provides mobile outreach to provide hands-on and accessible science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

2013-15 Omnibus Operating Budget Public Schools OSPI & Statewide Programs

6. Suspensions and Expulsions - Engrossed Second Substitute Senate Bill 5244 (suspensions and expulsions), regarding school suspensions and expulsions, places limits on the length of exclusionary discipline, requires additional data analysis and reporting, encourages schools to make efforts to allow students to return to an educational setting as soon as possible, and requires reentry and reengagement plans tailored to students' individual circumstances. One-time funding is provided to make student information available for access on the internet. Included in the total is \$25,000 for a contract with the Washington State School Directors' Association to develop model policy.

7. Re-Suspend Alternative Routes - Alternative certification routes are teacher-training programs that serve as alternatives to traditional teacher-preparation programs. Additional grants are suspended for the 2013-15 biennium.

8. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Project Citizen; Collaborative Schools; open K-12 educational resources (Chapter 178, Laws of 2012); interpreter services standards; Nurse Corps; Navigation 101; Washington Achievers Scholars; College Bound Scholarship outreach; Building Bridges grants; and Jobs for America's Graduates (JAG). School districts that wish to continue programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330 (improving student achievement and student outcomes). School districts may coordinate implementation of the programs statewide, regionally, or individually. In addition to the combined programs listed here, school districts may include Communities in Schools and the Dream Big programs.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

9. Educator Compensation Model - Funding is provided for the Superintendent of Public Instruction to contract with the Center for Reinventing Public Education, affiliated with the University of Washington, to develop a research-based set of recommendations to revise the current salary allocation schedule to create a new educator compensation model for certificated instructional staff and principals. An interim report is due to the Legislature by December 1, 2013, and a final report with the recommended new model or models is due by December 1, 2014.

10. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measurable impact on services delivered to the public. The reductions implemented will be taken in areas other than school apportionment and financial services, the agency budget office, audit management and resolution, and data collection and reporting.

2013-15 Omnibus Operating Budget
Public Schools
General Apportionment
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	10,412,087	10,434,414
2013-15 Maintenance Level	0.0	10,733,692	10,733,692
Policy Other Changes:			
1. Expand Full Day Kindergarten	0.0	40,786	40,786
2. Remove Hold Harmless	0.0	-24,718	-24,718
3. Materials, Supplies, & Op. Costs	0.0	457,378	457,378
4. ALE Audit Recoveries	0.0	-9,125	-9,125
5. Alternative Learning Experience	0.0	-1,620	-1,620
6. Skills Center MSOC	0.0	15,260	15,260
7. Career & Tech. Ed. MSOC	0.0	-72,172	-72,172
Policy -- Other Total	0.0	405,789	405,789
Total Policy Changes	0.0	405,789	405,789
Total 2013-15 Biennium	0.0	11,139,481	11,139,481
Difference from 2011-13	0.0	727,394	705,067
% Change from 2011-13	0.0%	7.0%	6.8%

Comments:

1. Expand Full Day Kindergarten - Funding for full-day kindergarten is expanded from the current 22 percent of kindergarten enrollment to 30 percent in the 2013-14 school year and to 35 percent in the 2014-15 school year, with first priority to those elementary schools with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. (Education Legacy Trust Account-State)

2. Remove Hold Harmless - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless by increasing the funding allocations for implementing the funding enhancement targets provided in statute and enhancing funding for the Learning Assistance Program (LAP).

3. Materials, Supplies, & Op. Costs - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) established target enhancement values for each of the seven components, to be achieved by the 2015-16 school year. Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

Target MSOC rates are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. State allocations for the 2013-14 school year represent a 17 percent enhancement over maintenance level funding. School districts' reported expenditures, adjusted for inflation, are 100 percent funded by the state allocation in the 2014-15 school year. These enhancements represent per-pupil MSOC rate increases above maintenance-level of \$83.65 and \$500.42 for the 2013-14 and 2014-15 school years, respectively. The rates, according to statute, will be further inflation-adjusted in subsequent years. (Education Legacy Trust Account - State)

2013-15 Omnibus Operating Budget Public Schools General Apportionment

4. ALE Audit Recoveries - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. One-time adjustment in assumption for audit recoveries is assumed based on the scope and size of the audit findings.

5. Alternative Learning Experience - Second Substitute Senate Bill 5794 (alternative learning experience courses), defines ALE by type of course rather than by type of program, clarifies that the primary instructional contact must be with a teacher, and allocates funding for ALE courses using the statewide average Basic Education rate for Running Start, grades nine through 12. Converting to a statewide average funding rate is estimated to decrease total costs by 0.6 percent from the current funding methodology given full restoration of the temporary percentage reductions taken in the 2011-13 biennium. Compared to the 2011-13 funding levels, including the temporary percentage reductions, the revised methodology is estimated to provide a statewide average increase of 14.8 percent.

6. Skills Center MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (Substitute House Bill 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in exploratory career and technical education (CTE) courses in grades seven through 12, laboratory science courses for students in grades 9 through twelve, preparatory CTE courses for students in grades 9 through twelve offered in a high school, and, preparatory CTE courses for students in grades eleven and twelve offered through a skill center. The statute states that these specialty rates are set in the omnibus appropriations budget bill.

Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The Office of the Superintendent of Public Instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE and skills center enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. This results in a skills center MSOC rate that is 125 percent higher in the 2013-14 school year than the 2012-13 school year, and 43 percent lower for the CTE middle- and high-school rate.

7. Career & Tech. Ed. MSOC - The budget allocates funding to schools for operating costs through a per-student formula for materials, supplies, and operating costs (MSOC). MSOC encompasses seven components representing the non-staff costs of operating a school district. Chapter 236, Laws of 2010 (SHB 2776) directed that, in addition to basic MSOC rate allocations, an allocation will be made based on full-time equivalent student enrollment in exploratory career and technical education (CTE) courses in grades seven through 12, laboratory science courses for students in grades 9 through twelve, preparatory CTE courses for students in grades 9 through twelve offered in a high school, and, preparatory CTE courses for students in grades eleven and twelve offered through a skill center. The statute states that these specialty rates are set in the omnibus appropriations budget bill.

Chapter 236, Laws of 2010 further requires that, starting with the 2011-12 school year, school districts report their actual expenditures on the data elements within the prototypical school funding elements. The office of the superintendent of public instruction makes the reports accessible through an internet-based portal, allowing comparison of state funding formula elements and how school districts deploy resources, using the same matrix.

MSOC rates for CTE and skills center enrollments are re-based to the reported 2011-12 school year actuals per the internet-based portal, and adjusted for inflation for the 2013-14 and 2014-15 school years. This results in a skills center MSOC rate that is 125 percent higher in the 2013-14 school year than the 2012-13 school year, and 43 percent lower for the CTE middle- and high-school rate.

2013-15 Omnibus Operating Budget
Public Schools
Pupil Transportation
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	595,885	595,885
2013-15 Maintenance Level	0.0	660,847	660,847
Policy Other Changes:			
1. Increase Pupil Transportation	<u>0.0</u>	<u>197,521</u>	<u>197,521</u>
Policy -- Other Total	0.0	197,521	197,521
Total Policy Changes	0.0	197,521	197,521
Total 2013-15 Biennium	0.0	858,368	858,368
Difference from 2011-13	0.0	262,483	262,483
% Change from 2011-13	0.0%	44.1%	44.1%

Comments:

1. Increase Pupil Transportation - As of the 2013-14 school year, funding is provided to fully complete phase-in of the state's new pupil transportation funding formula as provided in Chapter 548, Laws of 2009. Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations. (Education Legacy Trust Account-State)

2013-15 Omnibus Operating Budget
Public Schools
School Food Services
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	14,222	595,634
2013-15 Maintenance Level	0.0	14,222	632,560
Total 2013-15 Biennium	0.0	14,222	632,560
Difference from 2011-13	0.0	0	36,926
% Change from 2011-13	0.0%	0.0%	6.2%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Special Education
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2.0	1,328,957	1,815,879
2013-15 Maintenance Level	2.0	1,428,233	1,890,256
Policy Other Changes:			
1. Expand Full Day Kindergarten	0.0	307	307
2. Materials, Supplies, & Op. Costs	0.0	63,600	63,600
3. Administrative Efficiencies	0.0	-6	-6
Policy -- Other Total	0.0	63,901	63,901
Total Policy Changes	0.0	63,901	63,901
Total 2013-15 Biennium	2.0	1,492,134	1,954,157
Difference from 2011-13	0.0	163,177	138,278
% Change from 2011-13	0.0%	12.3%	7.6%

Comments:

1. Expand Full Day Kindergarten - The 2013-15 biennial budget expands state funded full-day kindergarten. This increases districts' basic education allocation and special education allocation. The state special education allocation per student is based on percentages of each district's basic education allocation per student: 93.03 percent for students grade kindergarten through age 21, and 115 percent for students age birth to pre-kindergarten. (Education Legacy Trust Account-State)

2. Materials, Supplies, & Op. Costs - The 2013-15 biennial budget increases state per-pupil funding rates for materials, supplies, and operating costs (MSOC). This increases districts' basic education allocation and special education allocation. The state special education allocation per student is based on percentages of each district's basic education allocation per student: 93.03 percent for students grade kindergarten through age 21, and 115 percent for students age birth to pre-kindergarten. (Education Legacy Trust Account-State)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	15,806	15,806
2013-15 Maintenance Level	0.0	16,292	16,292
Total 2013-15 Biennium	0.0	16,292	16,292
Difference from 2011-13	0.0	486	486
% Change from 2011-13	0.0%	3.1%	3.1%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Levy Equalization
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	598,934	603,334
2013-15 Maintenance Level	0.0	632,727	632,727
Policy Other Changes:			
1. Levy Equalization	0.0	-134	-134
Policy -- Other Total	0.0	-134	-134
Total Policy Changes	0.0	-134	-134
Total 2013-15 Biennium	0.0	632,593	632,593
Difference from 2011-13	0.0	33,659	29,259
% Change from 2011-13	0.0%	5.6%	4.9%

Comments:

1. Levy Equalization - The 2013-15 biennial budget increases state funding allocations for maintenance, supplies, and operating costs; the learning assistance program; full-day kindergarten; and pupil transportation among other increases. As the basic education enhancements are increased between the 2013-14 and 2017-18 school years, new state funding lifts the levy base and, without a concurrent adjustment in the lid percentage, an automatic increase in capacity. Minimum levy lid percentages are scheduled in statute to return from the current 28 percent to the pre-2010 level of 24 percent for calendar year 2018 when the basic education enhancements are scheduled to be fully phased in. The lid percentage, therefore, is decreased on a linear basis to maintain essential neutrality and avoid an extreme reduction when the lid resets in 2018. The levy equalization percentage is decreased proportionately to maintain the 50 percent equalization policy.

2013-15 Omnibus Operating Budget
Public Schools
Elementary/Secondary School Improv
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	6,152
2013-15 Maintenance Level	0.0	0	4,052
Total 2013-15 Biennium	0.0	0	4,052
Difference from 2011-13	0.0	0	-2,100
% Change from 2011-13	0.0%	0.0%	-34.1%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Institutional Education
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	32,561	32,561
2013-15 Maintenance Level	0.0	30,787	30,787
Total 2013-15 Biennium	0.0	30,787	30,787
Difference from 2011-13	0.0	-1,774	-1,774
% Change from 2011-13	0.0%	-5.5%	-5.5%

Comments:

2013-15 Omnibus Operating Budget
Public Schools
Ed of Highly Capable Students
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	17,533	17,533
2013-15 Maintenance Level	0.0	19,083	19,083
Policy Other Changes:			
1. Expand Full Day Kindergarten	<u>0.0</u>	<u>70</u>	<u>70</u>
Policy -- Other Total	0.0	70	70
Total Policy Changes	0.0	70	70
Total 2013-15 Biennium	0.0	19,153	19,153
Difference from 2011-13	0.0	1,620	1,620
% Change from 2011-13	0.0%	9.2%	9.2%

Comments:

1. Expand Full Day Kindergarten - Expansion of full-day kindergarten increases the total K-12 student full-time equivalent enrollment. Because the Highly Capable Program funding is based on a fixed percentage of K-12 enrollment, increasing full-day kindergarten also increases allowable funding for the Highly Capable Program. (Education Legacy Trust Account-State)

2013-15 Omnibus Operating Budget
Public Schools
Education Reform
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	35.5	163,129	386,319
2013-15 Maintenance Level	38.5	234,863	445,108
Policy Other Changes:			
1. Assessment Reforms	0.0	-17,130	-17,130
2. Teacher Evaluation Training	0.0	10,215	10,215
3. Improved Student Outcomes (SB5330)	3.3	1,109	1,109
4. STEM Alliance (SB5755)	1.0	253	253
5. High School Acceleration	0.7	2,171	2,171
6. Persistently Lowest-Achieving Sch.	1.0	10,281	10,281
7. Strategic Innovation Grant	0.0	5,030	5,030
8. Consolidate Grants & Programs	0.0	-18,078	-18,078
9. Re-Suspend National Board Inflation	0.0	-3,167	-3,167
10. Administrative Efficiencies	0.0	-26	-26
Policy -- Other Total	6.0	-9,342	-9,342
Total Policy Changes	6.0	-9,342	-9,342
Total 2013-15 Biennium	44.5	225,521	435,766
Difference from 2011-13	9.0	62,392	49,447
% Change from 2011-13	25.2%	38.3%	12.8%

Comments:

1. Assessment Reforms - Engrossed Substitute Senate Bill 5587 (student assessments) modifies the statewide student assessments to implement, by the 2014-15 school year, the comprehensive English language arts and mathematics assessments developed by the multi-state Smarter Balance Assessment Consortium. The mathematics end-of-course (EOC) assessments are not administered after the 2014-15 school year. As the state transitions to the Smarter Balance English language arts and mathematics assessments, the graduating classes of 2016 and 2017 may meet the state standard for high-school graduation purposes using either the current reading and writing assessments or the consortium-developed English language arts assessment; or both of the mathematics EOCs or the consortium-developed mathematics assessments. For high-school graduation the graduating class of 2018 must meet the state standard on the Smarter Balance English language arts and mathematics assessments.

2. Teacher Evaluation Training - Chapter 35, Laws of 2012 (Engrossed Substitute Senate Bill 5895) implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for the office of the superintendent of public instruction to collaborate with educational service districts to develop and make available a professional development program for teachers, including a comprehensive on-line training package. The teacher training base-budget funding is enhanced by approximately \$5.1 million per year.

3. Improved Student Outcomes (SB5330) - Engrossed Second Substitute Senate Bill 5330 (student achievement and outcomes) requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues. The office of the superintendent of public instruction will provide technical assistance, manage program applications, report to the legislature, provide professional development opportunities to districts, and monitor compliance. The bill further requires data collection and reporting regarding transition beyond high school of special education students.

2013-15 Omnibus Operating Budget

Public Schools

Education Reform

4. STEM Alliance (SB5755) - Substitute Senate Bill 5755 (science, technology, engineering, and mathematics) creates the STEM Education Innovation Alliance with representatives from specified business, organizations and agencies. The Alliance will advise the Governor and offer overall vision and guidance on STEM initiatives; consolidate all the current programs and plans into one comprehensive framework; develop a STEM benchmark Report Card that will be posted online with updated data, measures, information from state education agencies about how their activities are aligned to the framework, and data about STEM job openings.

OSPI must consult with the Alliance and identify and distribute materials to K-12 schools to encourage instruction and learning in STEM areas.

5. High School Acceleration - Engrossed Second Substitute Senate Bill 5243 (high-school academic acceleration) creates a requirement for school boards to adopt and academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

6. Persistently Lowest-Achieving Sch. - Engrossed Second Substitute Senate Bill 5329 requires OSPI to, by December 1, 2013, identify the ten most persistently lowest-achieving schools using the student results on the statewide reading and math assessments. The districts in which these schools reside are designated as required action districts (RADs) and will enter a three-year improvement process to be chosen by the district from the list of four federal intervention models or Washington State's Collaborative Schools for Innovation and Success model. If, at the end of the three-year period, the State Board of Education determines the district has not met requirements for release from RAD status, OSPI must review the actions that had been taken during the RAD three years and create a new three-year plan with the school district's board of directors to be implemented by OSPI using a management structure chosen by OSPI.

At the end of the second three-year intervention, if the SBE determines that any of the schools have not met sufficient progress, then that school is closed and the students assigned to another school, unless there is no viable option to accommodate students due to a lack of capacity or inability to provide equitable access to educational programs and services.

The RADs will be identified by December 2013 and districts will require lead time to establish an improvement model; therefore, state grants averaging \$1 million per school will be provided beginning in the second fiscal year.

7. Strategic Innovation Grant - A Strategic Innovation Grant program is created, providing grants to school districts based on innovation and the degree to which the district's proposal implements compensation systems that are evidence-based and research-based. Grants are to provide incentives for hard-to-fill subject areas and challenging schools' assignments, among others. Grants will be awarded by the Professional Educator Standards Board, with the Washington Institute of Public Policy. PESB must report on the amount and purposes of the grants awarded.

2013-15 Omnibus Operating Budget

Public Schools

Education Reform

8. Consolidate Grants & Programs - Multiple grants and statewide programs are combined into one funding amount and the Learning Assistance Program (LAP) enhancement is increased by a like amount. The combined programs are: Readiness to Learn; career and technical education (CTE) grants; regional education technology support centers; Leadership Academy; principal and superintendent internships; middle- and high-school applied mathematics, science, and engineering grants; the Science, Technology, Education, and Mathematics (STEM) work group; the Paying for Actual Student Success (PASS) program; project Lead the Way; skills centers aerospace manufacturing hub; and the aerospace assembly program. School districts that wish to continue the programs that are combined may use LAP funds for those programs for which there is research-based evidence of effective student outcomes, consistent with Engrossed Second Substitute Senate Bill 5330, improving student achievement and student outcomes. School districts may coordinate implementation of the programs statewide, regionally, or individually.

The specific programs that are consolidated and any specific program or intervention that a district chooses to use the consolidated funds to implement shall not be considered a component of the instructional program of basic education and does not represent an entitlement to any specific program for any individual student.

9. Re-Suspend National Board Inflation - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,510. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

10. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Public Schools
Transitional Bilingual Instruction
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	160,241	231,242
2013-15 Maintenance Level	0.0	186,290	257,305
Policy Other Changes:			
1. Biling Student Transition (SB5330)	0.0	5,715	5,715
Policy -- Other Total	0.0	5,715	5,715
Total Policy Changes	0.0	5,715	5,715
Total 2013-15 Biennium	0.0	192,005	263,020
Difference from 2011-13	0.0	31,764	31,778
% Change from 2011-13	0.0%	19.8%	13.7%

Comments:

1. Biling Student Transition (SB5330) - Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes) creates a statutory requirement for additional, non-basic education funding for students who exited the Transitional Bilingual Instructional Program (TBIP) the previous year. The funding begins in the 2014-15 school year, is based on the cost of 3.0 additional hours of instruction per week, and must be used to provide academic support for exited students, if needed, or may be used within the TBIP.

2013-15 Omnibus Operating Budget
Public Schools
Learning Assistance Program (LAP)
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	255,388	747,595
2013-15 Maintenance Level	0.0	270,663	719,098
Policy Other Changes:			
1. Learning Assistance Program (LAP)	0.0	240,604	240,604
Policy -- Other Total	0.0	240,604	240,604
Total Policy Changes	0.0	240,604	240,604
Total 2013-15 Biennium	0.0	511,267	959,702
Difference from 2011-13	0.0	255,879	212,107
% Change from 2011-13	0.0%	100.2%	28.4%

Comments:

1. Learning Assistance Program (LAP) - The Learning Assistance Program (LAP) is Washington's state-funded program that provides additional academic support to eligible students. LAP funds are available to support programs in grades K-12 in reading, writing, and mathematics, and in readiness for those subjects. Engrossed Second Substitute Senate Bill 5330 requires LAP funds to be used for interventions and activities for which there is research showing that they are effective in improving academic achievement. The Washington State Institute for Public Policy (WSIPP) will provide an inventory of evidence-based practices, to be updated every two years. Funded program activities must be on this inventory or otherwise approved by OSPI as an effective, evidence-based program.

In support of Engrossed Second Substitute Senate Bill 5330 (improving student achievement and outcomes), LAP funding is increased. Currently, LAP provides an additional 1.516 hours of LAP instruction per-week, assuming class sizes of 15 students per certificated instructional staff. The formula translates to additional funding in the 2011-12 school year of approximately \$295 per eligible student. This enhancement is increased to 3.000 hours per week, beginning with the 2013-14 school year, which translates to approximately \$603 per student.

2013-15 Omnibus Operating Budget
Public Schools
Compensation Adjustments
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	2
2013-15 Maintenance Level	0.0	295,592	295,592
Policy Other Changes:			
1. Learning Assistance Program (LAP)	<u>0.0</u>	<u>212</u>	<u>212</u>
Policy -- Other Total	0.0	212	212
Policy Comp Changes:			
2. Initiative 732	<u>0.0</u>	<u>-295,804</u>	<u>-295,804</u>
Policy -- Comp Total	0.0	-295,804	-295,804
Total Policy Changes	0.0	-295,592	-295,592
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	0	-2
% Change from 2011-13	0.0%	0.0%	-100.0%

Comments:

1. Learning Assistance Program (LAP) - Because additional hours of instruction are added to the Learning Assistance Program (LAP), the Initiative 732 cost-of-living adjustment (COLA) costs at maintenance level are increased marginally. This increase is eliminated, along with the suspension of I-732 COLAs at the policy level.

2. Initiative 732 - The Initiative 732 cost-of-living adjustments are repealed pursuant to Senate Bill 5895 (education funding). Initiative 732, approved by voters in 2000, requires an annual cost-of-living adjustment for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

2013-15 Omnibus Operating Budget
State School for the Blind
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	86.0	11,448	13,401
2013-15 Maintenance Level	86.0	11,836	13,851
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-52	-52
Policy -- Other Total	0.0	-52	-52
Policy Comp Changes:			
2. Coll. Bargained Personal Leave Day	0.0	4	4
3. Initiative 732	0.0	-88	-119
Policy -- Comp Total	0.0	-84	-115
Total Policy Changes	0.0	-136	-167
Total 2013-15 Biennium	86.0	11,700	13,684
Difference from 2011-13	0.0	252	283
% Change from 2011-13	0.0%	2.2%	2.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days.

3. Initiative 732 - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the prior calendar year's Seattle Consumer Price Index. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Childhood Deafness & Hearing Loss
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	109.2	16,775	17,301
2013-15 Maintenance Level	109.2	17,343	17,911
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-62	-62
Policy -- Other Total	0.0	-62	-62
Policy Comp Changes:			
2. Coll. Bargained Personal Leave Day	0.0	8	8
3. Initiative 732	0.0	-137	-137
Policy -- Comp Total	0.0	-129	-129
Total Policy Changes	0.0	-191	-191
Total 2013-15 Biennium	109.2	17,152	17,720
Difference from 2011-13	0.0	377	419
% Change from 2011-13	0.0%	2.3%	2.4%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Coll. Bargained Personal Leave Day - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days.

3. Initiative 732 - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the prior calendar year's Seattle Consumer Price Index. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year.

2013-15 Omnibus Operating Budget
Workforce Trng & Educ Coord Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	20.8	2,655	65,891
2013-15 Maintenance Level	19.3	3,053	57,826
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-305	-305
Policy -- Other Total	0.0	-305	-305
Total Policy Changes	0.0	-305	-305
Total 2013-15 Biennium	19.3	2,748	57,521
Difference from 2011-13	-1.5	93	-8,370
% Change from 2011-13	-7.2%	3.5%	-12.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2013-15 Omnibus Operating Budget
Archaeology & Historic Preservation
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	17.8	0	4,608
2013-15 Maintenance Level	17.8	2,530	4,681
Total 2013-15 Biennium	17.8	2,530	4,681
Difference from 2011-13	0.0	2,530	73
% Change from 2011-13	0.0%	0.0%	1.6%

Comments:

2013-15 Omnibus Operating Budget
Department of Early Learning
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	222.7	130,688	412,002
2013-15 Maintenance Level	225.7	133,896	450,517
Policy Other Changes:			
1. State Child Care Referral	0.0	-1,148	-1,148
2. Friend & Neighbor Care Training	0.0	-100	-100
3. Reach Out & Read	0.0	-300	0
4. Lease Rate Adjustments	0.0	-18	-18
5. Continue EBT System Implementation	10.5	1,112	1,112
6. Eligibility System Development	0.0	310	310
7. Maintain ECEAP Slots	0.0	0	2,256
8. FTE authority	5.0	0	0
9. Home Visiting Expansion	0.0	1,000	2,000
10. Therapeutic Child Care	0.0	500	500
11. Administrative Efficiencies	0.0	-114	-114
12. Enhance Audit Teams	5.0	0	0
13. Child Care Reform	1.2	234	234
14. Home Visiting Appropriation	0.0	0	1,868
15. Expand Preschool	17.0	22,384	22,384
Policy -- Other Total	38.7	23,860	29,284
Total Policy Changes	38.7	23,860	29,284
Total 2013-15 Biennium	264.4	157,756	479,801
Difference from 2011-13	41.7	27,068	67,799
% Change from 2011-13	18.7%	20.7%	16.5%

Comments:

1. State Child Care Referral - State funding is eliminated for child care resource information to parents and to improve child care quality. Over \$10 million in federal Child Care and Development Funds will continue to be provided for child care resources, referral, and quality improvement.

2. Friend & Neighbor Care Training - Funding to provide enrichment programs and training to license-exempt in-home care providers is reduced. This program is also known as Family, Friend, and Neighbor Care or Culturally Relevant Care.

3. Reach Out & Read - Funding for the Reach Out & Read program, which promotes early literacy, is moved to federal funds for the 2013-15 biennium.

4. Lease Rate Adjustments - Funding is eliminated for lease rate increases, which were funded at maintenance level.

5. Continue EBT System Implementation - Funding is provided for certificate of participation debt service payments for the Department of Early Learning (DEL) to proceed with the development and implementation of an electronic benefit transfer system for child care subsidy eligibility determinations. This new system updates the current child care subsidy payment model. Debt service payments for this item are scheduled for seven years. The remaining costs for the debt service payments will come from federal grants.

6. Eligibility System Development - A COP funded through the state General Fund is provided to the Department of Early Learning to develop a new eligibility determination system that would replace existing systems currently housed at the Department of Social and Health Services. COP payments are scheduled for seven years for this item. The remaining debt service costs will be paid for with federal grants.

2013-15 Omnibus Operating Budget Department of Early Learning

- 7. Maintain ECEAP Slots** - For the 2011-13 biennium, the Legislature provided \$2.256 million from DEL's federal Child Care Development Fund (CCDF) appropriation to add 165 Early Childhood Education and Assistance Program (ECEAP) slots. This funding was originally indicated as one-time so funding was removed during carry forward. This makes this fund shift permanent.
- 8. FTE authority** - DEL is given authority for five Quality Control Specialists for child care payment audits. These positions will be funded out of existing resources.
- 9. Home Visiting Expansion** - Funding is provided to expand Home Visiting activities, specifically those with strong research evidence such as Nurse Family Partnerships. This funding shall be deposited into the Home Visiting Services Account. (General Fund-State, Home Visiting Services Account)
- 10. Therapeutic Child Care** - Funding is provided in the event that federal funding is removed from the Medicaid Treatment Child Care program.
- 11. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.
- 12. Enhance Audit Teams** - FTE authority is provided to the Department of Early Learning to increase the number of child care payment auditors at DEL. FTEs are funded out of the Child Care and Development Block Grant. During the 2012 interim the Office of the State Auditor released a report outlining several findings related to subsidy payments to child care providers.
- 13. Child Care Reform** - Funding is provided to implement Substitute Senate Bill 5595 (child care reform).
- 14. Home Visiting Appropriation** - Pursuant to Senate Bill 5809 (home visiting services account), the Home Visiting Services Account now requires an appropriation. (General Fund-Federal, Home Visiting Services Account)
- 15. Expand Preschool** - Funding is provided to increase the number of ECEAP slots by 860 slots while increasing the average slot reimbursement from \$6,800 to \$7,500 and increasing oversight.

2013-15 Omnibus Operating Budget
University of Washington
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	19,961.4	421,505	5,894,276
2013-15 Maintenance Level	20,461.5	455,896	6,319,228
Policy Other Changes:			
1. Ocean pH Balance	0.0	0	1,820
2. Administrative Efficiencies	0.0	-3,194	-3,194
3. Higher Education Funding	0.0	16,691	16,691
4. Performance Funding	0.0	10,228	10,228
Policy -- Other Total	0.0	23,725	25,545
Total Policy Changes	0.0	23,725	25,545
Total 2013-15 Biennium	20,461.5	479,621	6,344,773
Difference from 2011-13	500.1	58,116	450,497
% Change from 2011-13	2.5%	13.8%	7.6%

Comments:

1. Ocean pH Balance - The Center on Ocean pH Balance is established to coordinate and conduct research to understand, monitor, and adapt to increasingly acidic waters. Specific work includes maintaining water quality monitoring at shellfish hatcheries; increasing water quality and biological monitoring to measure trends in acidification; developing a model to forecast corrosive conditions; conducting research on the impacts of ocean acidification on Washington's species and research on commercial scale water treatment methods; and undertaking hatchery design improvements to protect larvae from corrosive seawater. (Environmental Legacy Stewardship Account-State, Aquatic Lands Enhancement Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Higher Education Funding - Funding is provided to support core academic functions of the University of Washington.

4. Performance Funding - Funding is provided in recognition of the University of Washington's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Washington State University
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	5,865.3	301,223	1,230,003
2013-15 Maintenance Level	6,072.1	323,155	1,378,601
Policy Other Changes:			
1. Medical Educ. & Biomedical Research	25.5	6,800	8,282
2. Administrative Efficiencies	0.0	-2,494	-2,494
3. Forestry Program	0.0	0	450
4. Higher Education Funding	0.0	11,390	11,390
5. Performance Funding	0.0	9,000	9,000
Policy -- Other Total	25.5	24,696	26,628
Total Policy Changes	25.5	24,696	26,628
Total 2013-15 Biennium	6,097.6	347,851	1,405,229
Difference from 2011-13	232.4	46,628	175,226
% Change from 2011-13	4.0%	15.5%	14.3%

Comments:

1. Medical Educ. & Biomedical Research - Funding is provided for expansion of medical education and the associated biomedical research, which will support basic science teaching in the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) program and will expand medical education by 40 additional medical students in Spokane by the end of the biennium. A total of \$2 million of this funding is one-time funding to purchase the scientific instrumentation needed to equip the new Biomedical and Health Sciences building on the Spokane campus. (General Fund-State; Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. Forestry Program - Funding from tuition resources shall be used to reestablish a Forestry Program at Washington State University. (Institutions of Higher Education-Operating Fees Account-Nonappropriated)

4. Higher Education Funding - Funding is provided to support core academic functions of Washington State University.

5. Performance Funding - Funding is provided in recognition of Washington State University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Eastern Washington University
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,305.9	68,089	248,403
2013-15 Maintenance Level	1,305.9	73,254	292,399
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-692	-692
2. Higher Education Funding	0.0	3,220	3,220
3. Performance Funding	0.0	520	520
Policy -- Other Total	0.0	3,048	3,048
Total Policy Changes	0.0	3,048	3,048
Total 2013-15 Biennium	1,305.9	76,302	295,447
Difference from 2011-13	0.0	8,213	47,044
% Change from 2011-13	0.0%	12.1%	18.9%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Higher Education Funding - Funding is provided to support core academic functions of Eastern Washington University.

3. Performance Funding - Funding is provided in recognition of Eastern Washington University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Central Washington University
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,219.3	65,062	300,244
2013-15 Maintenance Level	1,219.3	70,980	317,876
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-516	-516
2. Higher Education Funding	0.0	3,878	3,878
Policy -- Other Total	0.0	3,362	3,362
Total Policy Changes	0.0	3,362	3,362
Total 2013-15 Biennium	1,219.3	74,342	321,238
Difference from 2011-13	0.0	9,280	20,994
% Change from 2011-13	0.0%	14.3%	7.0%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Higher Education Funding - Funding is provided to support core academic functions of Central Washington University.

2013-15 Omnibus Operating Budget
The Evergreen State College
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	614.7	36,250	111,596
2013-15 Maintenance Level	614.9	38,658	127,780
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-356	-356
2. Cost Sharing - WSIPP	0.0	100	100
3. ECEAP Evaluation - WSIPP	0.0	150	150
4. Higher Education Funding	0.0	1,515	1,515
5. Invol Treatment Assessment - WSIPP	0.0	100	100
6. Learning Assistance Program - WSIPP	0.3	85	85
7. Performance Funding	0.0	953	953
8. Risk Needs Resp Model - WSIPP	0.0	50	50
9. Safety Assessments - WSIPP	0.0	85	85
Policy -- Other Total	0.3	2,682	2,682
Total Policy Changes	0.3	2,682	2,682
Total 2013-15 Biennium	615.2	41,340	130,462
Difference from 2011-13	0.5	5,090	18,866
% Change from 2011-13	0.1%	14.0%	16.9%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Cost Sharing - WSIPP - The Washington State Institute for Public Policy (WSIPP) shall study evidence and research based methodologies that the state can implement to control medicaid and other health care costs. The institute shall submit an interim report to the legislative fiscal committees by December 1, 2013, with a final report due July 1, 2014.

3. ECEAP Evaluation - WSIPP - One-time funding is provided for the Washington State Institute of Public Policy (WSIPP) to conduct a comprehensive retrospective outcome evaluation and return on investment analysis of the early learning childhood program (ECEAP). This evaluation is due December 15, 2014.

4. Higher Education Funding - Funding is provided to support core academic functions of The Evergreen State College.

5. Invol Treatment Assessment - WSIPP - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to develop a risk assessment instrument for patients committed for involuntary treatment in Washington State.

6. Learning Assistance Program - WSIPP - Funding is provided for implementation of Engrossed Second Substitute Senate Bill 5330 (student achievement, outcome), which directs the Washington State Institute of Public Policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program. The initial inventory is due by August 1, 2014 and shall be updated every two years thereafter.

7. Performance Funding - Funding is provided in recognition of The Evergreen State College's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget The Evergreen State College

8. Risk Needs Resp Model - WSIPP - Funding is provided for the Washington State Institute of Public Policy (WSIPP) to provide expertise to the Department of Corrections (DOC) on the implementation of programming that follows the Risk Needs Responsivity Model. The DOC is required to compile an inventory of existing programming and to consult with WSIPP to determine whether these programs are evidence-based or research-based using definitions provided by WSIPP. In addition, WSIPP in consultation with DOC, will systematically review selected programs for outcome measures.

9. Safety Assessments - WSIPP - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to conduct an empirical study of the validity and reliability of the safety assessment tool currently used in child welfare cases by the Children's Administration at the Department of Social and Health Services. This study is due December 14, 2013.

2013-15 Omnibus Operating Budget
Western Washington University
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,562.7	79,719	335,757
2013-15 Maintenance Level	1,602.7	89,241	355,911
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-742	-742
2. Higher Education Funding	0.0	5,258	5,258
3. Performance Funding	0.0	2,485	2,485
Policy -- Other Total	0.0	7,001	7,001
Total Policy Changes	0.0	7,001	7,001
Total 2013-15 Biennium	1,602.7	96,242	362,912
Difference from 2011-13	40.0	16,523	27,155
% Change from 2011-13	2.6%	20.7%	8.1%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

2. Higher Education Funding - Funding is provided to support the core academic functions of Western Washington University.

3. Performance Funding - Funding is provided in recognition of Western Washington University's performance in statewide goals related to retention and completion.

2013-15 Omnibus Operating Budget
Washington State Arts Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	13.0	0	5,310
2013-15 Maintenance Level	13.0	2,225	5,358
Policy Other Changes:			
1. Reduce Private Arts Funding	<u>0.0</u>	<u>0</u>	<u>-1,047</u>
Policy -- Other Total	0.0	0	-1,047
Total Policy Changes	0.0	0	-1,047
Total 2013-15 Biennium	13.0	2,225	4,311
Difference from 2011-13	0.0	2,225	-999
% Change from 2011-13	0.0%	0.0%	-18.8%

Comments:

1. Reduce Private Arts Funding - In fiscal year 2013, the Arts Commission completed a four-year private grant from the Wallace Foundation. Private-local expenditure authority is reduced to reflect the end of this grant. (General Fund-Private/Local)

2013-15 Omnibus Operating Budget
Washington State Historical Society
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	34.0	0	6,088
2013-15 Maintenance Level	34.0	4,250	6,048
Policy Other Changes:			
1. Restore Museum Hours	0.0	0	121
Policy -- Other Total	0.0	0	121
Total Policy Changes	0.0	0	121
Total 2013-15 Biennium	34.0	4,250	6,169
Difference from 2011-13	0.0	4,250	81
% Change from 2011-13	0.0%	0.0%	1.3%

Comments:

1. Restore Museum Hours - In Fiscal Years 2011 and 2012, the agency closed the history museum on Mondays and Tuesdays due to budget reductions. During the 2013-15 biennium, the agency plans to open Mondays and Tuesdays during the summer months to serve summer tourists visiting the Tacoma Museum District. This action is expected to increase museum admission income, membership dues income, donation income for the exhibits, and public programs for the summer months. (Local Museum Account-Washington State Historical Society-Nonappropriated)

2013-15 Omnibus Operating Budget
East Wash State Historical Society
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	30.0	0	5,458
2013-15 Maintenance Level	30.0	3,135	5,660
Total 2013-15 Biennium	30.0	3,135	5,660
Difference from 2011-13	0.0	3,135	202
% Change from 2011-13	0.0%	0.0%	3.7%

Comments:

2013-15 Omnibus Operating Budget
Columbia River Gorge Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	6.0	805	1,611
2013-15 Maintenance Level	6.0	828	1,670
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-100	-100
Policy -- Other Total	0.0	-100	-100
Total Policy Changes	0.0	-100	-100
Total 2013-15 Biennium	6.0	728	1,570
Difference from 2011-13	0.0	-77	-41
% Change from 2011-13	0.0%	-9.6%	-2.6%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
Department of Ecology
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,553.1	70,669	441,174
2013-15 Maintenance Level	1,563.6	92,977	464,249
Policy Other Changes:			
1. Reduce Watershed Planning Asst.	-3.5	-2,873	-2,873
2. Air Quality Fund Shift	0.0	-5,130	0
3. Reduce Air Pollution Control Acct.	-2.0	0	-500
4. Fund Shift to Toxics	0.0	-24,000	0
5. Reduce Product Stewardship Exp.	0.0	0	-516
6. Reduce Flood Control Grants	0.0	0	-2,000
7. Reduce Freshwater Aquatic Weed Exp.	0.0	0	-300
8. Reduce Emergency Water Account Exp.	0.0	0	-110
9. Litter Account Reduction	0.0	0	-10,000
10. Reducing Toxic Gasoline Vapors	1.2	0	208
11. Pollution Source Regist Fund Shift	0.0	-114	0
12. Implementing Better Brakes Law	1.0	0	188
13. Meeting Air Operating Permit Needs	1.3	0	294
14. Preventing Nonattainment Areas	1.2	0	204
15. State Revolving Fund Admin Charge	0.6	0	131
16. Water Discharge Fees	5.2	0	1,169
17. Stormwater Training Program	1.4	0	1,981
18. Spokane Rivr Toxic Source Abatement	0.0	0	350
19. Protecting Washington Shorelines	2.9	0	2,856
20. Ocean pH Balance	2.0	0	860
21. San Juan County SMP update complete	0.0	0	150
22. Administrative Efficiencies	0.0	-2,424	-2,424
23. Reduce GFS Approp to Exp level	0.0	-9,850	-9,850
24. Reduce leasing costs	0.0	-2,066	-2,066
25. Close Bellingham Office	0.0	-650	-650
Policy -- Other Total	11.3	-47,107	-22,898
Total Policy Changes	11.3	-47,107	-22,898
Total 2013-15 Biennium	1,574.8	45,870	441,351
Difference from 2011-13	21.8	-24,799	177
% Change from 2011-13	1.4%	-35.1%	0.0%

Comments:

1. Reduce Watershed Planning Asst. - Funding is reduced on an ongoing basis for the Department of Ecology's watershed planning technical and financial assistance program. The remaining funds will be used to support local capacity to carry out specific projects in three basins (Dungeness, Walla Walla, and Wenatchee), and for implementation activities in the Chelan, Dungeness, Methow, Lower Lake Roosevelt, and Lower Spokane basins. (General Fund-State)

2. Air Quality Fund Shift - Air Quality Program work related to prevention and violations of federal air quality standards is shifted on an ongoing basis from General Fund-State to the State Toxics Control Account. (General Fund-State, State Toxics Control Account-State)

2013-15 Omnibus Operating Budget

Department of Ecology

- 3. Reduce Air Pollution Control Acct.** - Expenditure authority is reduced on an ongoing basis in the Air Pollution Control Account to reflect lower revenues. (Air Pollution Control Account-State)
- 4. Fund Shift to Toxics** - General Fund-State expenditures are shifted on an ongoing basis to the State Toxics Control Account for Ecology activities in the Air Quality, Water Quality, Environmental Assessment, Shorelands, and Administration Programs. (General Fund-State, State Toxics Control Account-State)
- 5. Reduce Product Stewardship Exp.** - Expenditure authority is reduced permanently in the Product Stewardship Programs Account to reflect the amount of revenue in the account. (Product Stewardship Programs Account-Nonappropriated)
- 6. Reduce Flood Control Grants** - Expenditure authority is reduced to reflect revenue. (Flood Control Assistance Account-State)
- 7. Reduce Freshwater Aquatic Weed Exp.** - Expenditure authority is reduced to reflect revenue in the account. (Freshwater Aquatic Weeds Account-State)
- 8. Reduce Emergency Water Account Exp.** - Expenditure authority is reduced to reflect revenue in the account. (State Emergency Water Projects Revolving Account-State)
- 9. Litter Account Reduction** - Funding is reduced in the Waste Reduction, Recycling and Litter Control Account. (Waste Reduction, Recycling and Litter Control Account-State)
- 10. Reducing Toxic Gasoline Vapors** - Funding is provided on an ongoing basis to manage emissions of gasoline vapors. (Air Pollution Control Account-State)
- 11. Pollution Source Regist Fund Shift** - Funding is shifted permanently from General Fund-State to the Air Pollution Control Account. (General Fund-State, Air Pollution Control Account-State)
- 12. Implementing Better Brakes Law** - Funding is provided to continue implementation of this program. (Environmental Legacy Stewardship Account)
- 13. Meeting Air Operating Permit Needs** - Funding is provided to conduct rule-making to address the cost of serving new sources. (Air Operating Permit Account-State)
- 14. Preventing Nonattainment Areas** - Funding is provided to address sources of pollution in the central region, and work with elected officials, citizens, local air agencies, businesses, and civic leaders to make changes that reduce pollution levels. (Environmental Legacy Stewardship Account)
- 15. State Revolving Fund Admin Charge** - Pursuant to Substitute House Bill 1141 (Water Pollution Control Loans) which authorizes an administration charge for the loan program, funding is shifted permanently from the Water Pollution Control Revolving Account to the new Water Pollution Control Revolving Administration Account. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal, Water Pollution Control Revolving Administration Account-State, Environmental Legacy Stewardship Account)
- 16. Water Discharge Fees** - Fees are adjusted to reflect the annual growth factor. (Water Quality Permit Account-State)
- 17. Stormwater Training Program** - Funding is provided for training local government and developers on Low-Impact Development (LID) stormwater-reducing practices, such as the use of porous pavement and vegetation. (Environmental Legacy Stewardship Account)
- 18. Spokane Rivr Toxic Source Abatement** - Funding is provided to address elevated levels of polychlorinated biphenyls (PCBs) in the Spokane River. (Environmental Legacy Stewardship Account)
- 19. Protecting Washington Shorelines** - Funding is provided for grants to local government to complete their Shoreline Master Program updates. (Environmental Legacy Stewardship Account)
- 20. Ocean pH Balance** - Funding is provided for collaboration efforts with the University of Washington and the other state agencies to assess the effects of ocean pH balance. (Environmental Legacy Stewardship Account-State)
- 21. San Juan County SMP update complete** - Funding for FY 2014 is provided to San Juan County to complete their Shoreline Master Program update. (Environmental Legacy Stewardship Account-State)

2013-15 Omnibus Operating Budget Department of Ecology

22. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

23. Reduce GFS Approp to Exp level - General Fund-State appropriation level is reduced to reflect expenditures and vacancies. (General Fund-State)

24. Reduce leasing costs - Savings are achieved by reducing lease costs. (General Fund-State)

25. Close Bellingham Office - Savings are achieved by closing the Bellingham office. (General Fund-State)

2013-15 Omnibus Operating Budget
WA Pollution Liab Insurance Program
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	6.0	0	1,613
2013-15 Maintenance Level	6.0	0	1,586
Total 2013-15 Biennium	6.0	0	1,586
Difference from 2011-13	0.0	0	-27
% Change from 2011-13	0.0%	0.0%	-1.7%

Comments:

2013-15 Omnibus Operating Budget
State Parks and Recreation Comm
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	636.9	17,334	142,363
2013-15 Maintenance Level	558.9	0	107,675
Policy Other Changes:			
1. Administrative Efficiencies	0.0	-576	-576
2. Funding Parks GFS/Litter Tax	0.0	7,000	17,000
Policy -- Other Total	0.0	6,424	16,424
Total Policy Changes	0.0	6,424	16,424
Total 2013-15 Biennium	558.9	6,424	124,099
Difference from 2011-13	-78.0	-10,910	-18,264
% Change from 2011-13	-12.3%	-62.9%	-12.8%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2. Funding Parks GFS/Litter Tax - Pursuant to Substitute Senate Bill 5653 (State Parks Programs) funding for State Parks is provided with General Fund-State and the Waste Reduction, Recycling and Litter Control Tax. (General Fund-State, Waste Reduction, Recycling, and Litter Control Tax)

2013-15 Omnibus Operating Budget
Rec and Conservation Funding Board
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	19.6	1,722	9,317
2013-15 Maintenance Level	19.6	1,616	9,703
Policy Other Changes:			
1. Invasive Species Council Funding	0.0	0	86
2. Administrative Efficiencies	0.0	-50	-50
Policy -- Other Total	0.0	-50	36
Total Policy Changes	0.0	-50	36
Total 2013-15 Biennium	19.6	1,566	9,739
Difference from 2011-13	0.0	-156	422
% Change from 2011-13	0.0%	-9.1%	4.5%

Comments:

1. Invasive Species Council Funding - Funding for the Washington Invasive Species Council is shifted on an ongoing basis from the Vessel Response Account to the Aquatic Lands Enhancement Account. (Vessel Response Account-State, Aquatic Lands Enhancement Account-State)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
Environ & Land Use Hearings Office
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	17.7	4,229	4,229
2013-15 Maintenance Level	18.3	4,388	4,388
Policy Other Changes:			
1. Administrative Efficiencies	<u>0.0</u>	<u>-128</u>	<u>-128</u>
Policy -- Other Total	0.0	-128	-128
Total Policy Changes	0.0	-128	-128
Total 2013-15 Biennium	18.3	4,260	4,260
Difference from 2011-13	0.6	31	31
% Change from 2011-13	3.4%	0.7%	0.7%

Comments:

1. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

2013-15 Omnibus Operating Budget
State Conservation Commission
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	17.1	13,210	14,511
2013-15 Maintenance Level	16.6	13,045	14,346
Policy Other Changes:			
1. Cons System Investment for Results	0.5	0	1,000
2. Voluntary Stewardship-State Support	0.0	546	1,546
3. Administrative Efficiencies	0.0	-24	-24
4. Livestock Manure Mgmt - Cons Dist	0.0	0	1,000
Policy -- Other Total	0.5	522	3,522
Total Policy Changes	0.5	522	3,522
Total 2013-15 Biennium	17.1	13,567	17,868
Difference from 2011-13	0.0	357	3,357
% Change from 2011-13	0.0%	2.7%	23.1%

Comments:

1. Cons System Investment for Results - Funding is provided for technical assistance and incentive-based program support. (State Toxics Account-State)

2. Voluntary Stewardship-State Support - Funding is provided on an ongoing basis to begin the program in Thurston County and Chelan County. Additional appropriation authority is provided to expand the program to additional counties if federal funding is obtained. (General Fund-State, General Fund-Federal)

3. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

4. Livestock Manure Mgmt - Cons Dist - Funding is provided to South Yakima County and Whatcom County conservation districts for meeting the dairy nutrient management program requirements to protect drinking water aquifers from nitrate contamination. (State Toxic Control Account)

2013-15 Omnibus Operating Budget
Dept of Fish and Wildlife
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,465.4	57,740	362,134
2013-15 Maintenance Level	1,460.1	68,541	372,153
Policy Other Changes:			
1. PILT Adjustment	0.0	-650	-650
2. Shift HPA Pgm Exp to ALEA	0.0	-2,336	0
3. Suspend Winter Elk Feeding	0.0	-300	-300
4. Shift PS Toxic Sampling to STCA	0.0	-43	0
5. Shift AIS and Ballast Wtr to ALEA	0.0	-175	0
6. Shift Comm. Shellfish Mgmt to ALEA	0.0	-94	0
7. Shift Water Quality Lab to STCA	0.0	-96	0
8. Shift Hatchery NPDES to STCA	0.0	-121	0
9. Shift GMA/SMA to STCA	0.0	-250	0
10. Shift Hatchery Expenses to ALEA	0.0	-3,000	0
11. Wildlife Area Operations & Maint	6.6	0	1,094
12. New WILD System	0.0	0	563
13. Pt. Whitney Staff Relocation	0.0	0	168
14. Vancouver Region Office Relocation	0.0	0	327
15. Reduce Deer & Elk Property Damage	2.2	0	400
16. Wolf Population Management	0.7	0	300
17. Administrative Efficiencies	0.0	-2,304	-2,304
18. Reduce GFS Approp to Exp level	0.0	-1,039	-1,039
19. Invasive Species Passport	0.0	0	10
20. Cowlitz River Chinook Production	0.0	100	200
21. Clark Creek and Lakewood Hatchery	0.0	200	300
Policy -- Other Total	9.5	-10,108	-931
Total Policy Changes	9.5	-10,108	-931
Total 2013-15 Biennium	1,469.6	58,433	371,222
Difference from 2011-13	4.2	693	9,088
% Change from 2011-13	0.3%	1.2%	2.5%

Comments:

1. PILT Adjustment - Funding is provided to make payments-in-lieu of taxes (PILT) to counties at the 2009 payment level. (General Fund-State)

2. Shift HPA Pgm Exp to ALEA - Savings are achieved by transferring forty-nine percent of the program's General Fund-State expenditures to the Aquatic Lands Enhancement Account (ALEA). (General Fund-State, Aquatic Lands Enhancement Account-State)

3. Suspend Winter Elk Feeding - Funding is reduced to the winter elk feeding program. (General Fund-State)

4. Shift PS Toxic Sampling to STCA - Funding is shifted on an ongoing basis from General Fund-State to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)

5. Shift AIS and Ballast Wtr to ALEA - Funding is shifted on an ongoing basis from the General Fund-State to the Aquatic Lands Enhancement Account. (General Fund-State, Aquatic Lands Enhancement Account-State)

2013-15 Omnibus Operating Budget Dept of Fish and Wildlife

6. Shift Comm. Shellfish Mgmt to ALEA - Funding is shifted on an ongoing basis from General Fund-State to the Aquatic Lands Enhancement Account. (General Fund-State, Aquatic Lands Enhancement Account-State)

7. Shift Water Quality Lab to STCA - Funding for the water quality laboratory is shifted on an ongoing basis from General Fund-State to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)

8. Shift Hatchery NPDES to STCA - Funding is shifted on an ongoing basis from General Fund-State to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)

9. Shift GMA/SMA to STCA - Funding is shifted on an ongoing basis from General Fund-State to the Environmental Legacy Stewardship Account. (General Fund-State, Environmental Legacy Stewardship Account-State)

10. Shift Hatchery Expenses to ALEA - Funding for hatcheries is transferred on a one-time basis from General Fund-State to the Aquatic Lands Enhancement Account. (General Fund-State, Aquatic Lands Enhancement Account-State)

11. Wildlife Area Operations & Maint - Additional expenditure authority is provided for operation and maintenance of department lands. (General Fund-Federal, State Wildlife Account-State)

12. New WILD System - Funding is provided for the Washington Interactive Licensing Database (WILD). (State Wildlife Account-State)

13. Pt. Whitney Staff Relocation - Funding is provided on an ongoing basis for the department to relocate the Point Whitney shellfish facility in Brinnon. (State Wildlife Account-State)

14. Vancouver Region Office Relocation - Funding is provided for moving costs. (State Wildlife Account-State)

15. Reduce Deer & Elk Property Damage - Funding is provided for reducing deer and elk property damage. (State Wildlife Account-State)

16. Wolf Population Management - Funding is provided to implement wolf management activities from the increased sale of multi-season deer and elk hunting permits. Pursuant to Engrossed Second Substitute Senate Bill 5193 (Large Carnivore Conflict) an additional \$10 is added to the three special wildlife license plates that would provide revenue to implement wolf management activities. (State Wildlife Account-State)

17. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

18. Reduce GFS Approp to Exp level - General Fund-State appropriation level is reduced to reflect lower expenditures and vacancies. (General Fund-State)

19. Invasive Species Passport - Funding is provided to develop a passport system for local boaters to combat invasive species. (Aquatic Lands Enhancement - State)

20. Cowlitz River Chinook Production - Funding is provided as a match to secure local funding for increasing the fall Chinook salmon production on the Cowlitz River. (General Fund-State)

21. Clark Creek and Lakewood Hatchery - Funding is provided for the transfer of trout production from the Clarks Creek hatchery to the Lakewood hatchery and funding for salmon production at the Clarks Creek hatchery. (General Fund-State, State Wildlife)

2013-15 Omnibus Operating Budget
Puget Sound Partnership
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	42.2	4,526	18,130
2013-15 Maintenance Level	43.7	4,746	17,055
Policy Other Changes:			
1. Levee Vegetation Demonstration	0.3	0	635
2. Puget Sound Steelhead Recovery	0.8	0	778
3. Adaptive Management and Grant Admin	2.3	0	450
4. Administrative Efficiencies	-1.0	-100	-100
5. Reduce ALEA appropriation	0.0	0	-95
Policy -- Other Total	2.4	-100	1,668
Total Policy Changes	2.4	-100	1,668
Total 2013-15 Biennium	46.1	4,646	18,723
Difference from 2011-13	3.9	120	593
% Change from 2011-13	9.2%	2.7%	3.3%

Comments:

1. Levee Vegetation Demonstration - Funding is provided for two watershed-based demonstration projects. (Aquatic Lands Enhancement Account-State)

2. Puget Sound Steelhead Recovery - Funding is provided to coordinate a study of juvenile steelhead marine survival conducted by the state Department of Fish and Wildlife. (Aquatic Lands Enhancement Account-State)

3. Adaptive Management and Grant Admin - Additional federal expenditure authority is provided for monitoring and adaptive management process. (General Fund-Federal)

4. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

5. Reduce ALEA appropriation - Funding has been reduced to achieve savings. (Aquatic Lands Enhancement Account)

2013-15 Omnibus Operating Budget
Department of Natural Resources
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	1,381.7	66,716	365,487
2013-15 Maintenance Level	1,383.4	90,842	395,188
Policy Other Changes:			
1. Shift Forest Practices Expenditures	0.0	-4,764	0
2. Remove Derelict Vessel	1.3	0	2,000
3. Adaptive Mgmt for PS Recovery	0.0	0	1,850
4. Restore Aquatic Lands	1.3	0	1,320
5. Remove Creosote Piling	0.0	0	1,000
6. Remove Large Debris	0.5	0	824
7. Manage Aquatic Reserves	0.0	0	150
8. Eradicate Invasive Species	0.0	0	500
9. Investigate Outfalls on Aquatic Lds	0.0	0	250
10. Aquatic Lands Business Management	6.0	0	2,382
11. Aquatic Land Investigation/Cleanup	0.0	0	1,948
12. Protect Clean Water, Forests & Fish	0.6	0	739
13. Map Aggregate Resources	1.9	0	395
14. Administrative Efficiencies	0.0	-1,526	-1,526
15. Marine Spatial Planning	0.0	0	-500
16. Yakima Land Purchase	0.0	664	1,064
17. Research Ocean pH Balance	0.0	0	510
18. Trust Land Productivity and Revenue	6.4	0	8,373
Policy -- Other Total	18.0	-5,626	21,279
Total Policy Changes	18.0	-5,626	21,279
Total 2013-15 Biennium	1,401.4	85,216	416,467
Difference from 2011-13	19.7	18,500	50,980
% Change from 2011-13	1.4%	27.7%	14.0%

Comments:

1. Shift Forest Practices Expenditures - General Fund-State expenditures are shifted on a one-time basis. (General Fund-State, Aquatic Lands Enhancement Account-State, Environmental Legacy Stewardship Account-State)

2. Remove Derelict Vessel - Funding is provided to remove and dispose of derelict vessels. (Aquatic Lands Enhancement Account-State)

3. Adaptive Mgmt for PS Recovery - Funding is provided to establish an adaptive management program for Puget Sound and DNR's aquatic lands. (Resource Management Cost Account-State)

4. Restore Aquatic Lands - Funding is provided for planning and for restoration projects on state-owned aquatic lands. (Resource Management Cost Account-State)

5. Remove Creosote Piling - Funding is provided for the removal of pilings and creosote wood structures from Puget Sound, Hood Canal and other areas of the state. (Resource Management Cost Account-State)

6. Remove Large Debris - Funding is provided for the department to contract for the removal of large debris from state-owned aquatic lands. (Resource Management Cost Account-State)

2013-15 Omnibus Operating Budget Department of Natural Resources

- 7. Manage Aquatic Reserves** - Funding is provided to implement the management plans for each of the state's aquatic reserves. (Resource Management Cost Account-State)
- 8. Eradicate Invasive Species** - Funding is provided for the completion of cooperative weed management agreements. (Resource Management Cost Account-State)
- 9. Investigate Outfalls on Aquatic Lds** - Additional expenditure authority is provided to contract with other governmental entities or contractors to identify and recommend alternatives to decrease the amount of storm water deposited into the state's waters. (Resource Management Cost Account-State)
- 10. Aquatic Lands Business Management** - Increased expenditure authority is provided to address the backlog of expired leases and new applications. (Resource Management Cost Account-State)
- 11. Aquatic Land Investigation/Cleanup** - Funding is provided to pay for a portion of the costs to complete remedial investigation work at Whitmarsh Landfill (Fidalgo Bay) and Mill Site A (Everett). In addition, DNR is required by an existing hydraulic project approval permit to perform final-year maintenance of the Olympic View Triangle site in Commencement Bay. (Environmental Legacy Stewardship Account-State)
- 12. Protect Clean Water, Forests & Fish** - Funding is provided to complete Clean Water Act milestones and Adaptive Management Program research/monitoring projects. And to integrate hydraulic project approvals with the Forest Practices application as directed by state law. (Forest Practices Application Account-State, Forest and Fish Support Account-State)
- 13. Map Aggregate Resources** - Funding is provided to complete aggregate resource maps for Pierce, Lewis, and Thurston counties. (Surface Mining Reclamation Account-State)
- 14. Administrative Efficiencies** - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)
- 15. Marine Spatial Planning** - Funding is provided for marine spatial planning activities and efforts including mapping, ecological assessment, data tools, and stakeholder engagement. (Marine Resources Stewardship Account-State)
- 16. Yakima Land Purchase** - Funding is provided to assess the condition of the land, and perform weed management, road maintenance and other land management responsibilities associated with its Yakima land purchase. (General Fund-State, Nonhighway and Off-road Vehicle Account, Snowmobile Account)
- 17. Research Ocean pH Balance** - Funding is provided for collaboration efforts with the University of Washington and the Department of Ecology to assess the effects of ocean pH balance. (Environmental Legacy Stewardship Account)
- 18. Trust Land Productivity and Revenue** - Additional expenditure authority is provided for trust land management activities such as silviculture vegetation management, land survey, and research and monitoring. (Forest Development Account-State, Resource Management Cost Account-State)

2013-15 Omnibus Operating Budget
Department of Agriculture
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	755.4	29,974	149,794
2013-15 Maintenance Level	755.4	30,272	153,041
Policy Other Changes:			
1. Reduce Fair Fund Expenditures	0.0	0	-194
2. Administrative Efficiencies	0.0	-916	-916
3. Fund Small Farm & Marketing Assist	0.0	250	250
4. Animal Traceability Program	0.0	0	275
Policy -- Other Total	0.0	-666	-585
Total Policy Changes	0.0	-666	-585
Total 2013-15 Biennium	755.4	29,606	152,456
Difference from 2011-13	0.0	-368	2,662
% Change from 2011-13	0.0%	-1.2%	1.8%

Comments:

1. Reduce Fair Fund Expenditures - Funding is reduced to reflect the statutory level. (Fair Fund-Nonappropriated)

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public. (General Fund-State)

3. Fund Small Farm & Marketing Assist - Funding is provided for the Farm to School and the Small Farm and Direct Marketing Assistance Program. (General Fund-State)

4. Animal Traceability Program - Provides funding for the implementation of the animal disease traceability program. (Local Agriculture Fund- Non Appropriated)

2013-15 Omnibus Operating Budget
Employment Security Department
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	2,331.5	23	705,206
2013-15 Maintenance Level	2,317.5	16,006	678,857
Policy Other Changes:			
1. Family Leave Insurance Pgm	-19.6	-13,600	-13,600
2. Complete Next Generation Tax System	7.5	0	12,386
3. Modernize Call Center Technology	0.0	0	3,735
4. Evaluation of Training Benefits	0.0	0	182
5. State Data Center	0.0	-2,406	4
Policy -- Other Total	-12.1	-16,006	2,707
Total Policy Changes	-12.1	-16,006	2,707
Total 2013-15 Biennium	2,305.4	0	681,564
Difference from 2011-13	-26.2	-23	-23,642
% Change from 2011-13	-1.1%	-100.0%	-3.4%

Comments:

1. Family Leave Insurance Pgm - The Family Leave Insurance Program (Chapter 25, Laws of 2011, 1st Special Session), which would provide eligible employees with leave time and a weekly benefit while caring for a newborn or newly adopted child as of October 1, 2013, is suspended during the 2013-15 biennium.

2. Complete Next Generation Tax System - Federal expenditure authority is provided to complete the final phase of the Next Generation Tax System. This system will replace the current employer tax and payment system, the Tax Information System. Project completion is scheduled for December 2013, with the warranty period and final payment occurring in June 2014. (Unemployment Compensation Administration Account-Federal)

3. Modernize Call Center Technology - Federal expenditure authority is provided for the Department to purchase a commercial off-the-shelf system that will replace the telephone and computing systems used in claim centers. (Unemployment Compensation Administration Account-Federal)

4. Evaluation of Training Benefits - Funding is provided for costs associated with the second stage of the review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). The second stage will be conducted by the Joint Legislative Audit and Review Committee, and will consist of further work on the process study and net-impact/cost-benefit analysis components of the evaluation. (Employment Service Administrative Account-State).

5. State Data Center - Funding is provided for this agency's share of costs associated with the debt service for the State Data Center from dedicated accounts. (General Fund-State, Administrative Contingency Account-State, Employment Service Administrative Account-State)

2013-15 Omnibus Operating Budget
Community/Technical College System
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	14,584.7	1,144,958	2,399,034
2013-15 Maintenance Level	14,676.0	1,215,714	2,581,230
Policy Other Changes:			
1. Maintenance and Operations	0.0	443	443
2. Administrative Efficiencies	0.0	-11,622	-11,622
3. STEM or Career & Tech Ed	0.0	500	500
4. Higher Education Funding	0.0	35,853	35,853
5. Maritime Industries	0.0	510	510
6. Performance Funding	0.0	26,814	26,814
Policy -- Other Total	0.0	52,498	52,498
Policy Comp Changes:			
7. Initiative 732	0.0	-24,671	-30,561
Policy -- Comp Total	0.0	-24,671	-30,561
Total Policy Changes	0.0	27,827	21,937
Total 2013-15 Biennium	14,676.0	1,243,541	2,603,167
Difference from 2011-13	91.3	98,583	204,133
% Change from 2011-13	0.6%	8.6%	8.5%

Comments:

1. Maintenance and Operations - Funds are provided for maintenance and operations of facilities that will be available for occupancy in the 2013-15 biennium. These facilities include the Communications Technology Center (Bates Technical College), Health Science Building (Bellevue College), Health & Advanced Technology Building (Clark College), and Palmer Martin Building (Yakima Valley Community College).

2. Administrative Efficiencies - Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

3. STEM or Career & Tech Ed - One-time funding is provided to implement Second Substitute Senate Bill 5624 (STEM or career and tech ed), which requires the State Board for Community and Technical Colleges to develop and offer two programs that support the continuation of high-quality science, technology, engineering, and math or career and technical education programs offered to students in the K-12 system.

4. Higher Education Funding - Funding is provided to support the core academic functions at the community and technical colleges.

5. Maritime Industries - Funding is provided for South Seattle Community College to operate a center to provide training to students in a variety of maritime industrial sectors.

6. Performance Funding - Funding is provided for the Student Achievement Initiative.

2013-15 Omnibus Operating Budget Community/Technical College System

7. Initiative 732 - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, Various Other Funds)

2013-15 Omnibus Operating Budget
Sundry Claims
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	278	278
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	-278	-278
% Change from 2011-13	0.0%	-100.0%	-100.0%

Comments:

2013-15 Omnibus Operating Budget
State Employee Compensation Adjust
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
Policy Comp Changes:			
1. New Step M for Classified-Yr 1 Impl	0.0	16,943	43,005
2. New Step M for Classified-Yr 2 Impl	0.0	18,252	19,933
3. State Employee Health Insurance	0.0	-16,637	-33,274
4. Retirement Savings Plan Option	0.0	-2,300	-2,300
5. PEBB eligibility - align w/ ACA	0.0	-40,200	-80,400
6. K12 eligibility - align w/ ACA	0.0	-87,000	-87,000
7. Reduce explicit Medicare subsidy	0.0	-15,000	-21,600
8. Wellness - smoker surcharge	0.0	-2,346	-4,692
Policy -- Comp Total	0.0	-128,288	-166,328
Total Policy Changes	0.0	-128,288	-166,328
Total 2013-15 Biennium	0.0	-128,288	-166,328
Difference from 2011-13	0.0	-128,288	-166,328
% Change from 2011-13	0.0%	0.0%	0.0%

Comments:

1. New Step M for Classified-Yr 1 Impl - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during Fiscal Year 2014. Funding is also included to continue that pay increase for only those employees through Fiscal Year 2015. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund - State, Other Funds)

2. New Step M for Classified-Yr 2 Impl - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during Fiscal Year 2014. The increase would affect those who reach six years at the current top step during Fiscal Year 2015 and were not yet eligible for the increase during Fiscal Year 2014.

3. State Employee Health Insurance - Funding for state employee health insurance is decreased from \$800/month per employee to \$782/month in the first fiscal year and \$791/month in the second fiscal year to reflect favorable claims experience. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

4. Retirement Savings Plan Option - School districts and state agencies will pay less in employer retirement contributions with the addition of a new defined contribution retirement plan option as provided in SSB 5851 (defined contribution retirement plan).

5. PEBB eligibility - align w/ ACA - Eligibility criteria for PEBB health insurance coverage for state agency and higher education part-time employees is modified to align with the Affordable Care Act employer shared responsibility standard - 30 hours/week. (S-2260/13) \$11.7 million of the \$51.8 million general fund-state savings, and \$14.6 million of the \$63.4 million other funds savings are allocated to reimburse health insurance premium costs for part-time employees who work between .5 FTE and .75 FTE and who purchase coverage from the Washington Health Benefit Exchange. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account; Health Benefit Exchange Reimbursement Revolving Account)

6. K12 eligibility - align w/ ACA - Allocations for health insurance benefits for school district and education service district part-time employees are reduced to reflect the Affordable Care Act employer shared responsibility standard - 30 hours/week. The anticipated savings from the eligibility change are reduced by \$33.2 million to provide funds for school districts to reimburse health insurance premium costs for part-time classified employees who purchase coverage from the Washington Health Benefit Exchange.

2013-15 Omnibus Operating Budget State Employee Compensation Adjust

7. Reduce explicit Medicare subsidy - Reflects savings to school districts and the state from reducing the PEBB premium rate subsidies provided for certain retirees covered by Medicare. PEBB Medicare retirees will continue to receive a \$150 monthly subsidy if they have at least twenty years of service and a monthly retirement allowance that does not exceed eighty dollars per year of retirement service credit (\$2400 for 30 years service). All other Medicare retirees will receive a \$100 monthly subsidy for calendar year 2014, and a \$110 monthly subsidy for calendar year 2015. The PEBB employer monthly contribution rate is reduced by \$3 for state agency and higher education employers in FY 2014 and by \$6 for FY 2015. The K-12 retiree remittance payment is reduced by \$5 for the 2013-14 school year and \$4 for the 2014-15 school year. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

8. Wellness - smoker surcharge - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning January 1, 2014, for persons not subject to collective bargaining agreements, and July 1, 2014 for other persons. (General Fund - State; Special Insurance Contribution Adjustment Revolving Account)

2013-15 Omnibus Operating Budget
Contributions to Retirement Systems
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	129,476	129,476
2013-15 Maintenance Level	0.0	144,400	144,400
Policy Comp Changes:			
1. Pension adjustments, nonrate	0.0	-2,900	-2,900
Policy -- Comp Total	0.0	-2,900	-2,900
Total Policy Changes	0.0	-2,900	-2,900
Total 2013-15 Biennium	0.0	141,500	141,500
Difference from 2011-13	0.0	12,024	12,024
% Change from 2011-13	0.0%	9.3%	9.3%

Comments:

1. Pension adjustments, nonrate - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

2013-15 Omnibus Operating Budget
Contributions to Retirement Systems
Law Enforce Officers Retire System
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	111,276	111,276
2013-15 Maintenance Level	0.0	122,300	122,300
Policy Comp Changes:			
1. Pension adjustments, nonrate	0.0	-2,000	-2,000
Policy -- Comp Total	0.0	-2,000	-2,000
Total Policy Changes	0.0	-2,000	-2,000
Total 2013-15 Biennium	0.0	120,300	120,300
Difference from 2011-13	0.0	9,024	9,024
% Change from 2011-13	0.0%	8.1%	8.1%

Comments:

1. Pension adjustments, nonrate - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

2013-15 Omnibus Operating Budget
Contributions to Retirement Systems
Judicial Retirement System
 (Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	18,200	18,200
2013-15 Maintenance Level	0.0	22,100	22,100
Policy Comp Changes:			
1. Pension adjustments, nonrate	0.0	-900	-900
Policy -- Comp Total	0.0	-900	-900
Total Policy Changes	0.0	-900	-900
Total 2013-15 Biennium	0.0	21,200	21,200
Difference from 2011-13	0.0	3,000	3,000
% Change from 2011-13	0.0%	16.5%	16.5%

Comments:

1. Pension adjustments, nonrate - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

2013-15 Omnibus Operating Budget
Other Legislation
(Dollars in Thousands)

	FTEs	Passed Senate NGF-P	Total
2011-13 Estimated Expenditures	0.0	-3,850	-3,846
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	3,850	3,846
% Change from 2011-13	0.0%	-100.0%	-100.0%

Comments: