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# Conference Report

for

# ESSB 6032

(H-5179.2)

# Summary

March 7, 2018

Office of Program Research

# Summary

## Context

In June 2017, the Legislature adopted a biennial operating budget for the 2017-19 biennium. The enacted biennial budget appropriates \$43.7 billion from the General Fund-State (GF-S), Education Legacy Trust Account, and Opportunity Pathways accounts (NGF-P). Of this amount, \$42.7 billion is General Fund-State. Total budgeted funds, which includes NGF-P, various higher education funds, numerous state dedicated funds, and federal funds, are \$88.3 billion.

Since the enactment of the 2017-19 biennial operating budget, forecasted NGF-P revenue for 2017-19 biennium has increased by \$1.2 billion. Of this amount, \$711 million was estimated to be deposited in the Budget Stabilization Account (BSA), primarily as extraordinary revenue growth. After accounting for larger than anticipated reversions in fiscal year 2017, along with prior period and other accounting adjustments, the Legislature has approximately \$1 billion in additional NGF-P resources available for the 2018 supplemental operating budget.

## Proposed Conference Report for ESSB 6032

The ESSB 6032 Conference Report, which is the proposed 2018 supplemental operating budget, makes changes to the enacted 2017-19 biennial budget. These supplemental changes increase NGF-P appropriations for the 2017-19 biennium by a net of \$941 million, for total NGF-P for 2017-19 of \$44.6 billion. The proposal would increase total budgeted funds a net \$756 million to \$89.0 billion in total.

Maintenance level adjustments are made that result in a reduction of \$146 million in spending (mostly technical adjustments to caseloads and per capita costs in entitlement programs). Net policy spending increases by a net of \$1.1 billion.

In addition, \$105.2 million is appropriated from the newly created Dedicated McCleary Penalty Account (DMPA) for K-12 public schools; the amount of the accrued *McCleary* fines is deposited into this account from the state general fund and is appropriated for new basic education expenditures. NGF-P + DMPA 2017-19 policy level changes net to \$1.2 billion.

Following is a summary of larger NGF-P + DMPA policy level items making supplemental changes to the 2017-19 biennial budget. All figures are 2017-19 and exclude 2019-21 impacts; see the items groupings report later in this document for more detail, including the 4-year outlook totals. Figures in the agency detail document and the items groupings document include NGF-P + DMPA appropriations and total budgeted amounts.

- K-12 Public Schools
  - \$776.4 million for K-12 salary allocations.
  - \$28.7 million for the School Employees Benefits Board (SEBB) creation and administration.
  - \$26.9 million for special education (NGF-P + Dedicated McCleary Penalty Account).
  - \$4.4 million for experience and regionalization adjustments. (NGF-P + Dedicated McCleary Penalty Account).
  - \$27 million savings for delaying the implementation of professional learning days.

- Higher Education
  - \$18.5 million to reduce the waiting list in the State Need Grant program.
  - \$9 million to temporarily increase the GF-S portion and decrease the tuition portion of central services and compensation costs at the University of Washington.
  - \$4.3 million for the Opportunity Scholarship state match.
  
- Children and Family Services
  - \$4.2 million for Behavioral Rehabilitation Services (BRS) rate changes.
  - \$3.0 million for additional implementation costs for the new Department of Children, Youth, and Families.
  
- Health Care
  - \$30 million to offset Healthier Washington savings assumptions for fiscal year 2018 that have not materialized as projected.
  - \$11 million to offset pharmacy savings assumptions that have not materialized as projected.
  - \$5.8 million for pediatric primary care rate increases.
  - \$72.9 million in savings from using additional marijuana revenue for low-income health care.
  
- Behavioral Health
  - \$50.5 million for various state hospital items.
  - \$46.4 million for *Trueblood* lawsuit fines.
  - \$23.1 million for Behavior Health Organizations service enhancements.
  - \$15.5 million to address the loss of federal participation due to recent federal regulations related to Institutions of Mental Disease (IMDs).
  - \$14.5 million for crisis services reserve funds.
  - \$11.2 million is for forensic related increases.
  - \$4.2 million for opioid related items.
  - \$9.2 million in savings from a recent agreement with the court to open beds at Western State Hospital rather than contracting for beds in Yakima.
  
- Other Health and Human Services
  - \$9.0 million for TANF, State Family Assistance, and Refugee Cash Assistance grant increases.
  - \$7.8 million for RHC Medicaid compliance.
  - \$6.1 million for various programs at the Department of Veteran's Affairs.
  - \$4.7 million savings from less expensive drugs to treat Hepatitis C in Department of Corrections facilities.
  
- Natural Resources
  - \$28.2 million for wildfires and related items.
  - \$2.4 million for watershed planning and restoration related to water availability.

- Other Policy Items
  - \$21.5 million for debt service on new capital projects.
  - \$8 million for lease related costs.
  - \$8.8 million for the IT pool and other IT related costs.
  - \$7.8 million for the Business Licensing Account backfill.
  - \$7.0 million for judicial items.
  - \$4 million for the Andy Hill Cancer Research Endowment.
  - \$3.7 for other IT and related costs.
  - \$2.8 million for public disclosure legislation.

The ESSB 6032 Conference Report (and related balance sheet assumptions) leaves projected ending balances for the 2017-19 biennium of \$1.2 billion in the NGF-S + Opportunity Pathways accounts and \$1.1 billion in the Budget Stabilization Account.

## **Revenue Legislation Affecting the Balance Sheet and Outlook**

### State Property Tax Rate Reduction and Deposit of Revenues into the Education Legacy Trust Account

SSB 6614 reduces the state property tax rate for calendar year 2019. The current combined state rate of \$2.70/\$1,000 of assessed value is lowered to \$2.40/\$1,000 of assessed value for taxes collected in calendar year 2019. This results in a reduction of state general fund revenues of \$206 million in Fiscal Year (FY) 2019 and \$184 million in FY 2020 (\$390 million in total).

The legislation also redirects a portion of the additional state property tax enacted in EHB 2242 in 2017 for support of K-12 public schools from the state General Fund (GF-S) to the Education Legacy Trust Account in FY 2019 only. This results in an estimated reduction in general state revenues for FY 2019 of approximately \$935 million.

The reduction in general state revenues has the effect of lowering by approximately \$700 million the amount of extraordinary revenue which otherwise would have been transferred to the Budget Stabilization Account in the biennium. That amount is not transferred, instead remains in the state general fund, and is then subsequently reduced by the lowering of the state property tax rate.

### Affordable and Supportive Housing

House Bill 2437 would allow counties to impose a local sales tax that would be fully credited against the state sales tax (and thus would not change the overall sales tax rate).

### Other

The fiscal impact of other legislation impacting revenues is shown in the budget outlook and various supporting materials.

## **Budget Outlook**

The NGF-S + Opportunity Pathways ending fund balance for the 2019-21 is projected to be \$103 million based on the provisions of Chapter 8, Laws of 2012, and guidelines previously adopted by the Economic and Revenue Forecast Council. The Budget Stabilization Account ending balance for the 2019-21 biennium is projected to be \$1.7 billion.

# Additional Information

## **Additional Information Regarding The Conference Report on ESSB 6032**

This information is provided in explanation of the Conference Report on ESSB 6032. The proposed conference report is the 2018 supplemental operating budget making supplemental changes to the 2017-19 biennial budget.

The bill and a complete set of materials produced by the House Office of Program Research (OPR) are available at [http://leap.leg.wa.gov/leap/archives/index\\_budgetsp.asp](http://leap.leg.wa.gov/leap/archives/index_budgetsp.asp) (under Operating Budget/House). Additional materials include:

- Agency detail showing line item policy changes by agency (and program level in selected areas such the Department of Social and Health Services and K-12 Public Schools);
- A detailed four-year budget outlook; and
- Supporting schedules referenced in the budget.

Budget figures typically show both total budgeted funds and a combination of the General Fund-State (GF-S) plus certain related accounts. The combination includes the following accounts: GF-S, Education Legacy Trust Account (ELTA), Opportunity Pathways Account, Pension Funding Stabilization Account and the newly created Dedicated Basic Education Account. In this document, that also includes the Dedicated McCleary Penalty Account.

## **Additional Information About This Summary Document**

This summary document was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This summary document is not a part of the legislation nor does it constitute a statement of legislative intent.

This summary document includes:

- A brief summary;
- Descriptions of selected items (a complete listing of all policy items is included as part of the agency detail document);
- A summary grouping of expenditures by major category; and
- The four-year budget outlook.

Note: It is possible for similar items to be summarized in slightly different ways. For example, the agency detail document lists items on an agency-by-agency basis. This summary document may total the same item from multiple agencies into a single description. It also may summarize multiple similar items into a single description. For that reason, it is possible that budget items might be grouped differently, even within a single document.

**2018 Supplemental  
Conference Report To ESSB 6032**  
(Dollars In Thousands)

	2017-19		4-Yr Total
	NGF-P*	Total	NGF-P*
<b>Employee Compensation</b>			
All Other Increases	300	867	1,100
Paid Family Leave--Employer Premium	1,019	2,850	3,057
PEBB Rate Change	-22,385	-50,738	-67,155
PERS & TRS Plan 1 Benefit Increases	9,649	11,028	25,953
PSERS Membership Changes	2,900	1,255	8,700
<b>Employee Compensation Total</b>	<b>-8,517</b>	<b>-34,738</b>	<b>-28,345</b>
<b>K-12 Education</b>			
All Other Increases	6,987	6,633	12,311
Dual Language Educator	1,000	1,000	3,000
Experience and Regionalization*	4,393	4,393	50,939
K-12 Salary Allocations*	776,363	776,363	970,362
Professional Learning Day Delay	-27,120	-27,120	-102,911
Retiree Remittance	3,805	3,805	4,755
Science Standards Pro Learning	4,000	4,000	8,000
SEBB Creation & Admin	28,730	50,619	28,730
SEBB Rate	0	0	-92,046
Special Education*	26,917	26,917	97,229
<b>K-12 Education Total</b>	<b>825,075</b>	<b>846,610</b>	<b>980,369</b>
<b>Higher Education Institutions</b>			
All Other Increases	5,647	8,537	12,211
WWU: Marine Sciences	1,306	1,306	3,921
UW: Increase GFS Share of Comp Items	9,000	0	9,000
UW: Computer Sci Enrollment	3,000	3,000	9,006
WSU: Energy Related	1,850	1,872	3,754
<b>Higher Education Institutions Total</b>	<b>20,803</b>	<b>14,715</b>	<b>37,892</b>
<b>Higher Education Financial Aid</b>			
All Other Increases	3,105	3,661	6,428
Opportunity Scholarship State Match	4,336	4,336	4,336
State Need Grant	18,500	18,500	116,095
<b>Higher Education Financial Aid Total</b>	<b>25,941</b>	<b>26,497</b>	<b>126,859</b>
<b>Early Learning &amp; Child Care</b>			
All Other Increases	1,277	951	1,419
ECLIPSE Program	2,152	2,152	2,152
Home Visiting	2,449	4,748	7,055
Homeless Child Care	0	1,610	0
<b>Early Learning &amp; Child Care Total</b>	<b>5,878</b>	<b>9,461</b>	<b>10,627</b>
<b>Children &amp; Family Services</b>			
All Other Increases	1,728	2,468	3,487
Behavioral Rehabilitation Services	4,236	6,343	10,534
DCYF Implementation	2,984	3,229	4,771

**2018 Supplemental  
Conference Report To ESSB 6032**

(Dollars In Thousands)

	2017-19		4-Yr Total
	NGF-P*	Total	NGF-P*
Emergent Placement Contracts	1,506	1,506	3,233
Homelessness: Increases	559	559	1,444
Performance-Based Contracts	533	533	3,778
<b>Children &amp; Family Services Total</b>	<b>11,546</b>	<b>14,638</b>	<b>27,246</b>
<b>Health Care</b>			
All Other Increases	4,181	13,921	5,653
COFA Premium Payment Program	1,323	1,323	4,779
Communicable Diseases	3,000	3,000	3,000
Delay in APD Approval	2,957	0	2,957
Health Homes	-1,824	-154	-2,974
Healthier WA Savings Restoration	30,180	67,692	30,180
Hearing Aids	358	1,481	1,941
Low Income Health Care/I-502	-72,894	0	-106,807
Medicaid Transformation Waiver	0	-22,262	0
Other IT & Related	2,063	11,072	4,862
Pediatric Primary Care Rate	5,825	13,844	19,205
Pharmacy Savings Restoration	11,472	39,112	11,472
Post-Eligibility Review Backlog	-485	-6,082	-655
Sole Community Hospital	1,400	5,300	1,400
<b>Health Care Total</b>	<b>-12,444</b>	<b>128,247</b>	<b>-24,987</b>
<b>Behavioral Health</b>			
All Other Increases	5,566	6,067	13,145
Assisted Outpatient BH	437	1,041	2,188
BH - Integration Transfer	1,520	2,197	1,667
BHO Enhancements	23,090	69,312	72,163
Contracted Forensic Beds	-9,180	-9,180	-14,156
Crisis Services Reserve Funds	14,500	14,500	14,500
Forensic Related Increases	11,229	11,229	34,541
IMD Waiver	15,480	15,480	35,458
Opioid Related Items	4,246	19,876	16,078
State Hospital Related Items	50,468	50,687	77,831
Trueblood Lawsuit Fines	46,401	46,401	46,401
Youth Long Term Inpatient Access	2,000	4,000	6,251
<b>Behavioral Health Total</b>	<b>165,757</b>	<b>231,610</b>	<b>306,066</b>
<b>Long Term Care &amp; DD</b>			
All Other Increases	2,525	7,668	6,830
Cures Act/Visit Verification	2,498	3,000	2,498
Individual Provider Management	1,293	3,283	14,456
Personal Needs Allowance Increase	728	1,475	3,812
RHC Medicaid Compliance	7,784	15,568	15,341
SOLA Community Options	1,362	2,723	2,586
Supported Living/Fee Incr	-1,130	5,104	-3,532
<b>Long Term Care &amp; DD Total</b>	<b>15,060</b>	<b>38,821</b>	<b>41,991</b>

**2018 Supplemental  
Conference Report To ESSB 6032**

(Dollars In Thousands)

	2017-19		4-Yr Total
	NGF-P*	Total	NGF-P*
<b><i>Corrections and Other Criminal Justice</i></b>			
All Other Increases	4,211	5,344	6,950
CD Rate Increase	2,908	2,908	8,863
Crime Victims Program	1,681	1,681	7,817
Criminal Justice Training Commission	604	1,175	604
Drug Enforcement Task Force	0	2,803	0
Eliminate Drug Grid Sunset	-637	-637	-4,118
Hepatitis C Treatment	-4,659	-4,659	-10,683
JRA Related Increases	796	796	2,064
Non-Deadly Force Training	907	907	2,724
Office of the Corrections Ombuds	1,528	1,600	4,383
Sexual Assault Exam Kits	500	3,500	1,502
Work Release: Maximize Capacity	975	975	2,906
<b><i>Corrections and Other Criminal Justice Total</i></b>	<b>8,814</b>	<b>16,393</b>	<b>23,011</b>
<b><i>Other Human Services</i></b>			
All Other Increases	300	14,873	480
Department of Veterans' Affairs	6,117	-383	5,350
ESAR Architectural Development	1,820	11,636	3,616
Homeless Housing and Assistance	0	5,869	0
Reallocation to Other WF Services	1,216	1,216	2,430
Reduction to WF Partner Contracts	-7,240	-7,240	-14,865
Resource Limit	438	438	9,394
TANF, SFA, RA Grant Increase	8,975	9,058	27,249
<b><i>Other Human Services Total</i></b>	<b>11,626</b>	<b>35,467</b>	<b>33,653</b>
<b><i>Natural Resources</i></b>			
All Other Increases	6,777	30,994	12,866
All Other Savings	0	-7,730	0
Litter Fund Transfer Adjustment	1,000	0	1,000
Orca Related Items	1,500	1,500	4,123
Water Availability	2,497	4,616	15,975
Wildfires & Related Items	28,202	114,079	28,270
<b><i>Natural Resources Total</i></b>	<b>39,976</b>	<b>143,459</b>	<b>62,234</b>
<b><i>All Other Policy Changes</i></b>			
ADO Fund Shift	2,960	0	2,960
All Other Increases	19,176	25,066	31,677
Andy Hill Cancer Research Endowment	4,000	4,000	4,000
Business Licensing Account Backfill	7,790	0	16,558
Central Services	3,984	10,847	10,048
Debt Service on New Projects	21,532	21,532	128,406
Information Technology Pool	6,000	7,319	6,000
Judicial Increases	7,010	9,665	13,191
Judicial Stabilization Trust Acct	1,600	1,600	1,600



**2018 Supplemental  
Conference Report To ESSB 6032**

(Dollars In Thousands)

	2017-19		4-Yr Total
	NGF-P*	Total	NGF-P*
Lease Cost Pool	0	0	7,213
Legal Support/Community Safety	1,000	1,000	3,004
Local Public Safety Account	0	0	-50,000
Other Economic Development	736	4,736	2,211
Other IT & Related	2,774	16,390	3,939
State Agency Public Records Legislation (2017)	2,817	3,478	4,369
Revenue Legislation	503	503	503
Rural & Small Business Assistance	1,070	1,070	3,214
<b><i>All Other Policy Changes Total</i></b>	<b>82,952</b>	<b>107,206</b>	<b>188,892</b>
<b>Grand Total</b>	<b><u>1,192,467</u></b>	<b><u>1,578,386</u></b>	<b><u>1,785,507</u></b>

\* All figures include funding from the newly created Dedicated McCleary Penalty Account.

# Summary of Selected Larger Items

Amounts are 2017-19 totals unless otherwise noted.  
See agency detail for all policy changes by agency.

## K-12 Public Schools

**K-12 Salary Allocations: \$775.8 million NGF-P + Dedicated McCleary Penalty Account; \$775.8 million Total Funds; \$969.8 million 4-year NGF-P + Dedicated McCleary Penalty Account total**

Funding is provided to reach the full funding of state salary allocations provided in Engrossed House Bill 2242 (2017) in the 2018-19 school year.

**Special Education Multiplier: \$26.9 million NGF-P + Dedicated McCleary Penalty Account; \$26.9 million Total Funds; \$97.2 million 4-year NGF-P + Dedicated McCleary Penalty Account total**

Funding is provided to increase allocations to districts for special education enrollment. The funding reflects an increase in the special education excess costs multiplier from 0.9309 to 0.9609.

**Experience and Regionalization Factor Adjustments: \$4.4 million NGF-P + Dedicated McCleary Penalty Account; \$4.4 million Total Funds; \$50.9 million 4-year NGF-P + Dedicated McCleary Penalty Account total**

Funding is provided for a 6 percent regionalization adjustment for school salaries in districts west of the crest of the Cascade Mountains sharing a boundary with another district with a regionalization factor greater than one tercile higher. Additionally, funding is provided for a 4 percent experience factor adjustment for school districts with median experience for certificated instructional staff (CIS) above the statewide average CIS experience, and a ratio of CIS advanced degrees to bachelor degrees above the statewide ratio, beginning in the 2019-20 school year.

**School Employees' Benefits Board Implementation: \$28.7 million General Fund-State**

In addition to the \$8.0 million provided in the 2017-19 biennial operating budget, funding is added for implementation of the School Employees' Benefit Board (SEBB) program by the Health Care Authority. Funds are provided from the General Fund-State, including funds replacing the \$8.0 million Health Care Authority Administrative Fund provided in the 2017-19 biennial operating budget. The General Fund-State will be repaid from the SEBB program during the 2019-21 fiscal biennium. Interest will also be paid on the funds following the initiation of health and insurance benefit provision by the SEBB program after January 1, 2020.

**Dedicated McCleary Penalty Account: \$105.2 million Total Funds**

Amounts equal to the monetary sanctions ordered under *McCleary v. State* as of June 30, 2018, are transferred from General Fund-State to the newly created Dedicated McCleary Penalty Account. For fiscal year 2019, funds are appropriated from the account for basic education enhancements to the special education multiplier, adjustments to the regionalization factors for school salaries, and K-12 Salary Allocations.

**School Employees' Benefits Board Rate: -\$92 million 4-year NGF-P total**

The projected monthly employer funding rate for insurance benefits under the SEBB beginning in 2020 is lowered to \$916 (from \$957) equal to the adjustment made to the Public Employees Benefits Board (PEBB) funding rate.

**Professional Learning Day Delay: -\$102.9 million 4-year NGF-P total**

The start of the three-year phase-in of three professional learning days is delayed one year so that the first year of funding will begin in the 2019-20 school year.

## **Higher Education**

**State Need Grant: \$18.5 million NGF-P; \$116.1 million NGF-P 4-year total**

Funding is provided to reduce the waiting list of the State Need Grant (SNG), a need-based financial aid program, by a quarter in fiscal year 2019. This is approximately 4,600 students. In the budget outlook, additional funding is assumed in the 2019-21 biennium to reduce the waiting list by half in fiscal year 2020, and by three-quarters in fiscal year 2021. The Legislature intends to eliminate the SNG waiting list in fiscal year 2022.

**University of Washington Compensation: \$9 million NGF-P; -\$9 million Total Funds**

One-time funding is provided in the 2017-19 biennium to temporarily support a portion of central services and salaries and benefits costs with General Fund-State instead of tuition.

**Washington State Opportunity Scholarship: \$4.3 million NGF-P; \$4.3 million NGF-P 4-year total**

Funding is provided to match private contributions to the Washington State Opportunity Scholarship (WSOS), a public-private partnership. The WSOS program provides scholarships to low- and middle-income students who have received their high school diploma or GED in Washington and are pursuing a four-year degree in science, math, technology, engineering, or health care.

**New and Expanded Financial Aid Programs: \$1.46 million NGF-P; \$3.5 million NGF-P 4-year total**

Funding is provided to both expand and create new financial aid programs for students in higher education. House Bill 1452 (\$500,000) expands the WSOS program to students pursuing a two-year certificate or degree. The outlook includes funding for anticipated state match requirements related to Engrossed Second Substitute House Bill 2177, which creates the Rural Jobs Program administered by the WSOS Board. Additional funding is provided for expansion of the Passport to College Promise Program related to Second Substitute Senate Bill 6274 (\$559,000), which expands the program's eligibility and creates the Passport to Apprenticeship Program. Funding is provided for the administration of the Medical Student Loan Program, as created by Engrossed Second Substitute House Bill 2143 (\$363,000).

**Computer Science Enrollments: \$3.0 million NGF-P; \$9.0 million NGF-P 4-year total**

Funding is provided to increase enrollments in computer science degree programs at the University of Washington Seattle campus.

**Gold Star Family Stipends: \$750,000 NGF-S; \$2.3 million NGF-P 4-year total**

Funding is provided to all public institutions of higher education for Engrossed Second Substitute House Bill 2009, which provides annual textbook stipends for children and spouses receiving a tuition waiver because their parent or spouse died, became totally disabled, or is considered a prisoner of war or missing in action due to active military service.

**New Programs at Western Washington University: \$2.0 million NGF-P; \$6.0 million NGF-P 4-year total**

Funding is provided to Western Washington University to create and implement two new undergraduate degree programs: early childhood education at the Western on the Peninsulas campus, in collaboration with Olympic College (\$700,000), and integrated marine and coastal sciences (\$1.3 million).

**New and Expanded Community and Technical College Programs: \$1.24 million NGF-P; \$2.94 million NGF-P 4-year total**

Funding is provided to the State Board of Community and Technical Colleges to expand or newly implement three education programs. Highline College, in collaboration with University of Washington Tacoma, and the City of Federal Way, will create and implement the Federal Way Education Initiative (\$500,000). Peninsula College will expand enrollment in existing health care workforce development programs (\$437,000). A pilot project will continue to study the feasibility of establishing a new community college in the Graham area (\$300,000).

**Early Learning and Child Care**

**Home Visiting: \$2.3 million NGF-P; \$6.9 million 4-year NGF-P 4-year total**

General Fund-State funding is deposited into the Home Visiting Services Account in order to expand the Home Visiting program to serve approximately 275 additional families and to equalize rates paid to providers beginning in fiscal year 2019.

**Homeless Child Care: \$1.6 million Total Funds**

Available federal resources are utilized to provide a four-month grace period for homeless families to provide documentation of eligibility for the Working Connections Child Care (WCCC) program.

**Medical Assistance**

**Savings restorations: \$41.7 million NGF-P; \$106.8 million Total Funds; \$41.7 million 4-year NGF-P (4 year total)**

Funding is provided to restore savings previously included in the 2017-19 operating budget that are not expected to be achieved in the timeframes or at the levels previously assumed. This includes: \$30.1 million NGF-P for Healthier Washington savings assumed from the integration of physical and behavioral health care; and \$11.5 million NGF-P for savings assumed from the implementation of a single Medicaid preferred drug list.

**Pediatric Primary Care Rates: \$5.8 million NGF-P; \$13.8 million Total Funds; \$19.2 million 4-year NGF-P total**

Funding is provided to increase pediatric primary care rates up to the amount appropriated for the same set of evaluation, management, and vaccine administration codes that were affected by the temporary rate increase included in the Patient Protection and Affordable Care Act.

**Sole Community Hospital Rate Increase: \$1.4 million NGF-P; \$5.3 million Total Funds; \$1.4 million 4 year NGF-P total**

One-time funding is provided to increase rates paid to rural hospitals that were certified by the centers for Medicare and Medicaid service as sole community hospitals as of January 1, 2013, with less than 150 acute care licensed beds in fiscal year 2011 to 150 percent of the hospitals fee-for-service Medicaid rates.

**Adult Hearing Aid Benefit: \$358,000 NGF-P; \$1.5 million Total Funds; \$1.9 million 4- year NGF-P total**

Funding is provided to restore the hearing aid benefit for Medicaid-eligible adults beginning January 1, 2019.

**Pacific Islander Premium Assistance Program: \$1.0 million NGF-P; \$4.5 million 4-year NGF-P total**

Funding is provided for premium payments and cost sharing for health care insurance purchased through the Health Benefit Exchange (HBE) for Pacific Islanders who meet the requirements of the premium assistance payment program established in Substitute Senate Bill 5683 (Pacific Islander health care). One-time funding is also provided for the HBE and the Department of Social and Health Services to make systems changes needed to implement Substitute Senate Bill 5683.

## **Behavioral Health**

**Community Behavioral Health Investments: \$40.3 million NGF-P; \$90.4 million Total Funds; \$99.8 million 4-year NGF-P total**

Funding is provided for a variety of enhancements to community behavioral health treatment services. This includes funding for increased Medicaid rates and non-Medicaid funding for behavioral health organizations. A one-time appropriation is made for developing a reserve for new Administrative Services Organizations that will be responsible for administering crisis and non-Medicaid services in regions transitioning to fully integrated managed care during the biennium. Funding is also provided to train and certify individuals with substance use disorders to become peer service specialists and for an increase in the rates for community long-term inpatient beds which serve children and youth.

**Institutions of Mental Diseases: \$15.5 million NGF-P; \$35.5 million 4-year NGF-P total**

Funding is provided to offset the loss of federal revenue resulting from changes in federal regulations for services provided in facilities classified as Institutions of Mental Diseases. These amounts reflect the most current estimates on the incremental cost of offsetting lost federal dollars as a result of the current federal policy.

**State Hospital Staffing & Federal Compliance: \$49.0 million NGF-P; \$74.9 million 4-year NGF-P total**

Funding is provided for increased staffing and other costs addressing quality of care and patient safety issues at the state hospitals. This includes funding for Western State Hospital to implement a plan of corrections which is required in order to maintain federal funding at the facility. Funding is also provided for the state hospitals to develop and implement an acuity-based staffing tool and to develop a hospital-wide staffing model.

**Forensic Mental Health Services: \$48.5 million NGF-P; \$66.8 million 4-year NGF-P total**

Funding is provided to continue the expansion of competency evaluation and treatment services for individuals with mental disorders involved with the criminal justice system. This includes funding for an increase of 45 beds at Western State Hospital and additional resources for conducting jail-based competency evaluations. Funding is also provided in fiscal year 2018 for penalties incurred for failure to meet federal court ordered timelines for competency evaluation and treatment services. The costs are partially offset from savings resulting from removal of funds that had previously been provided for opening 24 additional beds in a contracted facility in Yakima.

**Opioid Response**

**\$4.3 million NGF-P; \$19.8 million Total Funds; \$16.1 million 4-year NGF-P total**

Funding is provided to the Department of Social and Health Services, Department of Health, Health Care Authority, and Department of Corrections (DOC) in response to the increase in Opioid related cases and deaths. This includes:

**Department of Social and Human Services: \$2.7 million NGF-P; \$11.8 million Total Funds; \$8.2 million 4-year NGF-P total**

Funding is provided to: (1) expand hub and spoke treatment networks; (2) increase naloxone distribution; (3) provide grants to tribes to reduce opioid use; (4) expand case management services for pregnant and parenting women with substance use disorders; (5) develop and implement a capacity tracking tool for medication assisted treatment (MAT) providers; (6) implement efforts to encourage individuals to return used prescription drugs to designated safe disposal sites; and (7) maintain youth alcohol, marijuana and opioid prevention services previously funded with a federal grant.

**Department of Health: \$300,000 NGF-P; \$1.0 million 4-year NGF-P total**

Funding is provided for the Department of Health to establish a statewide electronic emergency medical services data system for licensed ambulances and aid services to report and furnish patient encounter data, for the distribution of healthcare supplies through hub and spoke programs, and for knowledge-based identity verification and additional staffing support for the Prescription Monitoring Program.

**Health Care Authority: \$1.2 million NGF-P; \$6.2 million Total Funds; \$3.8 million 4-year NGF-P total**

Funding is provided to increase the MAT rate for opioid use disorder to match the Medicare rate to encourage more providers to treat patients with opioid use disorder.

**Department of Corrections: \$211,000 NGF-P; \$549,000 4-year NGF-P total**

Funding is provided to supply naloxone toolkits to the DOC community, reentry, prisons, and health services divisions, and for MAT for offenders with opioid use disorders released from prison.

## **Economic Services Administration**

### **Temporary Assistance to Needy Families (TANF), State Family Assistance (SFA), and Refugee Cash Assistance (RA) Grant Increase: \$9.0 million NGF-P; \$9.1 million Total Funds; \$27.2 million 4-year NGF-P total**

Beginning in fiscal year 2019, a 6.8 percent grant increase is provided for the TANF, SFA, and RA programs. When combined with the 2.5 percent increase in the enacted 2017-19 biennial operating budget, also taking effect on July 1, 2019, the maximum TANF grant for a family of four will be increased from \$613 per month to \$671 per month.

### **Increasing the Resource Limit for Public Assistance Applicants: \$0.4 million NGF-P; \$9.4 million 4-year NGF-P total**

Funding is provided for changes to the resource limits used in determining eligibility for public assistance programs, consistent with Engrossed Second Substitute House Bill 1831 (public assistance/resources). One vehicle, up to \$10,000 in value, and all other resources up to \$6,000 are exempt for program applicants. Currently, the asset limit is \$1,000 of liquidable assets and a vehicle exclusion of no more than \$5,000.

## **Other Health & Human Services**

### **Residential Habilitation Centers (RHCs): \$7.8 million NGF-P; \$15.6 million Total Funds; \$15.3 million 4-year NGF-P total**

Funding is provided to address Centers for Medicare and Medicaid Services requirements for RHC Intermediate Care Facilities (ICFs) and to support appropriate levels of care for RHC ICF resident needs, ages, and choices.

### **State-Operating Living Alternatives (SOLAs): \$1.4 million NGF-P; \$2.7 million Total Funds; \$2.6 million 4-year NGF-P total**

Funding is provided for 47 clients to move from the RHCs to community settings. Client transitions to SOLA homes will be phased-in over a three-year period.

### **Individual Provider (IP) Management: \$1.3 million NGF-P; \$3.3 million Total Funds; \$14.5 million 4-year NGF-P total**

Funding is provided to prepare for and implement a consumer-directed employer program for IPs and their Medicaid in-home services clients, pursuant to ESSB 6199 (consumer-directed employer). Under this program, administrative support for IPs will shift from DSHS to a contracted vendor. A start date of July 1, 2020, is assumed.

### **Behavioral Rehabilitation Services (BRS) Rates: \$4.3 million NGF-P; \$6.4 million Total Funds; \$10.6 million 4-year NGF-P total**

Funding is provided for a monthly \$750 per-child rate add-on for BRS placements in congregate care settings and to implement an enhanced rate add-on for providers who increase BRS bed capacity. Additionally, funding is provided for contracted support of a stakeholder work group that will design a BRS payment methodology based on provider costs of care.

**Department of Children, Youth, and Families (DCYF) Implementation: \$3.0 million NGF-P; \$4.8 million 4-year NGF-P total**

One-time funding is provided to support implementation of the new Department of Children, Youth, and Families. The Department must submit an expenditure plan to the Office of Financial Management (OFM) and may expend implementation funds after receiving approval of the Director of OFM. Funding is added for the oversight board in the Office of the Governor and for other related costs.

**Department of Health, Communicable Diseases and Preventable Hospitalizations: \$3.7 million NGF-P; \$3.7 million 4-year NGF-P total**

Funding is provided for Seattle and King County public health for core services that prevent and stop the spread of communicable disease, including but not limited to zoonotic and emerging diseases and chronic hepatitis B and hepatitis C. Funding is also provided for the local health jurisdiction in Pierce County to fund a pilot project to reduce the rate of hospitalizations for acute illnesses or chronic conditions that can be managed in outpatient settings.

**Department of Veterans Affairs: \$6.1 Million NGF-P; \$5.4 million 4-year NGF-P total**

Funding is provided for Washington State veterans' homes to provide support for the newest facility in Walla Walla while staffing requirements are adjusted for in-coming residents. Funding is also provided for staffing support at the Washington Soldiers Home in Orting, and to address decreases in federal revenue related to temporary decreases in census.

## **Department of Labor and Industries**

**Crime Victims' Compensation Program: \$1.7 million NGF-P; \$7.8 million 4-year NGF-P total**

Chapter 235, Laws of 2017 (ESHB 1739) made several changes that require the Crime Victims' Compensation Program to increase reimbursements to providers. As a result of these changes and declining federal grants, projected costs are expected to exceed available funding beginning in fiscal year 2019. Funding is provided to support medical and health care provider payment rates equal to 70 percent of worker's compensation provider payment rates beginning in fiscal year 2019.

## **Department of Corrections**

**Chemical Dependency Rate Increase: \$2.9 million NGF-P; \$8.8 million 4-year NGF-P total**

Funding is provided for a 25 percent rate increase for providers of chemical dependency services in prisons and work releases.

**Correctional Staffing: \$1.9 million NGF-P; \$4.5 million 4-year NGF-P total**

Funding is provided for a variety of staffing increases including an Indeterminate Sentencing Review Board hearings investigator, public disclosure staffing, sentencing audit and calculation staff, and nursing staff for violators.

**Hepatitis-C Treatment: -\$4.6 million NGF-P; -\$10.6 million 4-year NGF-P total**

Savings are achieved as a result of lower cost drugs becoming available for the treatment of hepatitis-C. The DOC is expected to treat a total of 452 patients for hepatitis-C during the 2017-19 biennium.



## **Juvenile Rehabilitation**

### **Acute Mental Health Staffing: \$0.7 million NGF-P; \$1.9 million 4-year NGF-P total**

Funding is provided to hire 7.6 FTEs to operate an acute mental health program for youth at Green Hill School.

### **Homeless Juvenile Rehabilitation (JR) Youth Services: \$0.5 million NGF-P; \$1.4 million 4-year NGF-P total**

Funding is provided for two homeless prevention program specialists to assist homeless JR youth who have been released from incarceration in finding a stable placement in the community. Funding is also provided for temporary housing.

## **Criminal Justice Training Commission**

### **Non-Deadly Force Training: \$907,000 NGF-P; \$2.7 million 4-year NGF-P total**

Additional funding is provided to continue updating and implementing expanded training for use of non-deadly force.

### **Mental Health Field Response Grant Program: \$1 million NGF-P; \$1 million 4-year NGF-P total**

Funding is provided for the Washington Association of Sheriffs and Police Chiefs to distribute grants for Mental Health Field Response Teams.

### **Law Enforcement and Correctional Officer Training: \$604,000 NGF-P; \$1.1 million Total Funds; \$604,000 4-year NGF-P total**

Funding is provided to provide one additional Basic Law Enforcement Academy (BLEA) class, five additional Corrections Officer Academy classes, and two additional Equivalency Academy classes. Local expenditure authority is provided for one locally-funded BLEA class.

## **Judicial Branch**

### **Civil Legal Aid and Indigent Public Defense: \$1.7 million NGF-P; \$6.0 million 4-year NGF-P total**

Funding is provided for additional attorneys for civil legal aid and a vender rate increase for contracted attorneys providing legal services to indigent persons in appellate criminal defense, civil commitment, and the Parents Representation Program.

### **Judicial Information Systems: \$2.7 million NGF-P; \$5.3 million Total Funds; \$2.7 million 4-year NGF-P total**

Funding is provided to support IT projects from the Judicial Information Systems Account, including the Expedited Data Exchange, the Appellate Court Case Management System, the Courts of Limited Jurisdiction Case Management System, and equipment replacement for the courts.

### **Legal Financial Obligations: \$1.5 million NGF-P; \$5 million 4-year NGF-P total**

Funding is provided for the state and local impacts of eliminating interest accrual on the nonrestitution portion of an offender's legal financial obligations (LFOs) imposed in superior

court or courts of limited jurisdiction. Funding is provided for grants to counties and cities for demonstrated costs and revenue losses to implement changes to LFO provisions.

## **General Government**

### **Economic Development: \$2.5 million NGF-P; \$5.4 million 4-year NGF-P total**

Funding is provided for several economic development programs through the Department of Commerce. Base funding is increased for the Industry Sector Economic Development Program. Funding is also expanded for the Department to provide resources and export strategies to small and early-stage businesses. Additional funding for economic gardening grants will assist small companies advance business development and hire local workers. In addition, funding is provided to increase economic development opportunities for small businesses, and for the development of a state economic growth plan.

### **Tourism Marketing: \$1.5 million NGF-P; 1.5 million Total Funds; \$4.5 million 4-year NGF-P total**

Funding is directed from retail sales taxes collected on lodging, car rentals, and restaurants to fund the implementation of the statewide tourism marketing plan and the newly created Washington Tourism Marketing Authority.

### **Homeless Housing and Assistance: \$0 NGF-P; 5.9 million Total Funds; \$0 million 4-year NGF-P total**

Additional funding is provided for homeless housing and assistance through the Department of Commerce's Consolidated Homeless Grant Program.

### **Office of the Corrections Ombuds: \$1.5 million NGF-P; \$4.3 million 4-year NGF-P total**

Funding is provided to the Office of the Governor for the creation and operation of the Office of the Corrections Ombuds.

### **Census Planning and Coordination: \$464,000 NGF-P; \$2.0 million 4-year NGF-P total**

Funding is provided to the Office of Financial Management for staffing and support to prepare for the 2020 Census, including public outreach, assistance to local jurisdictions, and support of other census-related demographic services.

### **Cyber Defense: \$1.2 million Total Funds**

Funding is provided to improve the security of the state network against cyber threats. Consolidated Technology Services (WaTech) will expand services that provide real-time threat monitoring and improve security practices for agency web applications.

### **One Washington Program: \$3.5 million Total Funds**

Funding is provided to the Office of Financial Management for readiness activities related to the One Washington program, including purchasing finance and procurement software.

### **Marijuana-related items: \$6.1 million Total Funds;**

Funding is provided for the Washington State Patrol to convene a Drug Enforcement Task Force and for increased enforcement and training support for the Liquor and Cannabis Board. Funding is also provided for the Department of Ecology to develop accreditation standards for product testing and for the continued implementation of the Medical Marijuana Authorization Database by the Department of Health.

**Debt service: \$21.5 million NGFP; \$128.4 million 4-year NGF-P total**

Funding is provided for debt service on new bonds supporting the 2017-19 capital budget.

**Local Government Marijuana Distributions: \$18 million NGFP; \$36 million 4-year NGF-P total**

Distributions to local governments related to marijuana revenues are increased from the current \$6 million per year to \$15 million per year.

## **Natural Resources**

**Water Availability and Water Rights Compliance: \$3.1 million NGF-P; \$5.1 million Total Funds; \$17.2 million 4-year NGF-P total**

Chapter 1, Laws of 2018 (ESSB 6091) requires watershed planning in certain Water Resource Inventory Areas (WRIAs) to offset water use from new permit-exempt domestic groundwater withdrawals. Funding is provided to the Department of Ecology, the Department of Fish and Wildlife, and the Department of Agriculture primarily to manage the watershed planning processes and develop water restoration and enhancement projects for each watershed. Funding to carry out the water restoration and enhancement projects is provided separately in the capital budget.

Funding is also provided to the Department of Ecology for additional enforcement and compliance staff to address unpermitted water use.

**Orca Whale Protection: \$1.5 million NGF-P; \$4.1 million 4-year NGF-P total**

Funding is provided to the Department of Fish and Wildlife for actions that may benefit orca whales, including increased salmon production at hatcheries, enforcement of vessel regulations, and administrative support of orca recovery efforts.

**Oil Transportation Safety: \$1.3 million Total Funds**

Funding is provided to the Department of Ecology for spills preparation work in E2SSB 6269 (Oil transportation safety) focused on oils that may submerge or sink. Funding is also provided to the Military Department for training the National Guard for state emergencies.

## **Disaster Response**

**Department of Natural Resources (DNR) Fire Suppression Costs: \$27.9 million NGF-P; \$57.7 million Total Funds; \$27.9 million 4-year NGF-P total**

Funding is provided for the DNR fire suppression costs in fiscal year 2018 that exceeded the amounts provided in the 2017-19 biennial operating budget.

**DNR Fire Response Capability: \$1.7 million Total Funds**

Funding is provided to enhance the firefighting program at DNR. This funding includes several IT systems for tracking fire-related data, increased training, fire-line leadership, and replacements of aviation fuel trucks and fire engines.

**Washington State Patrol Fire Services Resource Mobilization: \$7 million Total Funds;**

Funding is provided from the Disaster Response Account to cover costs incurred by local jurisdictions, other state and federal agencies, and volunteer firefighters for combating wildfires. On September 2, 2017, Governor Inslee declared a state of emergency in all counties due to wildfires. Fire mobilization costs incurred after the declaration during the 2017 fire season are provided from the Budget Stabilization Account.

**WA Military Department Disaster Recovery: \$48 million Total Funds**

Funding is provided from the Disaster Response Account for disaster recovery efforts for 13 presidentially-declared state disasters.

**Disaster Response Account: \$59 NGF-P; \$30 million 4-year NGF-P total**

Funding is provided to the Disaster Response Account to address a projected shortfall.

## **State Employee Compensation**

**PERS and TRS Plan 1 Benefit Increases: \$9.6 million NGF-P; \$10.9 million Total Funds; \$28.8 million 4-year NGF-P total**

Funding is provided to increase the retirement benefits of Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1 retirees by 1.5 percent, up to a maximum of \$62.50 per month on July 1, 2018.

**PSERS Membership Changes: \$2.9 million NGF-P; \$1.0 million Total Funds; \$8.7 million 4-year NGF-P total**

Funding is provided for pension contribution rate impacts from changes to the membership of the Public Safety Employees' Retirement System (PSERS) in Substitute House Bill 1558 (PSERS/offender nursing care). The provisions of the bill expand PSERS to include employees of the Department of Veterans Affairs and the Department of Social and Health Services (DSHS) whose primary responsibility is to provide nursing care to, or to ensure the custody or safety of, offender and patient populations in state institutions including the mental health hospitals and the Child Study and Treatment Center. Also included are state, city, and county corrections personnel who are employed by a PSERS employer and whose primary responsibility is to provide nursing care to, or ensure the custody and safety of, offender and patient populations.

**Paid Family Leave: \$1.0 million NGF-P; \$2.9 million Total Funds; \$5.7 million 4-year NGF-P total**

Funding is provided for employer premiums to the paid family and medical leave program that was created by Chapter 5, Laws of 2017, 3rd sp.s. (SSB 5975). Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement.

**Updated PEBB Rate: -\$22.4 million NGF-P; -\$50.7 million Total Funds; -\$67.2 million 4-year NGF-P**

The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is reduced to \$916 for fiscal year 2019 to reflect reduced costs and reduced expected costs, including updated actuarial projections, administrative costs, and payments to third-party administrators. The funding is sufficient for: (1) a new virtual diabetes prevention program; (2) a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years; and (3) an increase in the Medicare-eligible retiree subsidy from \$150 per month to \$168 per month beginning in calendar year 2019.

**ESSB 6032 Conference Report**  
**Near General Fund-State & Opportunity Pathways Account**

(Dollars in Millions)

	2017-19			2019-21		
	FY 2018	FY 2019	2017-19	FY 2020	FY 2021	2019-21
<b>Beginning Balance</b>	<b>1,149</b>	<b>1,832</b>	<b>1,149</b>	<b>1,227</b>	<b>699</b>	<b>1,227</b>
<b>Current Revenues</b>	<b>21,869</b>	<b>23,122</b>	<b>44,990</b>	<b>24,162</b>	<b>25,249</b>	<b>49,411</b>
February 2018 Revenue Forecast	21,869	23,122	44,990	24,024	25,053	49,076
Addtl Revenue Based on 4.5% Growth Rate	0	0	0	138	196	335
<b>Other Resource Changes</b>	<b>-254</b>	<b>-224</b>	<b>-478</b>	<b>-305</b>	<b>-81</b>	<b>-385</b>
GF-S Transfer to BSA (1%)	-214	-215	-430	-234	-246	-480
GF-S Extraordinary Revenue to BSA	0	-915	-915	0	0	0
Extraordinary Revenue from BSA to GF-S	0	915	915	0	0	0
Other Proposed Fund Transfers	-60	-2	-61	-2	57	55
Budget Driven Revenue	-9	-12	-21	7	9	17
Other Legislation	-5	-19	-24	-17	-17	-34
Enacted Fund Transfers	119	210	328	104	96	200
Prior Period Adjustments	20	20	41	20	20	41
McCleary Penalty Account	-105	0	-105	0	0	0
SB 6614 (Property Tax Relief)	0	-206	-206	-184	0	-184
<b>Total Revenues and Resources</b>	<b>22,763</b>	<b>24,730</b>	<b>45,661</b>	<b>25,084</b>	<b>25,868</b>	<b>50,252</b>
<b>Enacted Appropriations</b>	<b>20,914</b>	<b>22,795</b>	<b>43,708</b>	<b>24,273</b>	<b>25,617</b>	<b>49,890</b>
<b>Maintenance Level Total</b>	<b>-8</b>	<b>-138</b>	<b>-146</b>	<b>-101</b>	<b>54</b>	<b>-47</b>
<b>Policy Level Total</b>	<b>128</b>	<b>959</b>	<b>1,087</b>	<b>356</b>	<b>237</b>	<b>593</b>
K-12 Education	-2	-1	-3	-10	-16	-26
K-12 Compensation	0	702	702	194	0	194
Low Income Health Care	43	12	55	12	13	26
Utilize I-502 Revenue for Low Income Health Care	-58	-15	-73	-17	-17	-34
Dev. Disabilities/Long Term Care	2	13	15	8	18	26
Mental Health	72	71	143	57	64	121
Children's/Economic Svcs	1	14	15	17	20	37
Early Learning	0	6	6	2	2	4
Corrections/JRA/SCC	-1	6	5	3	3	6
Debt Service	-4	25	22	53	53	107
Higher Education	5	44	49	50	71	122
All Other	41	100	141	53	41	94
Employee Health & Benefits	0	-22	-22	-22	-22	-45
Employee Compensation	0	5	5	5	5	10
Fire Suppression	28	0	28	0	0	0
Public Safety Account Transfer	0	0	0	-50	0	-50
<b>Reversions</b>	<b>-103</b>	<b>-112</b>	<b>-215</b>	<b>-143</b>	<b>-144</b>	<b>-287</b>
<b>Revised Appropriations</b>	<b>20,931</b>	<b>23,503</b>	<b>44,434</b>	<b>24,385</b>	<b>25,765</b>	<b>50,149</b>
<b>Projected Ending Balance</b>	<b>1,832</b>	<b>1,227</b>	<b>1,227</b>	<b>699</b>	<b>103</b>	<b>103</b>
<b>Budget Stabilization Account</b>						
Beginning Balance	1,638	1,364	1,638	1,139	1,404	1,139
GF-S Transfer to BSA (1%)	214	215	430	234	246	480
GF-S Extraordinary Revenue to BSA	0	915	915	0	0	0
Extraordinary Revenue from BSA to GF-S	0	-915	-915	0	0	0
BSA Transfer to Pension Stabilization Acct	-463	-463	-925	0	0	0
Appropriations from BSA	-41	0	-41	0	0	0
Interest Earnings	15	23	38	31	41	72
<b>Budget Stabilization Account Ending Balance</b>	<b>1,364</b>	<b>1,139</b>	<b>1,139</b>	<b>1,404</b>	<b>1,691</b>	<b>1,691</b>
<b>Total Reserves</b>	<b>3,196</b>	<b>2,366</b>	<b>2,366</b>	<b>2,103</b>	<b>1,794</b>	<b>1,794</b>

**Fund Transfers, Revenue Legislation, and Budget Driven Revenues**  
**General Fund-State, Education Legacy Trust, and Opportunity Pathways Accounts**  
(Dollars in Millions)

	2017-19	2019-21	4 Yr
<b>Fund Transfers In Budget Bill</b>			
Dedicated McCleary Penalty Account (From GFS)	-105.2	0.0	-105.2
Disaster Response Account (From/To GFS)	-58.5	29.3	-29.2
Death Investigations Account (From GFS)	-1.2	0.0	-1.2
Statewide Tourism Marketing (From GFS)	-1.5	-3.0	-4.5
Washington Internet Crimes Against Children Acct (From GFS)	-1.5	0.0	-1.5
Public Works Administration Account (To GFS)	1.5	0.0	1.5
School Employees' Insurance Admin Acct (To GFS) *	0.0	28.7	28.7
<b>SubTotal</b>	<b>-166.4</b>	<b>55.1</b>	<b>-111.4</b>
<b>Budget Driven Revenue</b>			
Marijuana Distribution Changes	-18.0	10.0	-8.0
Lottery	0.0	-0.3	-0.3
Liquor Control Board (Marijuana)	-2.7	4.5	1.9
Liquor Control Board (Liquor)	-0.3	2.5	2.2
<b>SubTotal</b>	<b>-21.0</b>	<b>16.7</b>	<b>-4.2</b>
<b>SB 6614 (Property tax Relief)</b>			
SB 6614 (Property Tax Relief) **	<b>-206.2</b>	<b>-184.0</b>	<b>-390.2</b>
<b>Other Legislation</b>			
HB 2437 Affordable Housing Sales Tax	-11.0	-22.0	-33.0
HB 2998 Accountable Communities	-8.3	-7.3	-15.6
HB 2444 Low-Income Housing/REET	-1.0	-2.3	-3.3
SB 6080 Transportation Electrification	-3.0	0.0	-3.0
SB 6007 Electrolytic Processing Tax	-0.3	-1.4	-1.6
HB 1154 Fishing & Seafood Processing	0.0	-0.7	-0.7
HB 2269 Adaptive Automotive Equipment	-0.1	-0.2	-0.4
HB 1783 Legal Financial Obligations	0.0	-0.3	-0.3
HB 2580 Renewable Natural Gas	-0.1	-0.2	-0.3
SB 5627 Manufactured Home Communities	0.0	0.0	-0.1
HB 1532 Non-Profit Homeownership Dev.	0.0	0.0	0.0
HB 2334 Cannaboid Additives	0.2	0.5	0.7
<b>SubTotal</b>	<b>-23.6</b>	<b>-34.0</b>	<b>-57.6</b>
<b>Grand Total</b>	<b>-417.2</b>	<b>-146.2</b>	<b>-563.5</b>

Notes

\* Repayment of a loan from the state general fund provided in the operating budget.

\*\* Also includes redirecting a portion of the additional state property tax in FY 2019 from the state general fund to the Education Legacy Trust Account. This nets to zero in the Outlook, as the Outlook combines these funds, but does impact the calculation of general state revenues.