

LEGISLATIVE BUDGET NOTES
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1994 SUPPLEMENTAL BUDGET

June 1994

LEGISLATIVE BUDGET NOTES

1993 - 95 BIENN IUM

1994 SUPPLEMENTAL BUDGET

The Legislative Budget Notes are a publication of the Senate Ways and Means Committee, the House Fiscal Committees, and the Legislative Transportation Committee. The information was prepared by the staff of these committees, with the assistance of the Legislative Evaluation and Accountability Program (LEAP) Committee staff.

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The photograph on the cover of the 1993-95 Legislative Notes, 1994 Supplemental Budget is of Mt. Stuart and Ingalls Lake in the Alpine Lakes Wilderness Area in the Cascade Range.

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1994 Supplemental Budget Overview

The 1994 supplemental operating budget authorized by chapter 6, Laws of 1994, 1st sp.s. (ESSB 6244), and as further amended by chapter 7, Laws of 1994, 1st sp.s. (E2SHB 2319), totals \$28.3 billion. Of that amount, \$16.2 billion is from the state general fund and \$12.1 billion is from all other funding sources. There are also capital appropriations from the General Fund-State of \$98.9 million included in the transportation budget and the omnibus capital budget. For supporting detail, see "Appropriations Contained within Other Legislation" on page 14. The total 1993-95 General Fund-State budget is \$16.3 billion. The total 1993-95 operating budget is \$29.9 billion.

The total funds supplemental operating budget represents an increase of 0.4 percent over the original 1993-95 biennial appropriations level. The state general fund portion of the total supplemental budget represents a 1.0 percent increase over the original 1993-95 General Fund-State budget appropriations level.

The passage of Initiative 601 (I-601) by the voters at the November 1993 general election significantly influenced the construction of the 1994 supplemental operating budget. Briefly, the initiative establishes a new limit on state general fund budget expenditures and restricts state revenue increases. The new spending limit will first be effective with the 1995-97 biennial budget. In February 1994, the Office of Financial Management indicated that its preliminary estimate of the general fund spending limit for the 1995-97 biennium was about \$17.7 billion. Legislative fiscal staff estimates of the cost of continuing current programs and services into the 1995-97 biennium was also estimated to be approximately \$17.7 billion.

Because the cost of maintaining existing programs and services was equal to the projected I-601 spending limit, the Legislature was concerned that other budget priorities such as salary increases, inflation adjustments for private social service contractors, and increased higher education enrollments would be difficult to accommodate in the next biennium. Consequently, in constructing the 1994 Supplemental Budget, the Legislature took several actions to reduce projected 1995-97 current services spending in order to prepare for budgeting within the I-601 spending limit. This included approximately \$59 million in additional program reductions to the 1993-95 biennial budget which will "carryforward" into the next biennium and help reduce projected budget costs. In addition, reductions to projected 1995-97 spending were made through the elimination of a fifth education reform planning day scheduled for the next biennium (\$34 million), budget proviso language instructing higher education institutions to prepare for budget reductions totalling \$39 million in the next biennium, and several others. In the "fastest growing" areas of the budget such as medical assistance, long-term care, corrections, and portions of K-12 education, a number of fiscal studies will be conducted during the 1994 interim to determine if additional savings in projected 1995-97 spending can be achieved.

A significant increase in forecasted general fund revenues in February 1994 also led to supplemental budget decisions to reduce taxes and provide for some one-time expenditure investments. The tax reductions and incentives enacted during the 1994 session are discussed beginning on page 18.

Major one-time General Fund-State spending initiatives include \$18.8 million for instructional materials and technology for public schools; \$15.3 million to help mitigate a shortfall in the common school construction fund; \$93.9 million in the supplemental transportation budget for "Category C" transportation projects; \$5 million for park maintenance; \$3.4 million for higher education distinguished professorships and graduate fellowships; and \$5 million in the supplemental capital budget (combined with \$5 million from other sources) for watershed restoration and fish stock recovery.

The supplemental operating budget also provides funding to support the 1994 Violence Prevention Act. A total of \$17.8 million (\$15.7 million General Fund-State) is included to support this measure. Other major supplemental adjustments include \$60.7 million General Fund-State resulting from a reduction in the federal matching rate percentage for major social service programs; \$27.4 million General Fund-State due to a shortfall in support enforcement collections; \$33.3 million in General Fund-State savings from reduced K-12 enrollments; and \$28 million in General Fund-State savings in reduced bond retirement costs resulting from refinancing outstanding debt and taking advantage of lower interest rates.

Total general fund reserves are estimated to be \$289.3 million. This includes \$164.3 million in the estimated ending balance and \$125 million in the Budget Stabilization Account, of which \$25 million is for future pension funding.

Fiscal Issues of Statewide Significance

YOUTH VIOLENCE

The 1994 Youth Violence Prevention Act, chapter 7, Laws of 1994, 1st. sp.s. (E2SHB 2319), sets forth a comprehensive approach for preventing and reducing youth violence. This approach includes strategies in a number of areas, including public health analysis of factors contributing to youth violence; expanded and better coordinated early intervention and prevention services; increased penalties for juvenile crime; new restrictions on firearms possession and use; and monitoring violence in the media. The approach also includes tax increases to finance the additional spending required by the bill. Some of the major components of the Youth Violence funding package include:

Community Public Health and Safety Networks

Broadly-representative community councils will be established to plan and coordinate local strategies for reducing the number of young people at risk of juvenile crime, abuse and neglect, domestic violence, teen pregnancy, suicide, substance abuse, and school drop-out. State and federal funds are provided for two purposes: (1) local network organization and comprehensive planning; and (2) grants for direct services projects which demonstrate a clear ability to reduce the number of at-risk children and youth. A total of \$6 million (\$4.1 million General Fund-State) is provided for the networks.

Youth Employment and Training

New funding is provided for three efforts: (1) start-up grants to expand afternoon and evening school-to-work programs for young people who have dropped out of high school, or who are at significant risk of doing so; (2) the Youthbuild program, which provides young people with training in the building and construction trades on projects which improve low-income housing; and (3) Learning and Life Skills Centers, which will be cooperative efforts between local school districts and the state juvenile rehabilitation program to improve education and employment outcomes for court-involved youth. A total of \$2.25 million General Fund-State is provided for youth employment and training.

State Corrections and Juvenile Rehabilitation Services

State prison and juvenile institution populations will increase due to increased penalties for offenses such as possession of a firearm by a minor, use of a firearm in a crime, and commission of a new crime while on parole. Sixteen and seventeen year-old serious and chronic violent offenders will automatically be tried and sentenced as adults, resulting in longer terms of incarceration. Additionally, funds are provided to develop a number of improvements in the state juvenile system, such as establishing a juvenile offender basic training ("boot") camp, planning improved vocational and substance abuse programming in state juvenile institutions, and developing a master capital plan for developing additional state and local juvenile detention space. A total of \$4.1 million General Fund-State is provided for state corrections and juvenile rehabilitation services.

County Consolidated Juvenile Services

County juvenile programs are provided an approximately 25 percent increase in second-year funding to support increased local detention and rehabilitation efforts. A total of \$2.8 million General Fund-State is provided for county consolidated juvenile services.

Public Health Efforts

Public health departments will study the incidence of, and factors contributing to, juvenile crime, abuse and neglect, domestic violence, teen pregnancy, suicide, teen substance abuse, and school drop-out. This information will be used to plan and monitor the effectiveness of local efforts to reduce such problems. A total of \$1.2 million General Fund-State is provided for local public health efforts.

Financing

Approximately \$94 million of taxes on beer, wine, liquor, carbonated beverages, and cigarettes which currently finance programs authorized under the 1989 Omnibus Alcohol and Controlled Substances Act are due to expire at the end of the 1993-95 biennium. To continue funding for those programs, and to provide an additional \$23 million of new funding for the violence prevention strategies identified above, the Youth Violence Act authorizes the following taxes totaling \$117 million, subject to ratification by the voters at the November 1994 general election.

Cigarettes: The 3 cents per pack tax which funds current drug programs is increased to 10.5 cents per pack. 1995-97 revenues from this source are estimated at \$81 million.

Beer, Wine, and Liquor: Current drug enforcement and education account taxes on beer, wine, and spirits which were due to expire July 1, 1995 are extended, for 1995-97 revenues estimated at \$19 million.

Carbonated Beverages: The current 1 cent per can tax on soda pop will expire July 1, 1995. The current 75 cents per gallon tax on soda pop syrup is extended, and increased to \$1 per gallon, for total 1995-97 revenues estimated at \$17 million.

In addition to the above taxes subject to voter approval, the Youth Violence Prevention Act also authorizes the following fee increases:

Concealed Pistol Licenses: The initial fee for a concealed pistol license is increased from \$23 to \$50, and the renewal fee is increased from \$15 to \$50. This is expected to raise an additional \$2.6 million per biennium.

Firearms Dealers Licenses: The licensing fee for dealers of pistols, firearms, or ammunition is increased from \$5 to \$125. This is expected to raise an additional \$0.4 million per year.

Youth Violence Act (E2SHB 2319)

Summary of 1994 Supplemental Operating Budget Appropriations (Dollars in Thousands)

Agency	Program	1993-95			
		GF-S	Other	Total	
Dept of Community, Trade & Economic Development	Sexual Assault Prevention	1,059	0	1,059	
Department of Social & Health Services	Family Council Block Grants	4,142	1,858	6,000	
"	"	Consolidated Juvenile Services	2,800	0	2,800
"	"	Learning Center Grants	650	0	650
"	"	Juvenile Sentencing and Rehabilitation	3,589	0	3,589
"	"	Juvenile Rehabilitation Capital Plan	0	300	300
Department of Health	DOH: Risk and Protection	1,158	0	1,158	
Department of Corrections	Adult Sentencing	532	0	532	
Department of Employment Security	Youthbuild Program	600	0	600	
Department of Licensing	Firearms Licensing	120	0	120	
Office of the Superintendent for Public Instruction	School-to-Work Transition Programs	1,000	0	1,000	
Total		15,650	2,158	17,808	

Summary of Taxes (subject to voter referendum) (Revenue Dollars in Thousands)

Tax	Description	1995-97		
		GF-State	VRDE*	Total
Cigarette Tax	Expiring \$0.03 tax increased to \$0.105 cents and extended beginning July 1, 1995.	1,292	79,270	80,562
Spirits Liter Tax	Expiring \$0.07 per liter tax extended beginning July 1, 1995.	0	3,429	3,429
Beer Tax	Expiring tax of \$2.00 per barrel of 31 gallons extended beginning July 1, 1995.	0	13,649	13,649
Wine Tax	Expiring \$0.01 per liter tax (\$0.2344 for fortified wine) extended beginning July 1, 1995.	0	2,092	2,092
Carbonated Beverage Tax	Tax of \$0.084 per ounce expires. Tax of \$0.75 per gallon of carbonate beverage syrup increased to \$1.00 and extended beginning July 1, 1995.	0	17,184	17,184
Total		1,292	115,624	116,916

* Violence Reduction and Drug Enforcement Account

WASHINGTON PERFORMANCE PARTNERSHIP

The Washington Performance Partnership is established in statute through chapter 184, Laws of 1994 (ESB 6601). The Partnership represents a bipartisan effort to more clearly define the mission of state government and restructure state operations to ensure that they comply with this mission. There are four primary factors that distinguish the Partnership from previous efforts to promote governmental efficiency:

1. **Focus on the customer**, because the customers of state government should determine the direction and intended results of state government.
2. **Enter into a partnership with state employees**, who are our most valuable resource and essential to achieving greater efficiency in state government.
3. **Make a long-term commitment to the process**, because the Partnership is not an "event."
4. **Change the culture of state government**, by requiring a new way of operating in state government.

Efforts will begin immediately to find ways to operate more efficiently, more cost-effectively, and with more accountability to Washington citizens. The supplemental budget provides \$500,000 General Fund-State for the Washington Performance Partnership Council which is established in the legislation. The seven-member council is chaired jointly by the Governor, the Speaker of the House, and the Majority Leader of the Senate. Also represented are the minority party leaders from the House and Senate and two statewide elected officials to be appointed by the Governor. The council will provide overall management and policy guidance for the Washington Performance Partnership.

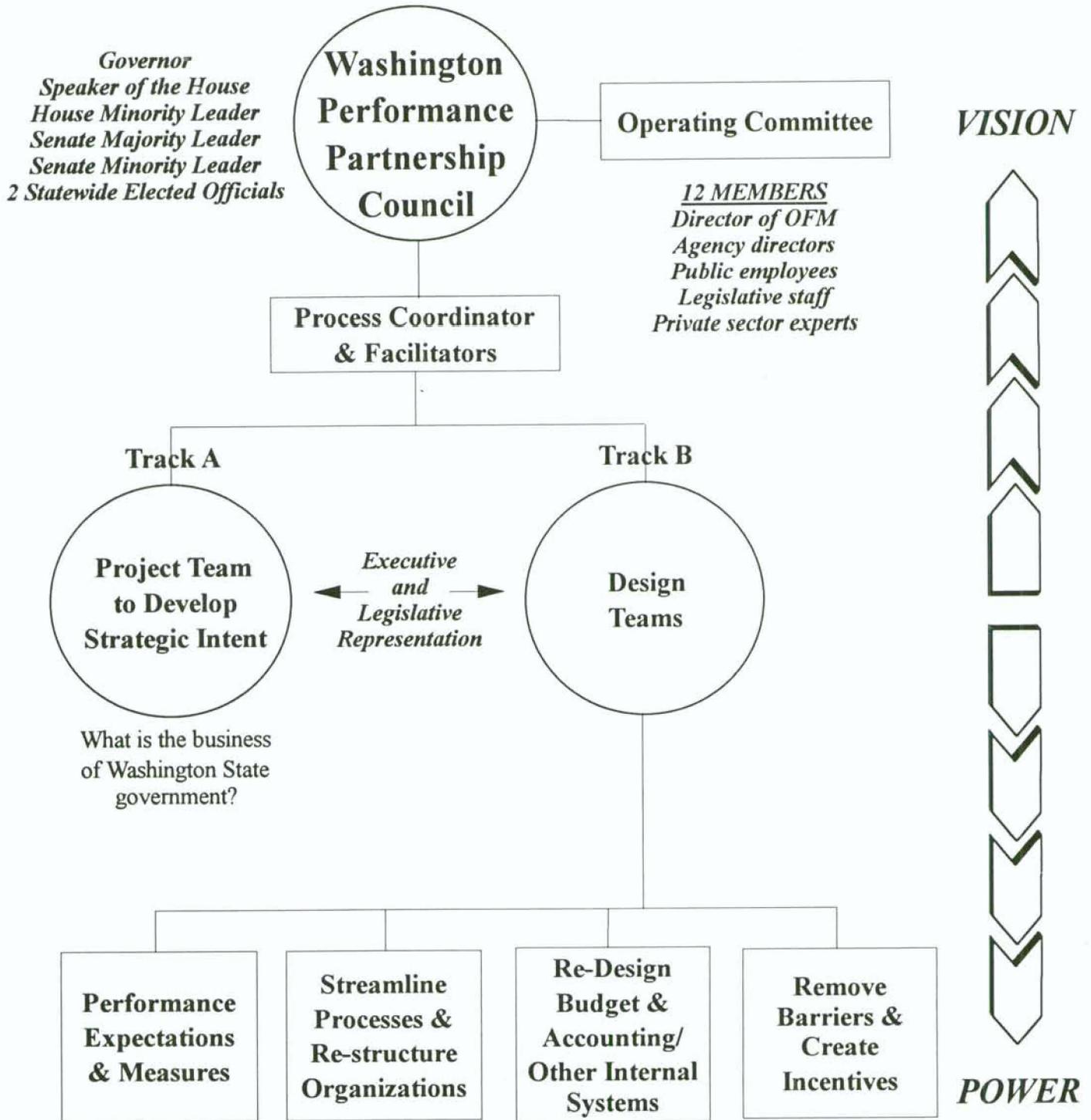
The legislation also requires the council to appoint a twelve-member performance partnership operating committee composed of legislative and executive branch staff, state agency directors, state employees and their representatives, and private sector specialists. The operating committee will focus on the day-to-day operations of the improvement process and the allocation of necessary staff resources. The committee will also facilitate work teams and design teams comprised of state employees, state employee organizations, customers, managers, legislators or legislative employees, and experts from outside government to accomplish the following:

1. **Clarify and state the strategic intent for Washington State government.** This would include a clear statement of the general goals for the state, the basic services that citizens desire, and the priorities and values which are centered on the customers of state government.
2. **Focus on continuous improvement of state government services.** Successful strategies will be developed to: (a) clearly identify the intended result of each state government service or program, and measure and communicate performance toward the intended result; (b) assess each activity and function of government to identify the value added toward the general strategic intent of state government, (c) redesign the internal systems that support state government to be more consistent with a priority-driven, results-oriented, performance-based system of government; and (d) identify and remove barriers to performance and create incentives for better performance and cost-effectiveness.

3. **Redesign the state operating budget process.** The current budget process is generally based on the presumption of continuing current service levels, giving consideration only to "marginal" changes. It is also not well understood or supported by the public or state government policymakers. Consequently, the Partnership calls for the state budget to be redesigned by the 1997-99 biennium, to reflect an effective state-wide system of performance measurement and based on a clear statement of priorities.

The chart on the following page outlines the leadership and implementation process for the Washington Performance Partnership.

Leadership and Implementation Process



Revenues

GENERAL FUND-STATE REVENUES

The Economic and Revenue Forecast Council updates General Fund-State biennial revenue estimates on a quarterly basis. From the end of the 1993 legislative session to the February 1994 forecast, estimated General Fund-State revenues increased by \$119 million.

The 1994 Legislature passed \$48 million in tax decreases, including exemptions for high technology businesses, a sales tax deferral for investment projects in distressed areas, and a B&O tax reduction for small businesses. The Legislature also reduced the temporary B&O surtax imposed during the 1993 legislative session from 6.5 to 4.5 percent. The Legislature passed a total of \$1.2 million in fee increases, including \$1.1 million in increased fees for concealed pistol license fees to partially fund the youth violence act.

Budget driven revenues, which total almost \$10 million, include an increase of \$7.9 million in general fund revenue due to a correction in the amount transferred from the general fund to the water quality account. Another \$1 million is due to an increase in the amount transferred from the treasurer's service account to the general fund. Additionally, the general fund will receive \$2.7 million more from the Intermediate Care Facility for the Mentally Retarded (IMR) tax due to a change in federal tax rules allowing the current tax rate to remain in effect for an additional two and one-half months. Also included in budget driven revenues is a decrease of \$1.7 million in the amount transferred from the trust land purchase account to the general fund due to lower than expected revenues from park fees.

1993-1995 Biennium
Estimated Revenues & Expenditures
General Fund-State
(Dollars in Millions)

RESOURCES

Unrestricted Beginning Balance	234.2
November 1993 Cash Forecast	16,136.4
March 1994 Cash Forecast Change	<u>160.2</u>
Total Cash Forecast	16,296.6
Fee Legislation	1.2
Budget Driven Revenue	9.9
Revenue Legislation	<u>-48.1</u>
Total Resources	16,493.9

EXPENDITURES

1993-95 Appropriations Act and Other Legislation *	16,137.0
1994 Supplemental Budget	68.6
Appropriation to Pension Reserve	25.0
Other 1994 Appropriations Legislation *	<u>98.9</u>
Total Expenditures	16,329.5

RESERVES

Estimated Ending Balance	164.4
Pension Reserve	25.0
Budget Stabilization Account	<u>100.0</u>
Total Estimated Reserves	289.4

* Note: Amounts include all operating and capital General Fund-State appropriations.

Taxes and Fees - 1994 Legislation Revenues

Tax and Fee Chart Summary (Dollars in Thousands)

Item	FY 95	
	GF-S	Other
1994 Youth Violence Prevention Act Taxes *	0	0
Other 1994 Tax Legislation	(48,092)	34,113
1994 Fee Legislation	1,185	12,089
Total	(46,907)	46,202

1994 Youth Violence Prevention Act Taxes * Chapter 7, Laws of 1994, 1st sp.s. (E2SHB 2319) (Dollars in Thousands)

Tax	Description	1995-97	
		GF-S	Other
Cigarette Tax	Expiring \$0.03 tax increased to \$0.105 cents and extended beginning July 1, 1995	1,292	79,270
Spirits Liter Taxes	Expiring \$0.07 per liter tax extended beginning July 1, 1995	0	3,429
Beer Tax	Expiring tax of \$2.00 per barrel of 31 gallons extended beginning July 1, 1995	0	13,649
Wine Tax	Expiring \$0.01 per liter tax (\$0.2344 for fortified wine) extended beginning July 1, 1995	0	2,092
Carbonated Beverage Tax	Tax of \$0.084 per ounce expires; tax of \$0.75 per gallon of carbonated beverage syrup increased to \$1.00 and extended beginning July 1, 1995	0	17,184
Total		1,292	115,624

* Subject to approval by the voters in November 1994, effective for 1995-97. Revenues are for the 1995-97 biennium. There are no additional tax revenues for FY 95. For fees, see 1994 Fee Legislation Chart.

Other 1994 Tax Legislation Revenues
(Dollars in Thousands)

Bill	Description	FY 95	
		GF-S	Other
SHB 1122	Park & recreation district & service area levy increased from \$0.15 to \$0.60	0	0
SHB 2167	Parimutuel tax for thoroughbred racing fund suspended FY 94	0	(1,663)
HB 2205	EMS levy authorized for urban emergency service districts	0	0
SHB 2235	Magazine/periodical printers B&O tax rate reduced	(406)	0
SHB 2294	2-year property tax levies authorized for school bus purchases	0	0
ESHB 2326	Repeal of fuel tax exemption/credit for alcohol used as motor vehicle fuel	0	36,479
SHB 2341	Sales tax exemption for non-profit youth organizations/local governments	(759)	0
SHB 2456	Obsolete reforestation land statutes repealed	0	0
HB 2477	Exempt non-profit filing requirements modified; good cause filing exemption for property valuation appeals	0	0
HB 2478	Reporting required for buyers of 200,000 or more board feet of timber	0	0
HB 2480	Fish cleaning exempt from B&O tax	0	0
HB 2481	Calculation of use tax on business property used in the state by non-resident businesses	1,500	0
HB 2482	Distressed area sales tax deferral correction	0	0
SHB 2541	Sales tax exemption for newspapers issued twice per month	0	0
SHB 2582	Leasehold excise tax appeals for sublessees of residential property	0	0
HB 2601	County 911 excise tax of \$0.25/month authorized on radio access lines (cellular telephones)	0	0
SHB 2662	Potential hazardous waste generator fee suspended for 1994	0	(463)
EHB 2664	Distressed area sales tax exemptions	(12,000)	0
HB 2665	Public utility tax deduction for rural electric companies	(627)	0
EHB 2670	Senior citizen exemption eligibility income increased; residential value limited to inflation	0	0
SHB 2671	B&O tax threshold replaced with \$35/month credit	(18,300)	0
SHB 2718	Only public utility need sign real estate excise tax affidavit on easement acquisition	0	0
3SSB 5918	B&O tax credit for employers for ride-sharing incentives	0	(440)
ESSB 6071	Third 6-year port district industrial development levy authorized for districts bordering the Pacific Ocean	0	0
SSB 6278	Modifies use of local hotel/motel taxes	0	0
SSB 6307	2% insurance premiums prepayments tax extended to non-subsidized Basic Health Plan enrollees	0	200
E2SSB 6347	B&O tax credit/sales tax deferral for high-technology firms, effective January 1, 1995	(9,600)	0
SSB 6558	B&O tax exemption on sales of aircraft to the U.S. by a subsidiary	0	0
ESB 6564	Local hotel/motel tax of 2% authorized for Snohomish County	0	0
SB 6573	Study of taxation of manufacturers	0	0
SB 6606	B&O surtax of 6.5% reduced to 4.5% on January 1, 1995	(7,900)	0
Total		(48,092)	34,113

1994 Fee Legislation Revenues
(Dollars in Thousands)

Bill	Description	FY 95	
		GF-S	Other
2SHB 1235	Filing/registration fees for limited liability companies	41	0
2ESHB 1471	Temporary \$50 dungeness crab license fee surcharge; new \$250 dungeness crab offshore delivery license fee; license transfer fee of 20% of price; temporary surcharge on dungeness crab fishing licenses of \$250	(18)	52
ESHB 2224	Vehicle certificate of ownership increased from \$1.00 to \$1.25; other vehicle fees reduced or eliminated	0	(31)
E2SHB 2319	Concealed pistol license fees increased - new license fees increased from \$23 to \$50; renewal fees increased from \$15 to \$50	1,090	724
	Annual license fee for dealers in pistols, firearms, and ammunition increased to \$125 from \$5	0	370
HB 2338	2% late payment fee on Utilities & Transportation Commission fees	0	7
SHB 2412	Proportional registration fees on rental vehicles eliminated	0	(186)
ESHB 2521	Fee for metals mining & milling operations effective 7/1/95	No impact until next biennium	
HB 2592	Limit use of 14 ft x 85 ft permit to movement of manufactured housing	0	100
2SHB 2616	Fee to local water systems to cover DOH ground water testing	0	1,940
SHB 2646	Bee pollination service use fee of \$.50/hive; hive brokers & non-resident beekeeper registration fee	0	60
ESHB 2688	Registration fee on travel sellers	No impact until next biennium	
SSB 6000	Reimbursement for securing abandoned vessels	Indeterminate	
SSB 6006	Revision of judicial information system funding provisions	0	6,900
SSB 6047	Driver's license suspension administrative hearings fee of \$100	0	1,194
ESB 6057	Firearm registration fee for aliens	10	0
SSB 6070	\$20 surcharge on satisfaction of tax warrants for public archives and records management services	0	115
SSB 6081	On-site sewage disposal system additive review fee	No impact until next biennium	
SSB 6083	Mortgage broker licensing & examination fees	0	259
SSB 6089	Collegiate license fee of \$30	No impact until next biennium	
SSB 6093	Non-resident collection agency licensing fee	(10)	0
SSB 6098	Pasteurized milk inspection program	0	220
2SSB 6107	Manufactured home installer certification fee/DCTED services fees	0	NA
ESSB 6125	Recreational fish & hunting license fees increased	60	(24)
SB 6202	Truck trailer overlength permit fees	0	(120)
2SSB 6237	Veteran estate management fee	0	58
2SSB 6276	Trademark regulation fee	5	0
SSB 6298	International export beer & wine license fee of \$500/expand caterer's license	7	0.043
SSB 6463	Misc. Department of Agriculture fees	0	450
Total		1,185	12,089

**1993-95 Washington State Operating Budget
Appropriations Contained Within Other Legislation
1994 Legislative Session**

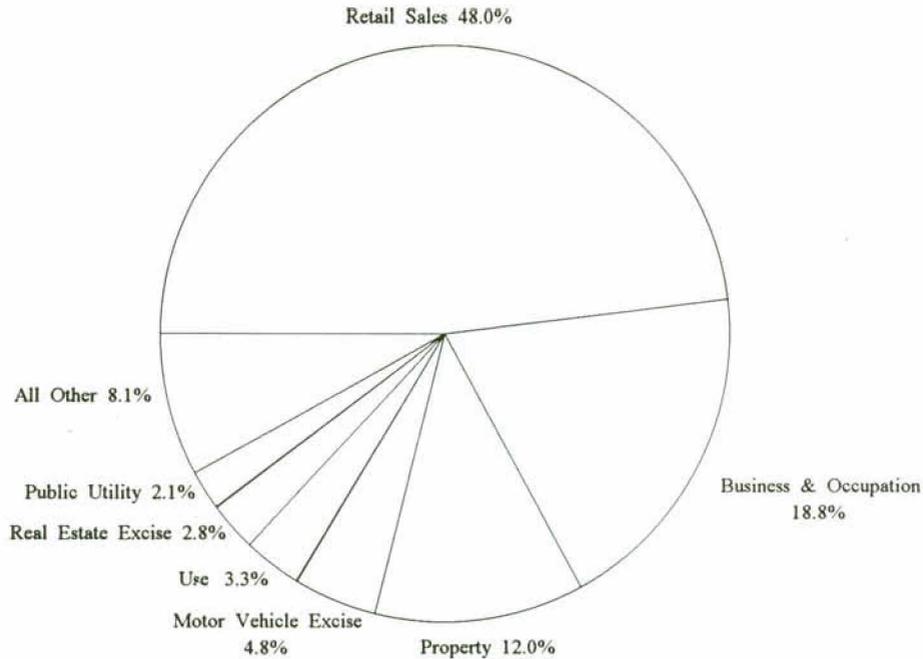
(Dollars in Thousands)

Bill Number and Subject	Session Law	Agency	GF-S	Other	Total
ESB 5920 - Unemployment Insurance	C 187 L 94	Employment Security	0	400	400
SSB 6047 - Driving Under the Influence	C 275 L 94	Dept of Licensing	0	1,564	1,564
ESSB 6084 - Transp Operating Budget	C 303 L 94	Legislative Transp Comm	0	(53)	(53)
ESSB 6084 - Transp Operating Budget	C 303 L 94	County Road Admin Board	0	(22)	(22)
ESSB 6084 - Transp Operating Budget	C 303 L 94	Transp Improve Board	0	(10)	(10)
ESSB 6084 - Transp Operating Budget	C 303 L 94	Transportation Commission	0	(33)	(33)
ESSB 6084 - Transp Operating Budget	C 303 L 94	State Patrol	0	1,384	1,384
ESSB 6084 - Transp Operating Budget	C 303 L 94	Dept of Licensing	0	12,345	12,345
ESSB 6084 - Transp Operating Budget	C 303 L 94	Dept of Transportation	0	(1,936)	(1,936)
Total Other 1994 Session Operating Legislation			0	13,639	13,639

1993-95 Capital Appropriations -- General Fund - State

ESSB 6084 - Transp Capital Budget	C 303 L 94	Dept of Transportation	93,925	0	93,925
SSB 6243 - Omnibus Capital Budget	C 308 L 94	Watershed Restor Partshp Pgm	5,000	0	5,000
Total 1994 Session GF-S Capital Appropriations			98,925	0	98,925

Washington State Revenue Forecast
1993-95 General Fund-State Revenues by Source
Updated for 1994 Legislative Session
(Dollars in Millions)

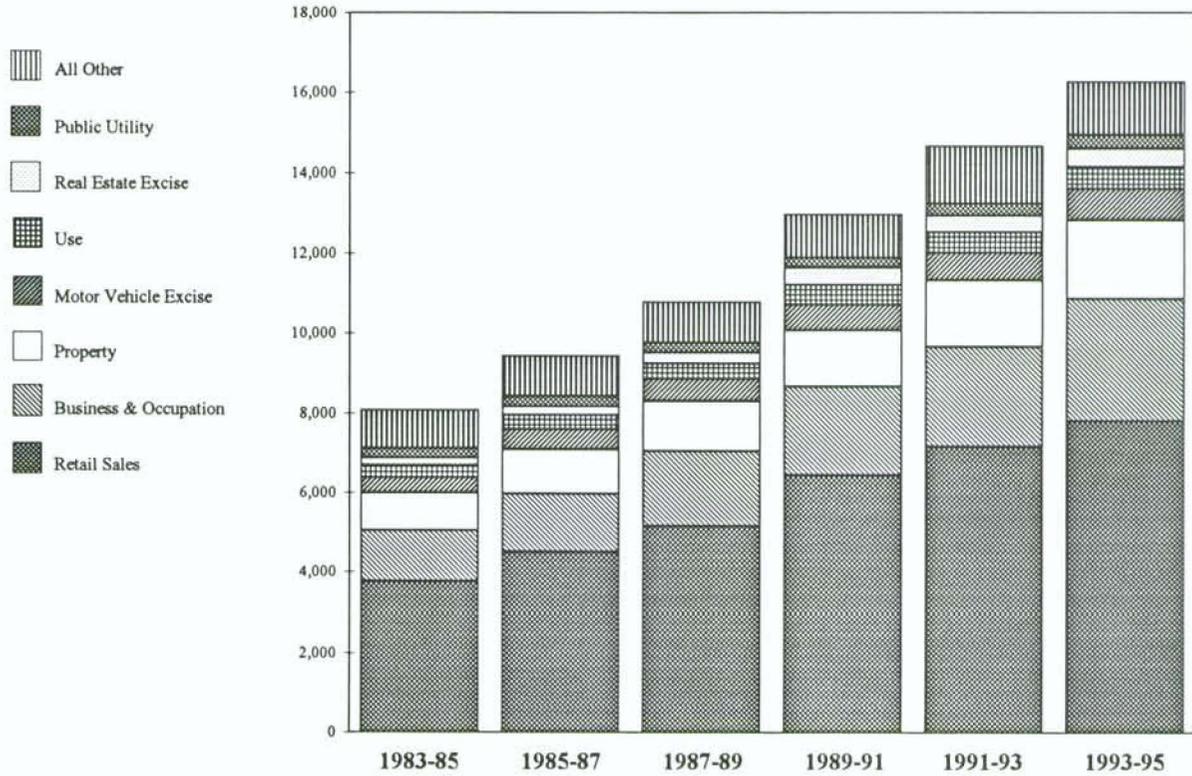


Sources of Revenue	
Retail Sales	\$7,805.7
Business & Occupation	3,059.6
Property	1,957.8
Motor Vehicle Excise	773.9
Use	537.2
Real Estate Excise	458.8
Public Utility	347.7
All Other	1,318.9
* 1993-95 Revised Forecast \$16,259.6	

* 1993-95 General Fund-State Revenues are comprised of: the February 1994 Forecast, \$16,296.6 million; 1994 Fee Legislation, \$1.2 million; 1994 Budget Driven Revenue, \$9.9 million; 1994 Revenue Legislation, (\$48.1) million.

Washington State General Fund-State Revenues By Source

(Dollars in Millions)



Retail Sales	\$3,763.5	\$4,490.5	\$5,152.8	\$6,446.3	\$7,163.0	\$7,805.7
Business & Occupation	1,268.3	1,482.5	1,894.3	2,217.7	2,503.5	3,059.6
Property	959.2	1,109.5	1,233.7	1,399.4	1,661.8	1,957.8
Motor Vehicle Excise	382.4	497.3	586.2	665.9	687.9	773.9
Use	314.8	357.8	372.6	481.9	515.1	537.2
Real Estate Excise	181.0	221.0	280.9	436.8	399.0	458.8
Public Utility	245.6	266.5	244.9	244.0	292.9	347.7
All Other	969.3	1,006.7	1,029.7	1,080.1	1,441.6	1,318.9
Total	\$8,084.1	\$9,431.8	\$10,795.1	\$12,972.1	\$14,664.8	\$16,259.6

**Washington State
General Fund - State Revenues By Source**

(Dollars in Millions)

					1994 Forecast *	
	1983-85	1985-87	1987-89	1989-91	1991-93	1993-95
Retail Sales	\$3,763.5	\$4,490.5	\$5,152.8	\$6,446.3	\$7,163.0	\$7,805.7
Business & Occupation	1,268.3	1,482.5	1,894.3	2,217.7	2,503.5	3,059.6
Property	959.2	1,109.5	1,233.7	1,399.4	1,661.8	1,957.8
Motor Vehicle Excise	382.4	497.3	586.2	665.9	687.9	773.9
Use	314.8	357.8	372.6	481.9	515.1	537.2
Real Estate Excise	181.0	221.0	280.9	436.8	399.0	458.8
Public Utility	245.6	266.5	244.9	244.0	292.9	347.7
All Other	969.3	1,006.7	1,029.7	1,080.1	1,441.6	1,318.9
Total	\$8,084.1	\$9,431.8	\$10,795.1	\$12,972.1	\$14,664.8	\$16,259.6

Percent Of Total

Retail Sales	46.6%	47.6%	47.7%	49.7%	48.8%	48.0%
Business & Occupation	15.7%	15.7%	17.5%	17.1%	17.1%	18.8%
Property	11.9%	11.8%	11.4%	10.8%	11.3%	12.0%
Motor Vehicle Excise	4.7%	5.3%	5.4%	5.1%	4.7%	4.8%
Use	3.9%	3.8%	3.5%	3.7%	3.5%	3.3%
Real Estate Excise	2.2%	2.3%	2.6%	3.4%	2.7%	2.8%
Public Utility	3.0%	2.8%	2.3%	1.9%	2.0%	2.1%
All Other	12.0%	10.7%	9.5%	8.3%	9.8%	8.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent Change From Prior Biennium

Retail Sales	19.3%	14.7%	25.1%	11.1%	9.0%
Business & Occupation	16.9%	27.8%	17.1%	12.9%	22.2%
Property	15.7%	11.2%	13.4%	18.8%	17.8%
Motor Vehicle Excise	30.0%	17.9%	13.6%	3.3%	12.5%
Use	13.7%	4.1%	29.3%	6.9%	4.3%
Real Estate Excise	22.1%	27.1%	55.5%	-8.7%	15.0%
Public Utility	8.5%	-8.1%	-0.4%	20.0%	18.7%
All Other	3.9%	2.3%	4.9%	33.5%	-8.5%
Total	16.7%	14.5%	20.2%	13.0%	10.9%

* Updated for 1994 Legislative Session

MAJOR REVENUE ISSUES

YOUTH VIOLENCE ACT

Approximately \$117 million of taxes on beer, wine, liquor, carbonated beverages, and cigarettes were enacted by the Legislature to support the 1994 Youth Violence Act and existing programs under the 1989 Omnibus Alcohol and Controlled Substances Act. These taxes are discussed in detail on page 4.

BUSINESS AND OCCUPATION TAXES

Small Business Tax Credit

Chapter 2, Laws of 1994, 1st sp.s. (SHB 2671), replaces the business and occupation (B&O) tax threshold of \$1,000 per month with a credit against tax due of \$35 per month, effective July 1, 1994. The credit is phased out as taxes increase to \$70 per month. This results in no or reduced tax liability for 96,900 taxpayers, which constitute 52 percent of existing taxpayers.

Surtax Reduction

Chapter 10, Laws of 1994, 1st sp.s. (SB 6606), lowers the 6.5 percent B&O surtax to 4.5 percent, effective January 1, 1995. This surtax applies to all B&O tax classifications except selected business services, financial services, retailing, and public and non-profit hospitals.

Tax Credit for High Technology Businesses

Effective January 1, 1995, chapter 5, Laws of 1994, 1st sp.s. (E2SSB 6347), provides a B&O tax credit of up to \$2 million per year for businesses that expend more than 0.92 percent of their gross income on research and development in the fields of biotechnology, advanced computing, electronic device technology, advanced materials, and environmental technology. The credit is equal to the amount of eligible research and development spending multiplied by the rate of 0.515 percent for non-profit institutions and by the rate of 2.5 percent for all other businesses. This program expires December 31, 2004.

Aircraft Sales Taxation

Chapter 43, Laws of 1994 (SSB 6558), the B&O tax exemption for sales of transportation equipment by wholly-owned subsidiaries is extended to sales of airplanes to the United States government.

Magazines & Periodicals

Chapter 112, Laws of 1994 (SHB 2235), changes the B&O tax classification for publishers of periodicals and magazines from the service classification at 2.13 percent to the printing classification at 0.515 percent, thereby reversing a change made in 1993.

Manufacturers of Fish Products

Chapter 167, Laws of 1994 (HB 2480), exempts the cleaning of fresh fish, without further processing other than freezing, from manufacturing B&O tax.

Ride-Sharing Vehicles

Under chapter 270, Laws of 1994 (3SSB 5918), major employers in the state's largest counties affected by the commute trip reduction law are allowed a credit against B&O or public utility taxes equal to the financial incentives provided to their employees before June 30, 1996, for ride-sharing in

car pools of four or more persons. The credit is equal to the lesser of 50 percent of the amount paid to the employee or \$60 per person per year, with a limit of \$200,000 per employer per year. There is a cap on the program of \$2 million per year. The air pollution control account is used to reimburse the general fund.

SALES AND USE TAXES

Tax Deferral for High Technology Businesses

Beginning January 1, 1995, chapter 5, Laws of 1994, 1st sp.s. (E2SSB 6347), provides a sales and use tax deferral on investments in buildings and machinery and equipment in the fields of biotechnology, advanced computing, electronic device technology, advanced materials, and environmental technology. Eligible projects include new or expanded operations for research and development or pilot scale manufacturing. Pilot scale manufacturing is the design, construction, and testing of pre-production prototypes and models. This program expires December 31, 2004.

Distressed Area Sales Tax Exemptions

Chapter 1, Laws of 1994, 1st sp.s. (EHB 2664), modifies the existing sales tax deferral program for manufacturing and research and development facilities in distressed areas. The program is extended to the year 2004. The requirement of investment in a new building is eliminated. The requirement that one job be created for each \$300,000 of investment is changed to one job for each \$750,000 of investment. For projects after June 30, 1994, deferred taxes need not be repaid. The program is expanded to include projects in any county if 75 percent of the new employees live in distressed areas, adds co-generation projects, adds towns in counties that are timber impact areas, and adds counties designated by the Governor that have increased unemployment due to a natural disaster, business or military base closure, or mass layoff.

Newspapers

Chapter 22, Laws of 1994 (SHB 2541), changes the definition of "newspaper" for sales tax exemption purposes from those issued at least once a week to those issued at least twice per month.

Physical Fitness Services Tax Exemption

Chapter 85, Laws of 1994 (SHB 2341), expands the existing sales tax exemption for amusement and recreational services sold by non-profit youth organizations to include physical fitness services. A sales tax exemption is created for physical fitness classes provided by a local government.

Use of Property in this State

Property used in this state by non-resident businesses for business purposes is subject to use tax on the reasonable rental value of the property if the property is in the state for less than 90 days in a 365 day period. Under chapter 93, Laws of 1994 (HB 2481), this 90 day period is increased to 180 days. In addition, statutory language is deleted prohibiting use taxation on property received from outside the state before the transportation of the article has finally ended.

OTHER EXCISE TAX LEGISLATION

Hazardous Waste Education Fee

Chapter 136, Laws of 1994 (SHB 2662), suspends the hazardous waste education fee on potential generators of hazardous wastes for calendar year 1994. In addition, the triple penalty for failure to pay the fee is replaced with the lower penalties used for excise taxes.

Hotel/Motel Taxes

Chapter 65, Laws of 1994 (ESB 6564), authorizes a new hotel/motel tax at the rate of up to 2.0 percent for Snohomish County for stadium facilities, convention center facilities, performing arts center facilities, and visual arts center facilities, including an arena. Chapter 290, Laws of 1994 (SSB 6278), authorized the city of Ilwaco to use the hotel/motel tax for special events and promotional infrastructures and authorized the city of Puyallup and any county made up entirely of islands to use the hotel/motel tax to provide public restrooms for visitors.

Insurance Premiums and Prepayments Tax

Chapter 309, Laws of 1994 (SSB 6307), extends the insurance premiums and prepayments tax to unsubsidized coverage under the basic health plan.

Leasehold Excise Taxes

Under chapter 95, Laws of 1994 (SHB 2582), lessees and sublessees of public property may appeal property valuations used in determining taxable rent for purposes of leasehold excise taxes to the County Board of Equalization. In addition, a credit against the leasehold excise tax is authorized for senior citizens similar to the senior citizen property tax exemption.

Manufacturer Taxation Study

Under chapter 66, Laws of 1994 (SB 6573), the Department of Revenue is required to study the current state tax structure as it applies to manufacturers. The study is to address the taxes that apply, incentives, effects over the various stages of its business cycle, the treatment of new and established manufacturers, the added cost of capital resulting from the sales tax on construction and equipment, taxes and tax incentives in other states, the relative competitive position of in-state and out-of-state manufacturers, and the economic and other effects of tax incentives. The Department of Revenue is required to present a final report to the legislative fiscal committees by December 31, 1994.

Motor Vehicle Fuel Taxes

Chapter 225, Laws of 1994 (ESHB 2326), repeals the motor vehicle fuel tax exemption and credit for alcohol used as motor vehicle fuel.

Parimutuel Taxes

Under chapter 159, Laws of 1994 (SHB 2167), horse race track licensees who are non-profit corporations and who have race meets of 30 days or more do not contribute the 2.5 percent of their daily gross receipts to the Washington Thoroughbred Racing Fund until June 1, 1995. Until that time, these licensees are required to use 1.25 percent of daily gross receipts to increase purses, and to place 1.25 percent of daily gross receipts into an escrow or trust account and use this money solely for construction of a new thoroughbred race track facility in western Washington. Funds remaining in the escrow or trust account must be forwarded to the state general fund if a new race track is not built by January 1, 2001.

Public Utility Taxes

Under chapter 236, Laws of 1994 (HB 2665), rural light and power businesses with retail power rates greater than the state average and fewer than 17 customers per mile may deduct from taxable gross receipts a portion of their wholesale power costs.

Ride-Sharing Vehicles

Under chapter 270, Laws of 1994 (3SSB 5918), a tax credit is authorized to employers for financial incentives provided for ride-sharing. See "Ride-Sharing Vehicles" under Business and Occupation Taxes, page 18.

Real Estate Excise Tax Affidavits

Both the buyer and the seller are required to sign a real estate excise tax affidavit when a real property is sold or transferred. Under chapter 137, Laws of 1994 (SHB 2718), when a gas, electrical, or telecommunications company, or a public utility district or cooperative that distributes electricity, acquires an easement, only the company is required to sign the real estate excise tax affidavit. The seller's signature is not required.

Timber Excise Taxes

Under chapter 229, Laws of 1994 (HB 2478), buyers of privately-owned timber in excess of 200,000 board feet are required to report the details of those transactions to the Department of Revenue for use in determining stumpage values for the timber excise tax purposes. Buyers are subject to a penalty of \$250 for each failure to report.

911 System Taxation & Study

Chapter 96, Laws of 1994 (HB 2601), authorizes a county to impose a 911 excise tax on the use of radio access lines located within the county in an amount not exceeding \$0.25 per month for each radio access line. Radio access lines are used for cellular telephones and other radio-telephone communications. In addition, the Department of Revenue is required to study the base and rate for the 911 excise tax and to present a final report to the committees of the legislature that deal with revenue matters no later than July 1, 1995.

PROPERTY TAX LEGISLATION

Emergency Medical Services Levies

Under chapter 79, Laws of 1994 (HB 2205), urban emergency medical service districts are authorized to impose annual regular property taxes of up to \$0.50 per \$1,000 of assessed valuation for six years to finance emergency medical services, subject to a 60 percent affirmative vote of the voters and a 40 percent validation requirement.

Exempt Organization Renewals

Under chapter 123, Laws of 1994 (HB 2477), non-profit organizations receiving a property tax exemption must file a renewal declaration each year with a fee of \$8.75, instead of a yearly declaration and a \$35 fee every fourth year.

Industrial Development Levy

Chapter 278, Laws of 1994 (ESSB 6071), authorizes a third six-year industrial development levy for a port district in a county bordering on the Pacific Ocean if a majority of the voters in the district approve.

Park Levies

Under chapter 156, Laws of 1994 (SHB 1122), the five-year voter approved park and recreation district property tax levy of \$0.15 per \$1,000 of assessed value is increased to \$0.60 and extended to six years. In addition, the six-year voter approved park and recreation service area property tax levy of \$0.15 per \$1,000 of assessed value is increased to \$0.60.

Reforestation Lands

Chapter 122, Laws of 1994 (SHB 2456), repeals obsolete reforestation land statutes.

School District Levies for Transportation

Under chapter 116, Laws of 1994 (SHB 2294), the two-year levy authority for school districts is extended to include the purchase of school buses. In addition, these transportation levies are specifically excluded from the levy lid.

Senior Citizen Property Tax Relief

Under chapter 8, Laws of 1994, 1st sp.s. (EHB 2670), the annual qualifying income level for the senior citizen and disabled person property tax exemption program is increased from \$26,000 to \$28,000; the annual change in the assessed value of the residence of homeowners in the program is limited to the inflationary adjustment for social security payments; and income from the assessment year rather than the preceding year is used for calculating eligibility and tax relief. These changes are not effective until the tax year after the Legislature provides funding for the administrative costs.

Valuation Appeals

Chapter 123, Laws of 1994 (HB 2477), authorizes a good cause exception to the filing deadline for property valuation appeals to the county board of equalization.

FEES

Fee Increases Related to Initiative 601

Chapter 6, Laws of 1994, 1st sp.s. (ESSB 6244 -- the omnibus supplemental appropriations act), authorizes fee increases in excess of the Initiative 601 fiscal growth factor for the following fees: water well operator fees, public water systems operator certification fees; low-level radioactive waste site use permit fees; and tuition fees for technical colleges. As prescribed in Initiative 601, fee increases may not exceed the fiscal growth factor unless specifically authorized by the Legislature.

Administrative Hearing Fee

Chapter 275, Laws of 1994 (SSB 6047), establishes a fee of \$100 for persons arrested for being in control of a motor vehicle while under the influence of alcohol with blood alcohol concentrations of 0.10 percent or higher who request an administrative hearing before the Department of Licensing.

Bee-Related Fees

Chapter 178, Laws of 1994 (SHB 2646), establishes a fee on the use of bee pollination services by growers of agricultural crops at \$0.50 per hive used and imposes a registration fee on hive brokers and non-resident beekeepers operating in the state in an amount determined by the Director of the Department of Agriculture.

Collegiate Licensing Fee

Chapter 194, Laws of 1994 (SSB 6089), establishes an additional fee of \$30 for collegiate license plates.

Dungeness Crab License Fees

Chapter 260, Laws of 1994 (2ESHB 1471), establishes a Dungeness crab offshore delivery license and imposes an annual fee of \$250 for the license. A surcharge of \$250 is imposed on each Dungeness crab fishing license for 1995 and 1996. A surcharge of \$50 is imposed on each Dungeness Crab Coastal Fishery License until June 30, 2000, and on each Dungeness Crab Coastal Class B Fishery License until December 31, 1997.

Firearm Registration Fee for Aliens

Chapter 190, Laws of 1994 (ESB 6057), increases the fee charged on licenses to possess firearms by aliens from \$15 to \$25 and limits the duration of the license to four years.

Ground Water Testing Fees

Chapter 252, Laws of 1994 (2SHB 2616), requires the Department of Health to impose a fee on public water systems to cover the Department's cost in ground water testing.

International Export Beer and Wine License Fee

Chapter 201, Laws of 1994 (SSB 6298), authorizes an international export beer and wine license for a retailer holding both a Class E and a Class F retail license and establishes an annual fee for the license of \$500. In addition, the Class I caterer's license is authorized for licensees other than Class H licensees.

Judicial Information System

Chapter 8, Laws of 1994 (SSB 6006), authorizes the Supreme Court to provide by rule for the following increases in assessments: the base monetary penalty for each infraction by \$10; a \$10 mandatory appearance assessment on convicted defendants in courts of limited jurisdiction; and a \$10 assessment for each traffic infraction account for which a person requests a time payment schedule.

Limited Liability Companies

Chapter 211, Laws of 1994 (2SHB 1235), provides for the establishment of limited liability companies. The Secretary of State is required to adopt rules establishing filing fees for these companies.

Log Truck Special Overweight Permit Fees

Chapter 172, Laws of 1994 (HB 2592), increases the fee on the transfer or replacement of a log truck special overweight permit from \$5 to \$14.

Manufactured Home Installer Fees

Chapter 284, Laws of 1994 (2SSB 6107), provides for a certificate of manufactured home installation and authorizes the Department of Community, Trade, and Economic Development to set examination and certificate renewal fees.

Metals Mining and Milling Fee

Chapter 232, Laws of 1994 (ESHB 2521), requires the Department of Revenue to set a regulatory fee on each metals mining and milling operation in the state based on cost estimates generated by the Department of Ecology and the Department of Natural Resources, effective July 1, 1995, unless the Legislature adopts an alternative approach based on the recommendations of the Metals Mining Advisory Group established in the act.

Mortgage Broker Licensing and Examination Fees

Chapter 33, Laws of 1994 (SSB 6083), authorizes the Director of the Department of Licensing to establish fees on mortgage brokers to cover administrative costs. These fees may include an annual assessment, an examination fee to cover the costs of any examination of the books and records of the mortgage broker, and an application fee to cover the costs of processing applications.

Motor Vehicle Fees

Chapter 262, Laws of 1994 (ESHB 2224), increases the fee for the reissuance of a certificate of ownership for a motor vehicle from \$1.00 to \$1.25; eliminates the \$2.00 fee for the early issuance of a vehicle license, the fixed load capacity fee, the circus vehicle fee, and the \$10.00 fuel tax distributor fee; and reduces the combined licensing fee by \$90.00 for trucks registered at 42,000 pounds or more that do not haul trailers or are used exclusively for hauling logs.

Non-resident Collection Agency Licensing Fee

Chapter 195, Laws of 1994 (SSB 6093), requires out-of-state collection agencies using interstate communications to collect debts in this state, to be licensed in this state, and to pay a licensing fee. The licensing fee is limited to no more than 50 percent of the fee paid by resident agencies.

On-site Sewage Disposal System Additives

Chapter 281, Laws of 1994 (SSB 6081), authorizes the Department of Health to impose fees to cover the costs of evaluating on-site sewage disposal system additives.

Pasteurized Milk Inspection Program

Chapter 34, Laws of 1994 (SSB 6098), extends from June 30, 1994, to June 30, 1995, the Department of Agriculture's assessment on milk processed in this state of not to exceed fifty-four one-hundredths of one cent per hundredweight to support an inspection program to maintain compliance with the provisions of the pasteurized milk ordinance of the national conference on interstate milk shipment.

Public Archives and Records Management Services

Chapter 193, Laws of 1994 (SSB 6070), requires state agencies to collect a surcharge of \$20 from the judgment debtor upon the satisfaction of a warrant filed in superior court for unpaid taxes or liabilities for the payment of costs incurred in providing public archives and records management services to local government agencies by the Division of Archives and Records Management.

Recreational Fish and Hunting Licenses Fees

Under chapter 255, Laws of 1994 (ESSB 6125), a sport recreational license is created to include the personal use food fish, game fish, hunting, hound, and eastern Washington upland bird licenses, and a warm water game fish surcharge. The senior personal use food fish license fees are set at \$3, and a non-resident game fish license fee of \$20 is established for juveniles. Fees for a personal use food fish license are increased by \$1. A one-day game fish license is created at a fee of \$3 for residents and \$7 for non-residents. The fee for a duplicate license is set at \$10 for licenses that are \$10 and over and at the value of the license for licenses under \$10.

Reimbursement for Securing Abandoned Vessels

Chapter 51, Laws of 1994 (SSB 6000), authorizes the Parks and Recreation Commission to require payment of all reasonable charges incurred by the Commission in securing abandoned vessels.

Rental Vehicle Fees

In removing rental vehicles from special registration and licensing under the proportional registration statutes, chapter 227, Laws of 1994 (SHB 2412), eliminates the \$5 per rental registration fee required for administration, the \$10 fee for each set of rental vehicle license plates, and the transaction fee under the proportional registration program.

Trade & Economic Development Services Fees

Chapter 284, Laws of 1994 (2SSB 6107), authorizes the Department of Community, Trade, and Economic Development to set fees for services rendered.

Trademark Regulation Fee

Chapter 60, Laws of 1994 (2SSB 6276), authorizes the Secretary of State to establish fees for various services for trademark registrations, some of which had previously been set by statute.

Travel Sellers Registration Fees

Chapter 237, Laws of 1994 (ESHB 2688), imposes registration fees on sellers of travel by expanding the regulation of travel charter and tour operators to sellers of travel, effective January 1, 1996.

Truck Trailer Over-Length Permits

Chapter 59, Laws of 1994 (SB 6202), increases the length from 48 feet to 53 feet that a combination consisting of truck-tractor and single trailer may operate on the public highways without a permit and payment of a fee.

Utilities & Transportation Commission - Late Payment Fees

Chapter 83, Laws of 1994 (HB 2338), imposes a late payment fee of 2 percent of the amount due on regulatory fees imposed by the Utilities and Transportation Commission.

Veteran Estate Management Fee

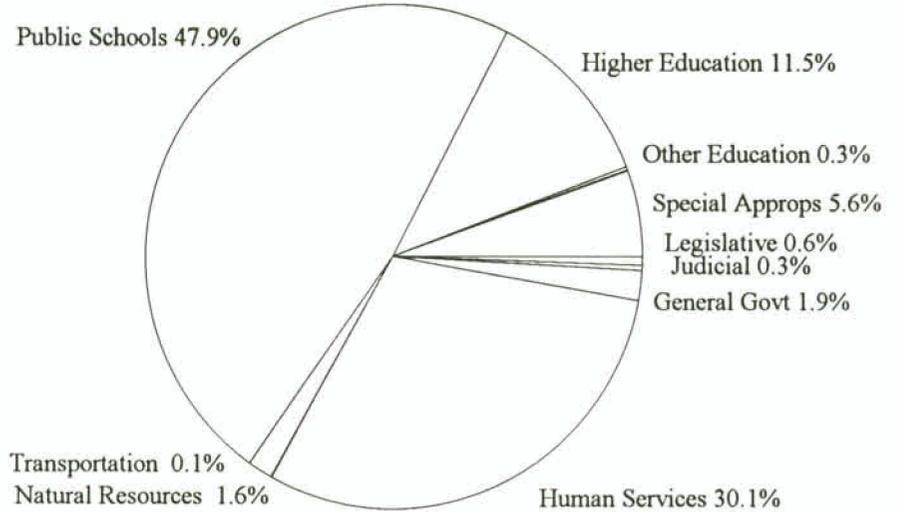
Chapter 147, Laws of 1994 (2SSB 6237), authorizes the Department of Veterans' Affairs to charge estates of veterans for expenses incurred in the administration of the estate of an incapacitated or deceased veteran who is a veteran estate management program client.

Operating Budget Comparisons

(Dollars in Thousands)

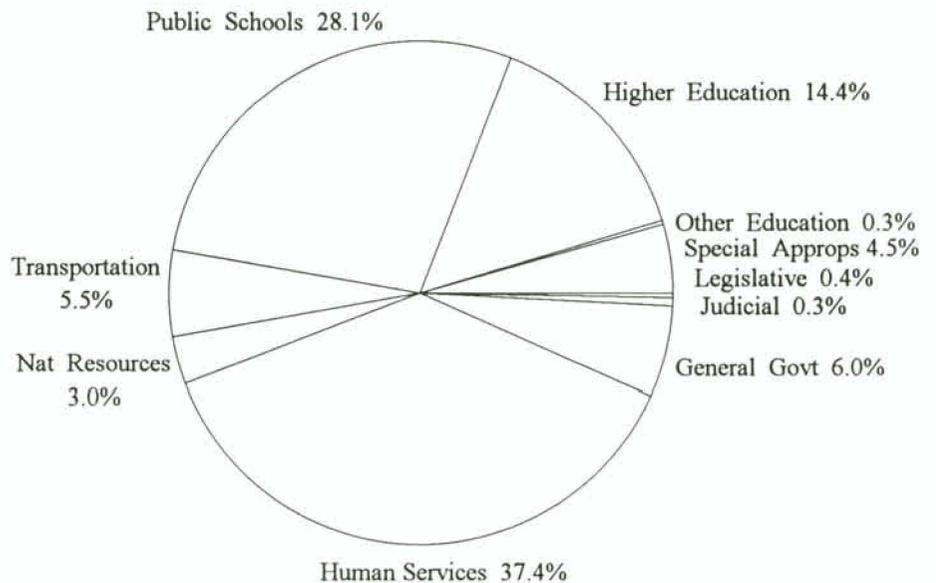
General Fund - State

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Total Budgeted Funds

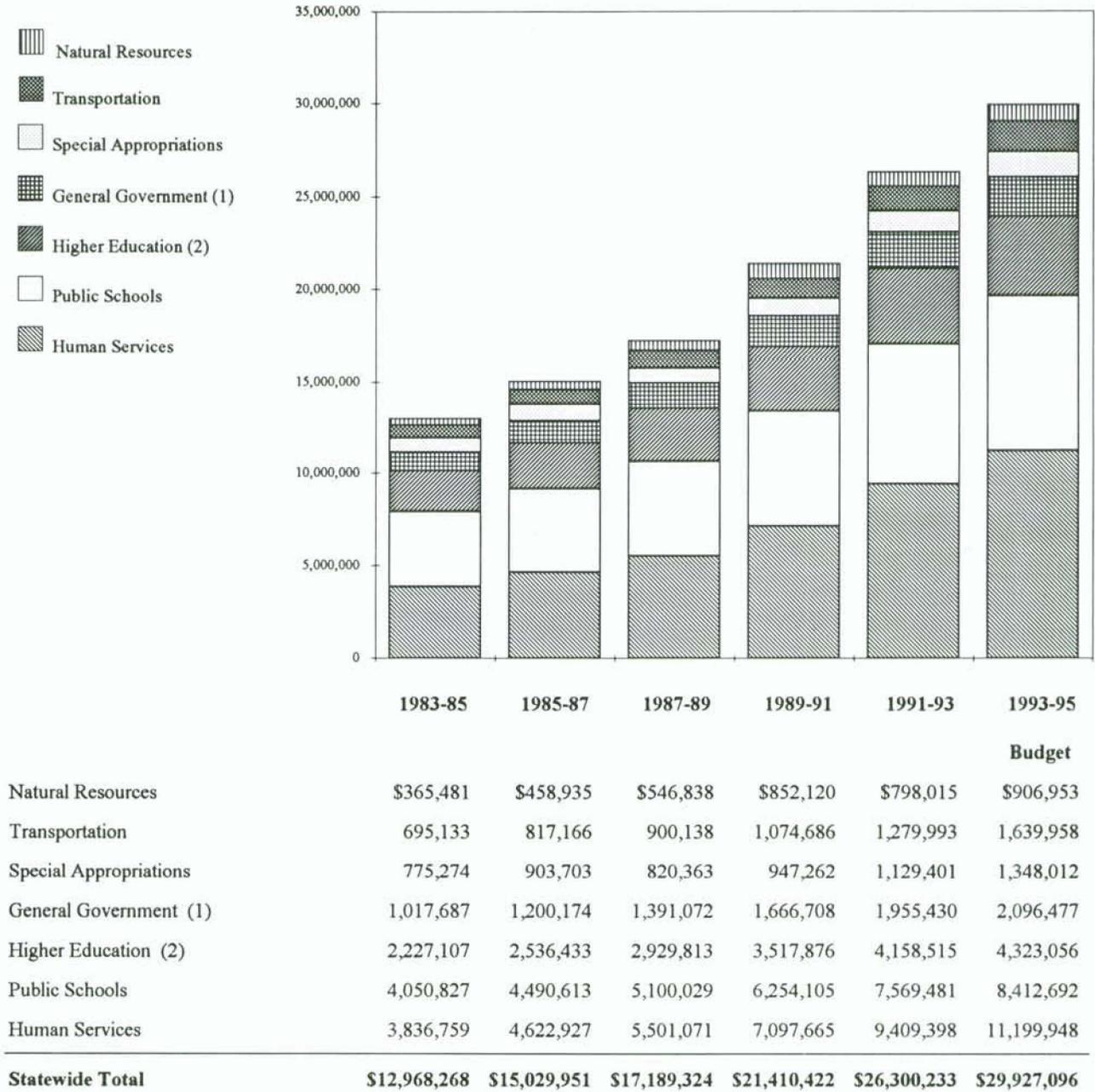
Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State Operating Budget

Total Budgeted Funds

(Dollars in Thousands)

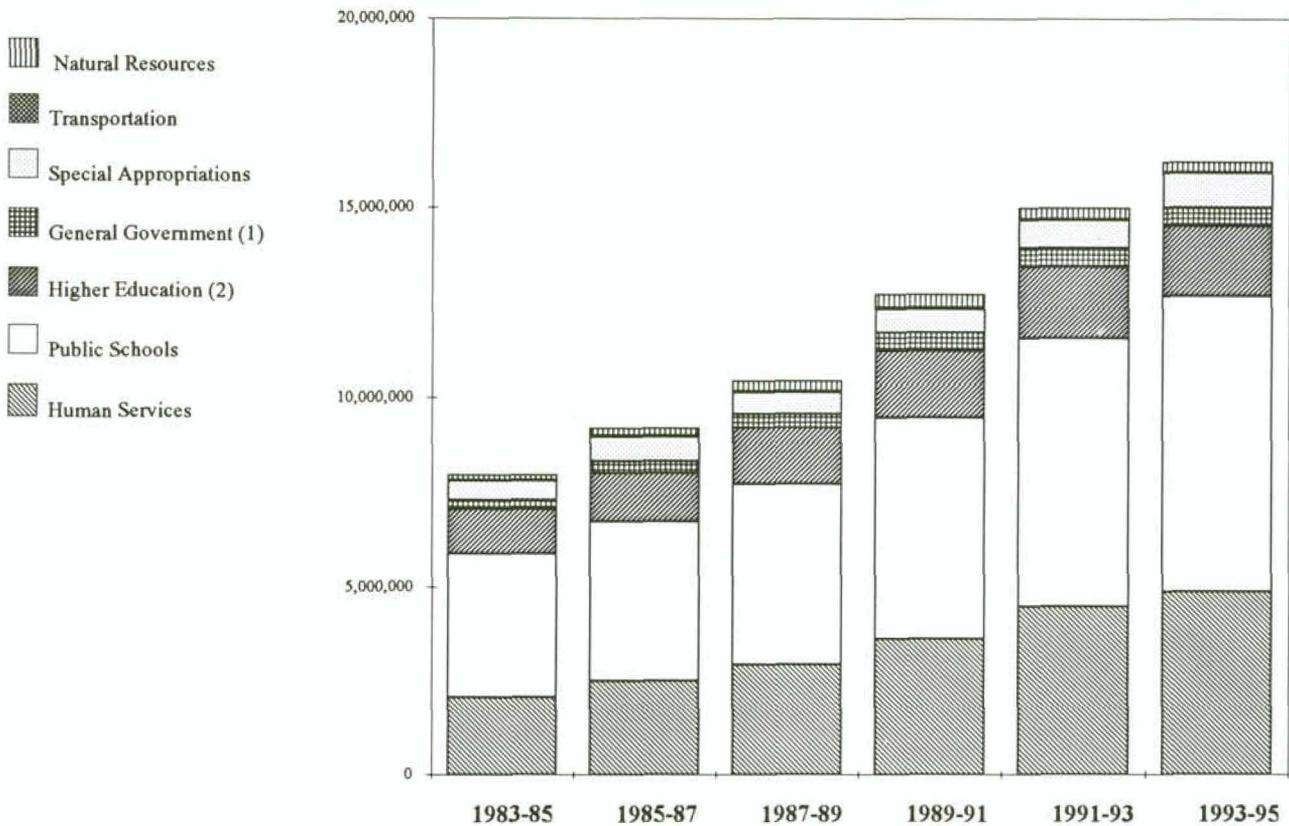


(1) Includes Legislative, Judicial, Other Education, and General Government agencies.

(2) Includes Community & Technical College System, Four Year Schools, Higher Education Coordinating Board, and Joint Center for Higher Education.

Washington State Operating Budget General Fund State

(Dollars in Thousands)



	1983-85	1985-87	1987-89	1989-91	1991-93	1993-95
						Budget
Natural Resources	\$133,458	\$186,670	\$231,629	\$351,951	\$284,535	\$263,032
Transportation	21,604	29,075	40,814	50,051	41,840	18,065
Special Appropriations	493,731	650,112	566,981	617,628	728,734	913,917
General Government (1)	250,331	302,936	363,536	485,108	514,863	510,203
Higher Education (2)	1,183,194	1,284,728	1,475,427	1,734,120	1,881,214	1,860,668
Public Schools	3,828,344	4,234,778	4,799,927	5,841,011	7,060,940	7,756,642
Human Services	2,047,015	2,493,049	2,925,110	3,623,705	4,470,640	4,882,843
Statewide Total	\$7,957,677	\$9,181,348	\$10,403,424	\$12,703,574	\$14,982,766	\$16,205,370

(1) Includes Legislative, Judicial, Other Education, and General Government agencies.

(2) Includes Community & Technical College System, Four Year Schools, Higher Education Coordinating Board, and Joint Center for Higher Education.

Washington State Operating Budget Total All Funds

(Dollars in Thousands)

	<u>1983-85</u>	<u>1985-87</u>	<u>1987-89</u>	<u>1989-91</u>	<u>1991-93</u>	<u>Revised 1993-95</u>
Legislative	\$59,393	\$67,730	\$87,546	\$108,217	\$111,736	\$108,358
Judicial	43,741	55,005	72,772	86,421	92,316	103,365
General Government	847,977	1,005,698	1,149,181	1,385,483	1,661,779	1,798,367
Human Services	3,836,759	4,622,927	5,501,071	7,097,665	9,409,398	11,199,948
Natural Resources	365,481	458,935	546,838	852,120	798,015	906,953
Transportation	695,133	817,166	900,138	1,074,686	1,279,993	1,639,958
Total Education	6,344,510	7,098,787	8,111,415	9,858,568	11,817,595	12,822,135
Public Schools	4,050,827	4,490,613	5,100,029	6,254,105	7,569,481	8,412,692
Higher Education	2,227,107	2,536,433	2,929,813	3,517,876	4,158,515	4,323,056
Other Education	66,576	71,741	81,573	86,587	89,599	86,387
Special Appropriations	775,274	903,703	820,363	947,262	1,129,401	1,348,012
Statewide Total	\$12,968,268	\$15,029,951	\$17,189,324	\$21,410,422	\$26,300,233	\$29,927,096

Percent of Total

Legislative	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
Judicial	0.3%	0.4%	0.4%	0.4%	0.4%	0.3%
General Government	6.5%	6.7%	6.7%	6.5%	6.3%	6.0%
Human Services	29.6%	30.8%	32.0%	33.2%	35.8%	37.4%
Natural Resources	2.8%	3.1%	3.2%	4.0%	3.0%	3.0%
Transportation	5.4%	5.4%	5.2%	5.0%	4.9%	5.5%
Total Education	48.9%	47.2%	47.2%	46.0%	44.9%	42.8%
Public Schools	31.2%	29.9%	29.7%	29.2%	28.8%	28.1%
Higher Education	17.2%	16.9%	17.0%	16.4%	15.8%	14.4%
Other Education	0.5%	0.5%	0.5%	0.4%	0.3%	0.3%
Special Appropriations	6.0%	6.0%	4.8%	4.4%	4.3%	4.5%
Statewide Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent Change from Prior Biennium

Legislative	14.0%	29.3%	23.6%	3.3%	-3.0%
Judicial	25.8%	32.3%	18.8%	6.8%	12.0%
General Government	18.6%	14.3%	20.6%	19.9%	8.2%
Human Services	20.5%	19.0%	29.0%	32.6%	19.0%
Natural Resources	25.6%	19.2%	55.8%	-6.3%	13.7%
Transportation	17.6%	10.2%	19.4%	19.1%	28.1%
Total Education	11.9%	14.3%	21.5%	19.9%	8.5%
Public Schools	10.9%	13.6%	22.6%	21.0%	11.1%
Higher Education	13.9%	15.5%	20.1%	18.2%	-4.0%
Other Education	7.8%	13.7%	6.1%	3.5%	-3.6%
Special Appropriations	16.6%	-9.2%	15.5%	19.2%	19.4%
Statewide Total	15.9%	14.4%	24.6%	22.8%	13.8%

Note: Revised 1993-95 includes all legislative operating amounts.

Washington State Operating Budget General Fund - State

(Dollars in Thousands)

	<u>1983-85</u>	<u>1985-87</u>	<u>1987-89</u>	<u>1989-91</u>	<u>1991-93</u>	<u>Revised 1993-95</u>
Legislative	\$57,301	\$65,724	\$85,165	\$102,223	\$105,978	\$101,321
Judicial	41,156	42,118	51,637	61,073	64,688	55,359
General Government	123,333	162,721	190,113	278,373	299,054	308,861
Human Services	2,047,015	2,493,049	2,925,110	3,623,705	4,470,640	4,882,843
Natural Resources	133,458	186,670	231,629	351,951	284,535	263,032
Transportation	21,604	29,075	40,814	50,051	41,840	18,065
Total Education	5,040,079	5,551,879	6,311,975	7,618,570	8,987,297	9,661,972
Public Schools	3,828,344	4,234,778	4,799,927	5,841,011	7,060,940	7,756,642
Higher Education	1,183,194	1,284,728	1,475,427	1,734,120	1,881,214	1,860,668
Other Education	28,541	32,373	36,621	43,439	45,143	44,662
Special Appropriations	493,731	650,112	566,981	617,628	728,734	913,917
Statewide Total	\$7,957,677	\$9,181,348	\$10,403,424	\$12,703,574	\$14,982,766	\$16,205,370

Percent of Total

Legislative	0.7%	0.7%	0.8%	0.8%	0.7%	0.6%
Judicial	0.5%	0.5%	0.5%	0.5%	0.4%	0.3%
General Government	1.5%	1.8%	1.8%	2.2%	2.0%	1.9%
Human Services	25.7%	27.2%	28.1%	28.5%	29.8%	30.1%
Natural Resources	1.7%	2.0%	2.2%	2.8%	1.9%	1.6%
Transportation	0.3%	0.3%	0.4%	0.4%	0.3%	0.1%
Total Education	63.3%	60.5%	60.7%	60.0%	60.0%	59.6%
Public Schools	48.1%	46.1%	46.1%	46.0%	47.1%	47.9%
Higher Education	14.9%	14.0%	14.2%	13.7%	12.6%	11.5%
Other Education	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%
Special Appropriations	6.2%	7.1%	5.4%	4.9%	4.9%	5.6%
Statewide Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent Change from Prior Biennium

Legislative	14.7%	29.6%	20.0%	3.7%	-4.4%
Judicial	2.3%	22.6%	18.3%	5.9%	-14.4%
General Government	31.9%	16.8%	46.4%	7.4%	3.3%
Human Services	21.8%	17.3%	23.9%	23.4%	9.2%
Natural Resources	39.9%	24.1%	51.9%	-19.2%	-7.6%
Transportation	34.6%	40.4%	22.6%	-16.4%	-56.8%
Total Education	10.2%	13.7%	20.7%	18.0%	7.5%
Public Schools	10.6%	13.3%	21.7%	20.9%	9.9%
Higher Education	8.6%	14.8%	17.5%	8.5%	-1.1%
Other Education	13.4%	13.1%	18.6%	3.9%	-1.1%
Special Appropriations	31.7%	-12.8%	8.9%	18.0%	25.4%
Statewide Total	15.4%	13.3%	22.1%	17.9%	8.2%

Note: Revised 1993-95 includes all legislative operating amounts. See "Appropriations Contained Within Other Legislation," page 14, for additional 1993-95 Appropriations.

Washington State Operating Budget Annual FTE Staff

	<u>1983-85</u>	<u>1985-87</u>	<u>1987-89</u>	<u>1989-91</u>	<u>1991-93</u>	<u>Revised 1993-95</u>
Legislative	749	815	929	959	926	833
Judicial	391	417	445	478	491	508
General Government	4,905	5,284	5,753	6,358	6,876	6,813
Human Services	20,888	22,035	23,606	26,446	28,431	29,321
Natural Resources	4,355	4,654	5,147	5,722	6,210	6,596
Transportation	6,059	6,317	6,633	6,929	7,302	7,619
Total Education	29,000	30,157	31,828	33,973	36,360	36,693
Public Schools	229	244	256	264	256	254
Higher Education	28,336	29,452	31,092	33,257	35,690	36,032
Other Education	435	461	480	452	414	407
Statewide Total	66,347	69,679	74,341	80,865	86,596	88,383

Percent of Total

Legislative	1.1%	1.2%	1.2%	1.2%	1.1%	0.9%
Judicial	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
General Government	7.4%	7.6%	7.7%	7.9%	7.9%	7.7%
Human Services	31.5%	31.6%	31.8%	32.7%	32.8%	33.2%
Natural Resources	6.6%	6.7%	6.9%	7.1%	7.2%	7.5%
Transportation	9.1%	9.1%	8.9%	8.6%	8.4%	8.6%
Total Education	43.7%	43.3%	42.8%	42.0%	42.0%	41.5%
Public Schools	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%
Higher Education	42.7%	42.3%	41.8%	41.1%	41.2%	40.8%
Other Education	0.7%	0.7%	0.6%	0.6%	0.5%	0.5%
Statewide Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Percent Change from Prior Biennium

Legislative	8.8%	14.0%	3.2%	-3.4%	-10.1%
Judicial	6.6%	6.7%	7.4%	2.7%	3.5%
General Government	7.7%	8.9%	10.5%	8.1%	-0.9%
Human Services	5.5%	7.1%	12.0%	7.5%	3.1%
Natural Resources	6.9%	10.6%	11.2%	8.5%	6.2%
Transportation	4.3%	5.0%	4.5%	5.4%	4.3%
Total Education	4.0%	5.5%	6.7%	7.0%	0.9%
Public Schools	6.6%	4.9%	3.1%	-3.0%	-0.7%
Higher Education	3.9%	5.6%	7.0%	7.3%	1.0%
Other Education	6.0%	4.1%	-5.8%	-8.4%	-1.7%
Statewide Total	5.0%	6.7%	8.8%	7.1%	2.1%

Note: Revised 1993-95 includes all legislative operating FTEs; it does not include Capital FTEs from either the Omnibus Capital or Transportation Capital Budgets.

Washington State Operating Budget 1994 Supplemental Budget

TOTAL STATE
(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Legislative	101,545	(224)	101,321	108,635	(277)	108,358
Judicial	55,510	(151)	55,359	98,894	4,471	103,365
General Government	299,327	9,534	308,861	1,792,674	5,693	1,798,367
Department of Social & Health Services	3,945,485	98,603	4,044,088	9,025,364	112,695	9,138,059
Other Human Services	841,243	(2,488)	838,755	2,044,115	17,774	2,061,889
Natural Resources	246,603	16,429	263,032	879,657	27,296	906,953
Transportation	20,759	(2,694)	18,065	1,625,958	14,000	1,639,958
Total Education	9,664,206	(2,234)	9,661,972	12,825,691	(3,556)	12,822,135
Public Schools	7,753,641	3,001	7,756,642	8,409,691	3,001	8,412,692
Higher Education	1,866,090	(5,422)	1,860,668	4,327,918	(4,862)	4,323,056
Other Education	44,475	187	44,662	88,082	(1,695)	86,387
Special Appropriations	962,129	(48,212)	913,917	1,404,056	(56,044)	1,348,012
Statewide Total	16,136,807	68,563	16,205,370	29,805,044	122,052	29,927,096

Washington State Operating Budget 1994 Supplemental Budget

TOTAL LEGISLATIVE & JUDICIAL (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
House of Representatives	46,189	(674)	45,515	46,189	(674)	45,515
Senate	35,457	(459)	34,998	35,457	(459)	34,998
WA Performance Partnership Council	0	500	500	0	500	500
Legislative Budget Committee	2,067	359	2,426	2,632	359	2,991
Legislative Transportation Committee	0	0	0	2,644	(53)	2,591
LEAP Committee	2,400	77	2,477	2,810	77	2,887
State Actuary	0	0	0	1,649	0	1,649
Joint Legislative Systems Committee	9,480	92	9,572	9,480	92	9,572
Statute Law Committee	5,952	(119)	5,833	7,774	(119)	7,655
Total Legislative	101,545	(224)	101,321	108,635	(277)	108,358
Supreme Court	9,769	(183)	9,586	9,769	(183)	9,586
State Law Library	3,193	0	3,193	3,193	0	3,193
Court of Appeals	17,117	367	17,484	17,117	367	17,484
Commission on Judicial Conduct	1,013	54	1,067	1,013	54	1,067
Office of the Administrator for the Courts	24,418	(389)	24,029	67,802	4,233	72,035
Total Judicial	55,510	(151)	55,359	98,894	4,471	103,365
Total Legislative & Judicial	157,055	(375)	156,680	207,529	4,194	211,723

Washington State Operating Budget 1994 Supplemental Budget

TOTAL GENERAL GOVERNMENT

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Office of the Governor	6,138	(123)	6,015	6,138	(123)	6,015
Office of the Lieutenant Governor	484	0	484	484	0	484
Public Disclosure Commission	1,989	189	2,178	1,989	189	2,178
Office of the Secretary of State	8,049	500	8,549	12,577	484	13,061
Governor's Office of Indian Affairs	297	3	300	297	3	300
Commission on Asian-American Affairs	336	2	338	336	2	338
Office of the State Treasurer	0	4,990	4,990	10,020	4,790	14,810
Office of the State Auditor	20	0	20	36,984	(250)	36,734
Comm on Salaries for Elected Officials	66	0	66	66	0	66
Office of the Attorney General	5,918	87	6,005	110,379	2,730	113,109
Department of Financial Institutions	0	0	0	9,775	437	10,212
Economic & Revenue Forecast Council	815	3	818	815	3	818
Office of Financial Management	19,660	(138)	19,522	35,083	(138)	34,945
Department of Community Development	88,457	3,306	91,763	327,974	(1,410)	326,564
Office of Administrative Hearings	0	0	0	12,535	0	12,535
Department of Personnel	0	0	0	28,493	1,352	29,845
Deferred Compensation Committee	0	0	0	2,692	376	3,068
State Lottery Commission	0	0	0	478,141	(388)	477,753
Washington State Gambling Commission	0	0	0	14,263	0	14,263
Commission on Hispanic Affairs	375	0	375	375	0	375
Gov Comm on African-American Affairs	271	2	273	271	2	273
Personnel Appeals Board	0	0	0	1,268	170	1,438
Department of Retirement Systems	0	0	0	31,988	(148)	31,840
State Investment Board	0	0	0	6,939	294	7,233
Department of Revenue	123,538	(1,180)	122,358	130,242	(1,113)	129,129
Board of Tax Appeals	1,340	0	1,340	1,340	0	1,340
Municipal Research Council	2,944	0	2,944	2,944	0	2,944
Uniform Legislation Commission	47	8	55	47	8	55
Minority & Women's Business Enterprise	0	0	0	2,103	(5)	2,098
Department of General Administration	393	(6)	387	100,948	(432)	100,516
Department of Information Services	0	400	400	180,252	405	180,657
Office of Insurance Commissioner	0	0	0	18,310	95	18,405
State Board of Accountancy	0	0	0	1,202	12	1,214
Death Investigation Council	0	0	0	14	0	14
Washington Horse Racing Commission	0	0	0	4,876	(98)	4,778
Liquor Control Board	0	0	0	111,231	(442)	110,789
Utilities and Transportation Commission	0	0	0	29,559	(546)	29,013
Board for Volunteer Firefighters	0	0	0	398	0	398
Military Department	8,365	(167)	8,198	17,401	(348)	17,053
Public Employment Relations Comm	1,771	1,577	3,348	4,408	(1,060)	3,348
Dept. of Trade & Economic Development	25,026	141	25,167	35,018	122	35,140
Growth Planning Hearings Office	3,028	(60)	2,968	3,028	(60)	2,968
Convention & Trade Center	0	0	0	19,471	780	20,251
Total General Government	299,327	9,534	308,861	1,792,674	5,693	1,798,367

Washington State Operating Budget

1994 Supplemental Budget

TOTAL HUMAN SERVICES

(Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
DSHS	3,945,485	98,603	4,044,088	9,025,364	112,695	9,138,059
Health Care Authority	6,810	20,608	27,418	158,771	17,691	176,462
Human Rights Commission	3,919	(180)	3,739	5,330	(180)	5,150
Board of Industrial Insurance Appeals	110	(110)	0	20,518	(518)	20,000
Criminal Justice Training Commission	0	0	0	11,200	(164)	11,036
Department of Labor & Industries	9,241	246	9,487	378,674	(2,859)	375,815
Indeterminate Sentence Review Board	2,643	(52)	2,591	2,643	(52)	2,591
Health Services Commission	0	180	180	4,004	229	4,233
Department of Health	92,520	(2,858)	89,662	352,609	21,161	373,770
Department of Veterans' Affairs	20,701	(1,011)	19,690	46,942	1,699	48,641
Department of Corrections	700,639	(19,958)	680,681	704,511	(20,943)	683,568
Department of Services for the Blind	2,601	(14)	2,587	12,925	(56)	12,869
Sentencing Guidelines Commission	662	61	723	662	61	723
Department of Employment Security	1,397	600	1,997	345,326	1,705	347,031
Total Other Human Services	841,243	(2,488)	838,755	2,044,115	17,774	2,061,889
Total Human Services	4,786,728	96,115	4,882,843	11,069,479	130,469	11,199,948

Washington State Operating Budget 1994 Supplemental Budget

TOTAL DEPARTMENT OF SOCIAL & HEALTH SERVICES (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Children & Family Services	292,004	(8,652)	283,352	489,133	14,113	503,246
Juvenile Rehabilitation	120,210	16,027	136,237	131,135	16,268	147,403
Mental Health	398,605	(10,459)	388,146	714,073	(3,590)	710,483
Developmental Disabilities	330,879	5,339	336,218	638,357	2,338	640,695
Long-Term Care Services	618,987	10,326	629,313	1,359,018	(434)	1,358,584
Income Assistance Grants	653,252	45,388	698,640	1,253,238	55,597	1,308,835
Alcohol & Substance Abuse	15,355	(1,038)	14,317	149,402	255	149,657
Medical Assistance Payments	1,167,705	33,322	1,201,027	3,388,786	24,032	3,412,818
Vocational Rehabilitation	15,406	275	15,681	83,643	2,402	86,045
Administration & Supporting Services	46,547	(803)	45,744	83,967	(51)	83,916
Community Services Administration	219,837	2,941	222,778	477,867	1,292	479,159
Revenue Collections	35,763	5,646	41,409	214,086	3	214,089
Payments to Other Agencies	30,935	291	31,226	42,659	470	43,129
Total DSHS	3,945,485	98,603	4,044,088	9,025,364	112,695	9,138,059

Washington State Operating Budget 1994 Supplemental Budget

TOTAL NATURAL RESOURCES (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
State Energy Office	1,518	(30)	1,488	47,176	(783)	46,393
Columbia River Gorge Commission	574	(11)	563	1,116	(22)	1,094
Department of Ecology	55,625	(2,068)	53,557	261,607	(84)	261,523
WA Pollution Liability Insurance Pgm	0	0	0	906	(3)	903
Parks & Recreation Commission	54,130	19,808	73,938	61,751	20,058	81,809
Interagency Comm Outdoor Recreation	0	0	0	2,600	16	2,616
Environmental Hearings Office	1,205	156	1,361	1,205	156	1,361
State Conservation Commission	1,670	(9)	1,661	1,872	(9)	1,863
Puget Sound Water Quality Authority	3,059	(63)	2,996	4,207	(86)	4,121
Office of Marine Safety	0	0	0	4,496	(206)	4,290
Department of Fisheries	55,740	190	55,930	100,082	95	100,177
Department of Wildlife	10,226	(205)	10,021	109,194	(180)	109,014
Department of Natural Resources	49,394	(2,400)	46,994	216,718	6,866	223,584
Department of Agriculture	13,462	1,061	14,523	66,727	1,478	68,205
Total Natural Resources	246,603	16,429	263,032	879,657	27,296	906,953

Washington State Operating Budget 1994 Supplemental Budget

TOTAL TRANSPORTATION (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Board of Pilotage Commissioners	0	0	0	218	0	218
State Patrol	14,223	(3,598)	10,625	234,382	1,514	235,896
WA Traffic Safety Commission	0	0	0	3,357	0	3,357
Department of Licensing	6,536	904	7,440	164,674	14,487	179,161
Department of Transportation	0	0	0	921,037	(1,936)	919,101
County Road Administration Board	0	0	0	87,924	(22)	87,902
Transportation Improvement Board	0	0	0	211,822	(10)	211,812
Marine Employees' Commission	0	0	0	373	0	373
Transportation Commission	0	0	0	1,637	(33)	1,604
Air Transportation Commission	0	0	0	534	0	534
Total Transportation	20,759	(2,694)	18,065	1,625,958	14,000	1,639,958

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TOTAL EDUCATION (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Public Schools	7,753,641	3,001	7,756,642	8,409,691	3,001	8,412,692
Higher Education Coordinating Board	130,333	3,593	133,926	140,105	3,593	143,698
University of Washington	507,618	(3,488)	504,130	2,027,514	(2,938)	2,024,576
Washington State University	292,545	(1,991)	290,554	601,763	(1,991)	599,772
Eastern Washington University	72,813	(561)	72,252	126,076	(561)	125,515
Central Washington University	66,482	(479)	66,003	113,843	(469)	113,374
The Evergreen State College	37,207	(308)	36,899	60,089	(308)	59,781
Joint Center for Higher Education	711	206	917	865	206	1,071
Western Washington University	81,618	(530)	81,088	153,469	(530)	152,939
Community & Technical Colleges	676,763	(1,864)	674,899	1,104,194	(1,864)	1,102,330
Total Higher Education	1,866,090	(5,422)	1,860,668	4,327,918	(4,862)	4,323,056
Compact for Education	0	119	119	0	119	119
School for the Blind	6,862	(7)	6,855	6,888	0	6,888
School for the Deaf	12,566	(9)	12,557	12,606	0	12,606
Work Force Training & Education Board	3,517	(70)	3,447	38,666	(70)	38,596
Higher Education Personnel Board	0	0	0	1,898	(1,898)	0
State Library	14,062	110	14,172	18,904	110	19,014
Arts Commission	4,274	22	4,296	5,208	22	5,230
State Historical Society	2,321	4	2,325	2,963	4	2,967
Eastern WA State Historical Society	873	18	891	949	18	967
Total Other Education	44,475	187	44,662	88,082	(1,695)	86,387
Total Education	9,664,206	(2,234)	9,661,972	12,825,691	(3,556)	12,822,135

Washington State Operating Budget 1994 Supplemental Budget

TOTAL PUBLIC SCHOOLS (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
State Office Administration	34,414	1,434	35,848	72,201	1,434	73,635
General Apportionment	6,019,646	(12,128)	6,007,518	6,019,646	(12,128)	6,007,518
Pupil Transportation	351,143	(6,257)	344,886	351,143	(6,257)	344,886
School Food Services	6,000	0	6,000	250,886	0	250,886
Handicapped Education	867,311	2,690	870,001	965,995	2,690	968,685
Traffic Safety Education	0	0	0	16,979	0	16,979
Educational Service Districts	9,891	125	10,016	9,891	125	10,016
Levy Equalization	149,596	0	149,596	149,596	0	149,596
Elementary & Secondary School Improve	0	0	0	197,580	0	197,580
Indian Education	0	0	0	370	0	370
Institutional Education	22,869	3,449	26,318	31,417	3,449	34,866
Education of Highly Capable Students	8,983	(44)	8,939	8,983	(44)	8,939
Education Reform	57,990	18,184	76,174	57,990	18,184	76,174
Federal Encumbrances	0	0	0	51,216	0	51,216
Transitional Bilingual Instruction	46,940	117	47,057	46,940	117	47,057
Learning Assistance Program (LAP)	108,456	(543)	107,913	108,456	(543)	107,913
Block Grants	47,832	(245)	47,587	47,832	(245)	47,587
Compensation Adjustments	22,570	(19,031)	3,539	22,570	(19,031)	3,539
Common School Construction	0	15,250	15,250	0	15,250	15,250
Total Public Schools	7,753,641	3,001	7,756,642	8,409,691	3,001	8,412,692

Washington State Operating Budget 1994 Supplemental Budget

TOTAL SPECIAL APPROPRIATIONS (Dollars in Thousands)

	General Fund-State			Total All Funds		
	Orig 93-95	94 Supp	Rev 93-95	Orig 93-95	94 Supp	Rev 93-95
Bond Retirement & Interest	765,533	(29,175)	736,358	1,189,781	(24,217)	1,165,564
Special Appropriations to the Governor	13,194	(2,234)	10,960	24,581	1,039	25,620
Belated Claims	0	0	0	0	971	971
Sundry Claims	1,950	36	1,986	1,950	105	2,055
State Employee Compensation Adjust	4,093	(14,009)	(9,916)	10,385	(31,112)	(20,727)
Agency Loans	7,380	(2,830)	4,550	7,380	(2,830)	4,550
Contributions to Retirement Systems	169,979	0	169,979	169,979	0	169,979
Total Special Appropriations	962,129	(48,212)	913,917	1,404,056	(56,044)	1,348,012

Omnibus Appropriations Act -- Agency Detail

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Legislative

Legislative Agency Efficiencies

Efficiency reductions of 2 percent are taken in the Senate, House of Representatives, and other legislative agencies.

Washington Performance Partnership Council

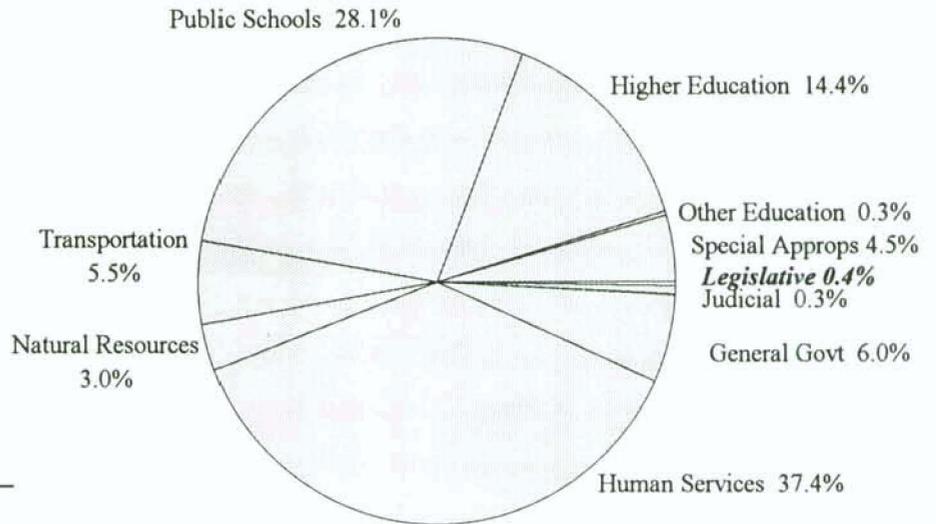
Funding of \$500,000 General Fund-State is provided to support the Washington Performance Partnership Council which provides overall policy direction and guidance for the Washington Performance Partnership, as described on page 6.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

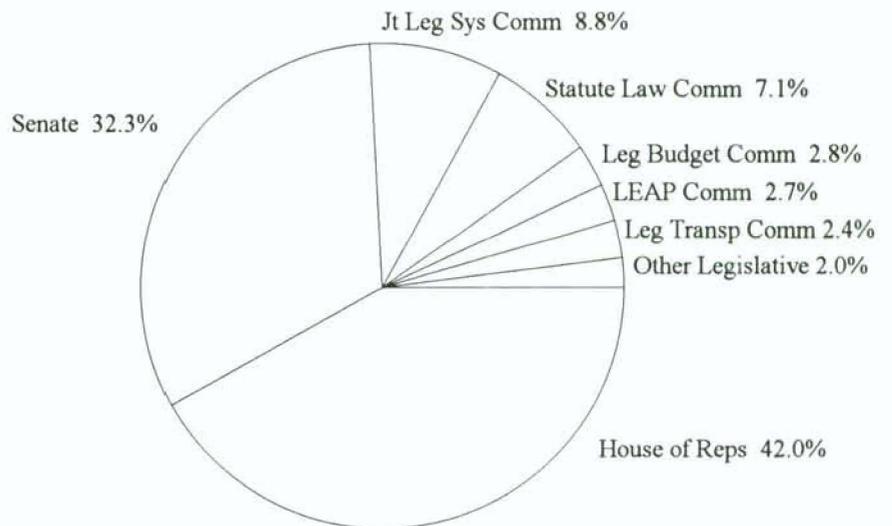
(Dollars in Thousands)

<i>Legislative</i>	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

House of Representatives	45,515
Senate	34,998
Joint Leg Systems Comm	9,572
Statute Law Committee	7,655
Leg Budget Committee	2,991
LEAP Committee	2,887
Leg Transp Committee	2,591
Other Legislative	2,149
<i>Legislative</i>	108,358



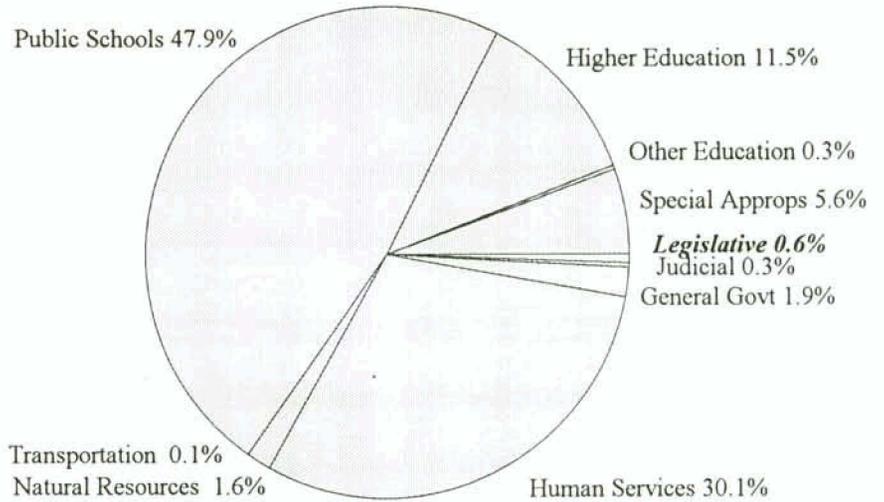
Legislative

Washington State 1993-95 Operating Budget

General Fund - State

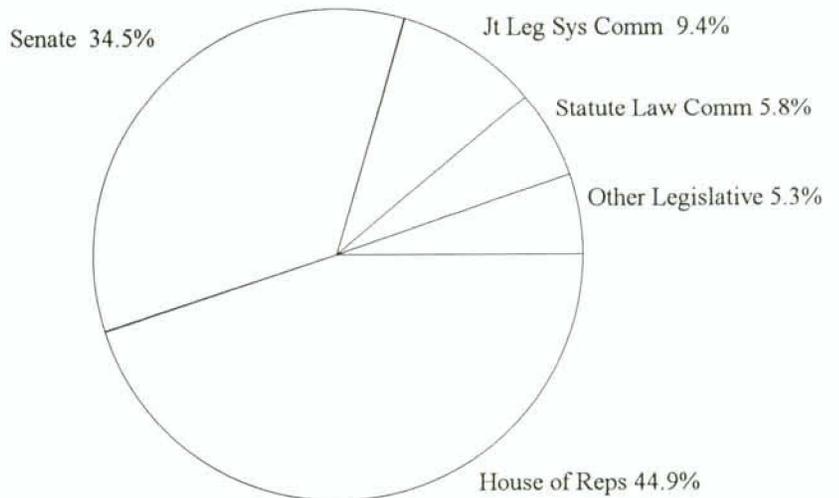
(Dollars in Thousands)

<i>Legislative</i>	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

House of Representatives	45,515
Senate	34,998
Joint Leg Systems Comm	9,572
Statute Law Committee	5,833
Other Legislative	5,403
<i>Legislative</i>	101,321



Legislative

House of Representatives
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	46,189	0	46,189
1994 Supplemental Budget			
1. Efficiency Savings	-924	0	-924
2. Fiscal Accountability Project	250	0	250
Total Supplemental Items	-674	0	-674
1993-95 REVISED APPROPRIATION	45,515	0	45,515

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.
2. FISCAL ACCOUNTABILITY PROJECT - Funds are provided for the Fiscal Accountability Project.

Senate
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	35,457	0	35,457
1994 Supplemental Budget			
1. Efficiency Savings	-709	0	-709
2. Fiscal Accountability Project	250	0	250
Total Supplemental Items	-459	0	-459
1993-95 REVISED APPROPRIATION	34,998	0	34,998

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.
2. FISCAL ACCOUNTABILITY PROJECT - Funds are provided for the Fiscal Accountability Project.

Washington Performance Partnership Council

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	0	0
1994 Supplemental Budget			
1. Performance Partnership	500	0	500
Total Supplemental Items	500	0	500
1993-95 REVISED APPROPRIATION	500	0	500

Comments:

1. PERFORMANCE PARTNERSHIP - Funds are provided for the Washington Performance Partnership Council, established under chapter 194, Laws of 1994 (ESB 6601).

Legislative Budget Committee

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	2,067	565	2,632
1994 Supplemental Budget			
1. Efficiency Savings	-41	0	-41
2. Studies Management Oversight	75	0	75
3. K-12 Fiscal Studies	250	0	250
4. State Lottery Study	75	0	75
Total Supplemental Items	359	0	359
1993-95 REVISED APPROPRIATION	2,426	565	2,991

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.
2. STUDIES MANAGEMENT OVERSIGHT - Funds are provided for management oversight and contract administration for studies mandated in the appropriations act.
3. K-12 FISCAL STUDIES - The LBC is directed to conduct or contract for studies of the K-12 special education and learning assistance programs and in-service education credits.
4. STATE LOTTERY STUDY - Funds are provided for a study of the Washington State lottery.

Legislative Evaluation & Accountability Program

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	2,400	0	2,400
1994 Supplemental Budget			
1. Efficiency Savings	-48	0	-48
2. ACES Work Group	125	0	125
Total Supplemental Items	77	0	77
1993-95 REVISED APPROPRIATION	2,477	0	2,477

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.
2. ACES WORK GROUP - The LEAP Committee is directed to establish a work group to expedite the transition of the Department of Social and Health Services' Automated Client Eligibility System (ACES) to a more flexible architecture or open computer system.

NOTE: The LEAP Committee received an appropriation of \$410,000 from the original 1993-95 Transportation Budget.

Joint Legislative Systems Committee

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	9,480	0	9,480
1994 Supplemental Budget			
1. Efficiency Savings	-190	0	-190
2. Computer Systems Development	282	0	282
Total Supplemental Items	92	0	92
1993-95 REVISED APPROPRIATION	9,572	0	9,572

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.
2. COMPUTER SYSTEMS DEVELOPMENT - Funds are provided for computer systems development and public access improvements.

Statute Law Committee

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	5,952	1,822	7,774
1994 Supplemental Budget			
1. Efficiency Savings	<u>-119</u>	<u>0</u>	<u>-119</u>
Total Supplemental Items	-119	0	-119
1993-95 REVISED APPROPRIATION	5,833	1,822	7,655

Comments:

1. EFFICIENCY SAVINGS - Reductions are made to agencies in the legislative branch at the same level as many other general government agencies.

Judicial

Judicial Information System Upgrades

The Supreme Court, by rule, may (1) establish a \$10 mandatory appearance fee on convicted defendants in courts of limited jurisdiction; (2) establish a \$10 assessment for each traffic infraction account for which a person requests a time payment schedule; and (3) increase the base monetary penalty for each infraction by \$10. Increased revenues associated with these new rule changes total \$6.9 million, of which \$4.2 million is expected to accrue to the Judicial Information System (JIS) to enable the Office of the Administrator for the Courts to upgrade and expand the JIS mainframe computer system. The remaining \$2.7 million accrues to the Public Safety and Education Account.

New Appellate Court Judges

Two additional Court of Appeals judges are provided for District II, thereby increasing the total number of judges from four to six. District II includes Pierce, Clallam, Grays Harbor, Jefferson, Kitsap, Mason, Thurston, Clark, Cowlitz, Lewis, Pacific, Skamania, and Wahkiakum counties. Funding includes staff support of four law clerks and one secretary plus remodeling, equipment, and furnishing costs.

Recording of Decisions Made Self-Supporting

The commission which supervises the publication of court reports currently has the authority to establish the price of Supreme Court and Appellate Court opinions. Staff costs of the reporter are to be fully recovered, saving \$183,000 General Fund-State this biennium and a total of \$732,000 next biennium in the Supreme Court's budget.

Payment of Superior Court Judges Benefits

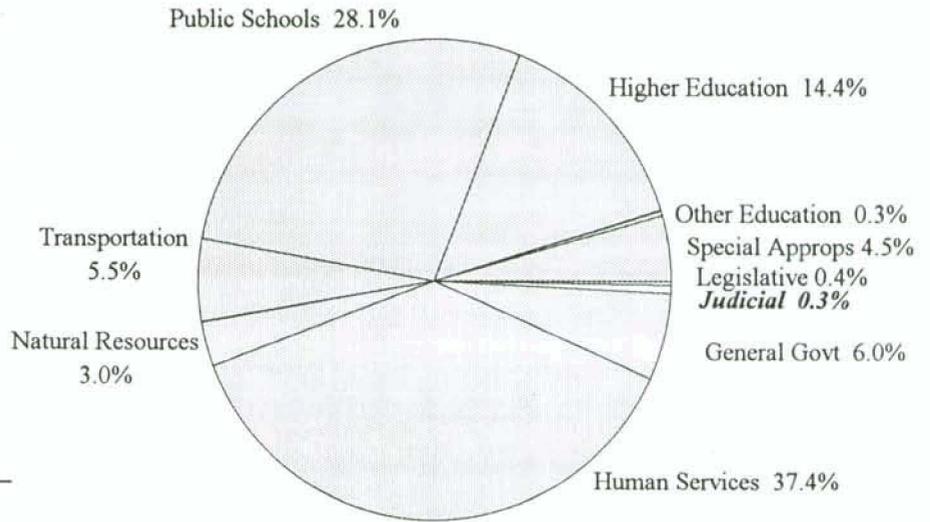
Savings to the state general fund of \$389,000 will be realized by requiring a local match of Superior Court judges' benefits. Counties will be required to pay 50 percent of judges benefits for social security, medical benefits, and insurance. The state will continue to pay 100 percent of the retirement benefits. Both state and local governments will continue to equally share the costs of salaries for Superior Court judges.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

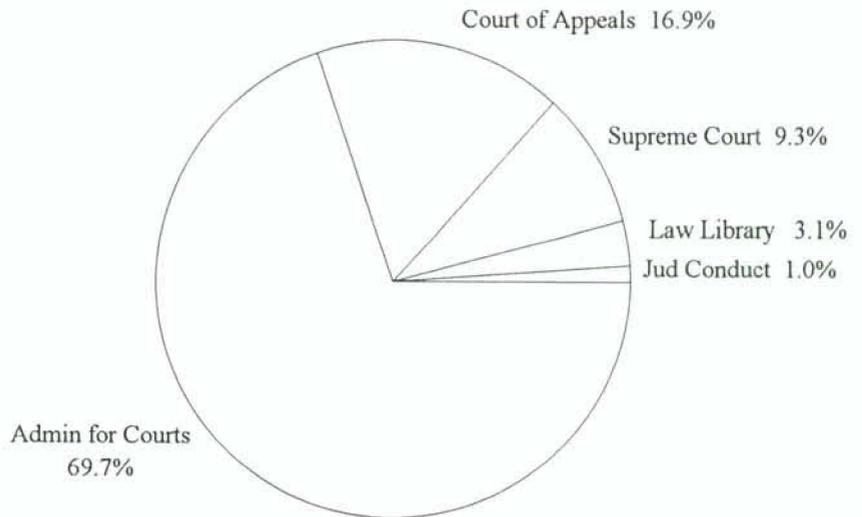
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Admin for the Courts	72,035
Court of Appeals	17,484
Supreme Court	9,586
State Law Library	3,193
Judicial Conduct Comm	1,067
Judicial	103,365



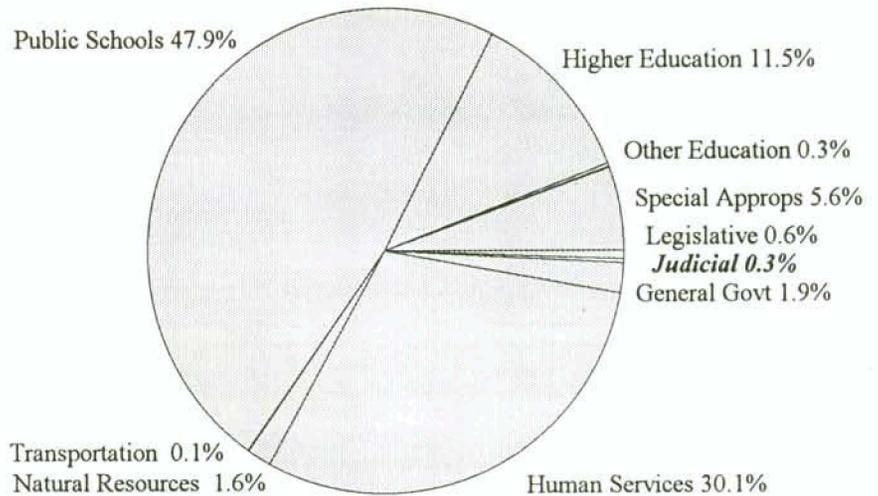
Judicial

Washington State 1993-95 Operating Budget

General Fund - State

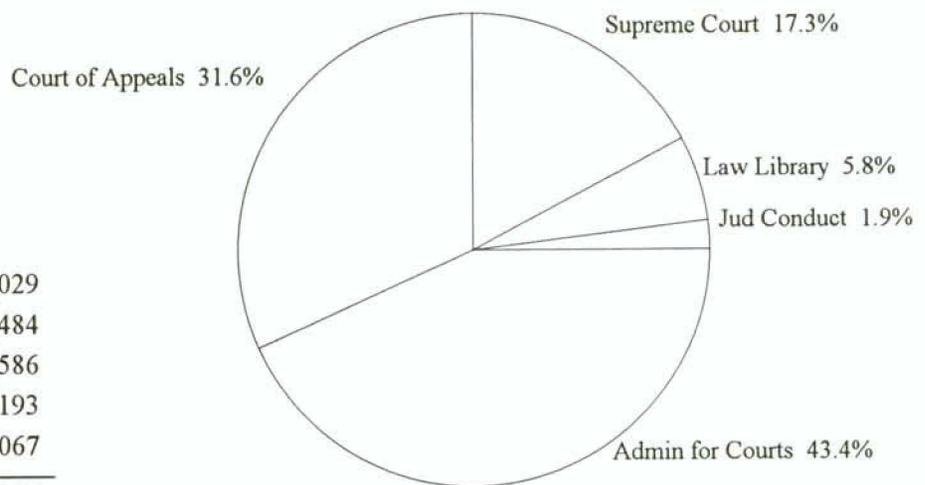
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

Admin for the Courts	24,029
Court of Appeals	17,484
Supreme Court	9,586
State Law Library	3,193
Judicial Conduct Comm	1,067
Judicial	55,359



Judicial

Supreme Court
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	9,769	0	9,769
1994 Supplemental Budget			
1. Self-support Reporter of Decisions	-183	0	-183
Total Supplemental Items	-183	0	-183
1993-95 REVISED APPROPRIATION	9,586	0	9,586

Comments:

1. SELF-SUPPORT REPORTER OF DECISIONS - The Commission which supervises the publication of court reports under RCW 2.32.170 is authorized to establish the price of Supreme Court and Court of Appeals opinions, "as nearly as may be, equal to the cost of such publication and the expenses incidental thereto, ...". This proposal requires the staff costs of the Reporter of Decisions to be fully recovered, as well as publishing and other costs. Other options may be considered to ensure that these costs are not subsidized by state funds. This change will be effective January 1, 1995.

Court of Appeals
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	17,117	0	17,117
1994 Supplemental Budget			
1. Additional Judges - Division II	<u>367</u>	<u>0</u>	<u>367</u>
Total Supplemental Items	367	0	367
1993-95 REVISED APPROPRIATION	17,484	0	17,484

Comments:

1. ADDITIONAL JUDGES - DIVISION II - Two additional judges are funded for Division II, District II and District III of the Court of Appeals. This will increase the number of judges from four to six. Division II includes Pierce, Clallam, Grays Harbor, Jefferson, Kitsap, Mason, Thurston, Clark, Cowlitz, Lewis, Pacific, Skamania, and Wahkiakum counties. The funding includes one-time costs of approximately \$107,000. The District III position is effective November 1, 1994, and the District II position is effective February 1, 1995.

Commission on Judicial Conduct

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	1,013	0	1,013
1994 Supplemental Budget			
1. Increased Monthly Facilities Lease	3	0	3
2. Equipment Repair & Replacement	3	0	3
3. Reduce Personal Services Contracts	-20	0	-20
4. Ethics for State Officers	68	0	68
Total Supplemental Items	54	0	54
1993-95 REVISED APPROPRIATION	1,067	0	1,067

Comments:

1. INCREASED MONTHLY FACILITIES LEASE - Funds an increased monthly lease payment of 9.4 percent per month effective November 1, 1993.
2. EQUIPMENT REPAIR & REPLACEMENT - Provides one-time funding for the computer used for scanning records onto optical disks, entering case information in a database, and for other software applications used by the Commission.
3. REDUCE PERSONAL SERVICES CONTRACTS - Reduces funding available for personal service contracts used to investigate complaints concerning judges.
4. ETHICS FOR STATE OFFICERS - Provides funding for the Judicial Conduct Commission's portion of chapter 154, Laws of 1994 (ESSB 6111), Ethics for State Officers and Employees. Funding is provided for additional commission members, staff, and travel for 12 meetings per year. Assumed effective date is January 1, 1995.

Office of the Administrator for the Courts

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	24,418	43,384	67,802
1994 Supplemental Budget			
1. Local Match Superior Judge Benefits	-389	0	-389
2. JIS Information System	<u>0</u>	<u>4,622</u>	<u>4,622</u>
Total Supplemental Items	-389	4,622	4,233
1993-95 REVISED APPROPRIATION	24,029	48,006	72,035

Comments:

1. LOCAL MATCH SUPERIOR JUDGE BENEFITS - Under Article IV, Section 13 of the Washington State Constitution, "... one-half of the salary of each of the superior court judges shall be paid by the state, and the other one-half by the county or counties for which he (or she) is elected." Currently, however, the state pays for 100 percent of the costs of associated benefits for superior court judges. This proposal requires counties to pay for one-half of the judges benefit costs for social security, medical benefits, and insurance; the state continues to pay 100 percent of the retirement benefits. Effective date assumed is January 1, 1995.
2. JIS INFORMATION SYSTEM - Chapter 8, Laws of 1994 (SSB 6006) provides authority for the Courts to establish, by rule, increases in assessments including a \$10 mandatory appearance fee, a \$10 fee for time payments of traffic infractions, and an increase to the base monetary penalty for each infraction of \$10. These assessments will raise \$4.6 million for the JIS account and \$2.3 million for the PSEA account. This item allows for the purchase of an additional computer and upgrade of the JIS system to expand capacity so that additional courts can have access to the system. A total of 41 courts will be brought on-line beginning January, 1996.

General Government

Executive and Legislative Ethics Boards

Funding of \$205,000 General Fund-State is provided for the Executive Ethics Board established by chapter 154, Laws of 1994 (SB 6111), which implements the recommendations of the Commission on Ethics in Government and Campaign Financing. The Legislative Ethics Board will be implemented and funded by the Legislature within existing resources.

Mainframe Software Reprogramming

A total of \$656,000 General Fund-State is appropriated to assist several state agencies in reprogramming their mainframe software applications. Current applications are being phased out by the vendor and will no longer be serviceable in case of breakdown.

Earthquake Preparedness

Funding of \$650,000 General Fund-State is provided to increase the state's emergency preparedness and planning for earthquakes and other catastrophic events. This funding will be used to promote state and local disaster plan coordination, as well as earthquake contingency planning.

International Trade

A total of \$1.3 million (\$1.1 million General Fund-State) is provided to: open three new overseas trade offices in China/Hong Kong, Canada, and Mexico; expand existing trade offices in Taiwan and Tokyo; create a special trade representative for the Governor; and to build an international trade network, linking businesses with international trade opportunities. These enhancements are expected to support over \$300 million in new export transactions and bring 200 new small and medium-sized companies into the export market over the next three years.

Washington Public Access Network

A total of \$5.4 million in General Fund-State is provided to develop and implement television coverage of state government deliberations and other public policy events. Also, the network will include an interactive teleconferencing system. The network shall be administered by a non-profit organization.

Retired Senior Volunteer Program (RSVP)

Funding of \$175,000 General Fund-State is provided for continued support of the RSVP program through the end of the biennium. This program organizes senior citizen volunteers to assist in a variety of civic activities.

Boards and Commissions

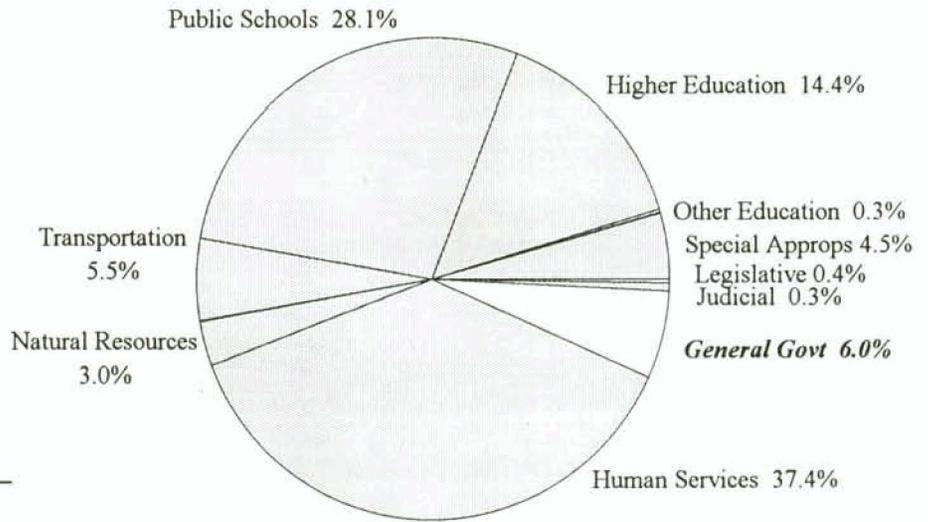
Chapter 9, Laws of 1994, 1st sp.s. (ESHB 2676), restructures a total of 49 boards, commissions, and councils. Elimination or consolidation is recommended in cases where the board or commission is no longer active or the state can achieve savings by combining resources. Examples of boards and commissions affected include the Winter Recreation Council, the Supply Management Advisory Board, and the Insurance Advisory Examining Board. Additionally, the Governor will review the necessity of all boards and commissions and submit legislation terminating or consolidating those which are no longer necessary.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

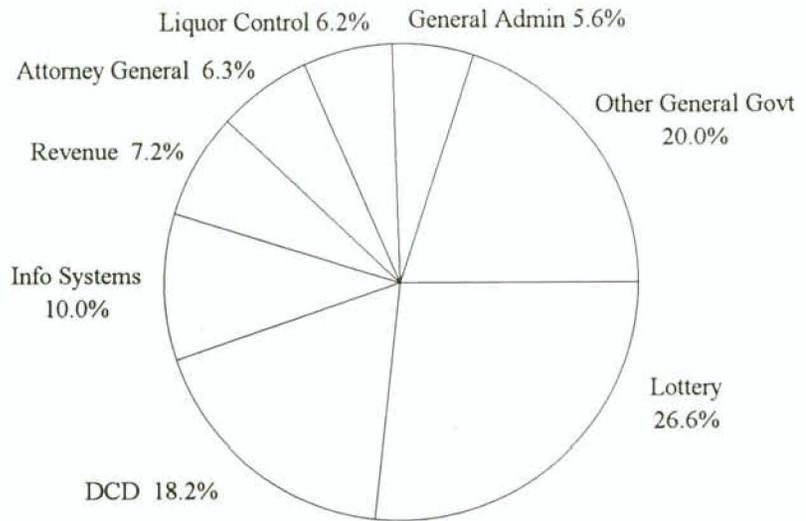
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Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

State Lottery Comm	477,753
Community Development	326,564
Dept of Info Services	180,657
Dept of Revenue	129,129
Attorney General	113,109
Liquor Control Board	110,789
Dept of General Admin	100,516
Other General Government	359,850
General Government	1,798,367



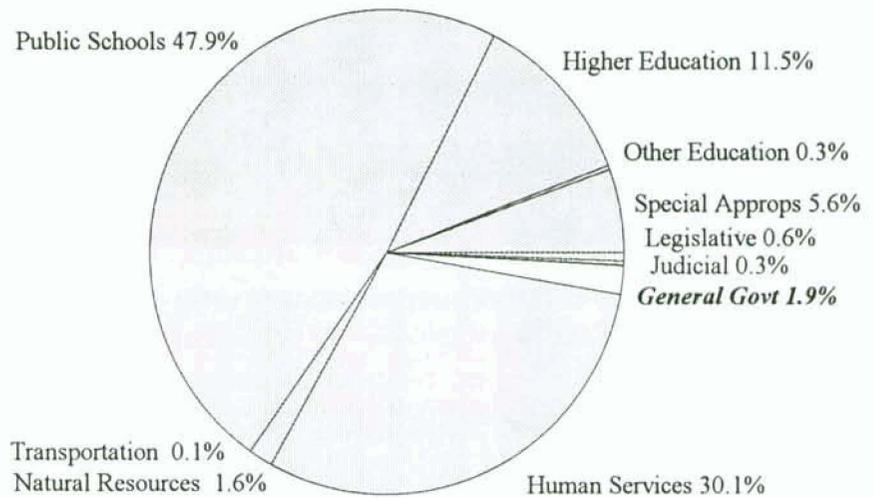
General Government

Washington State 1993-95 Operating Budget

General Fund - State

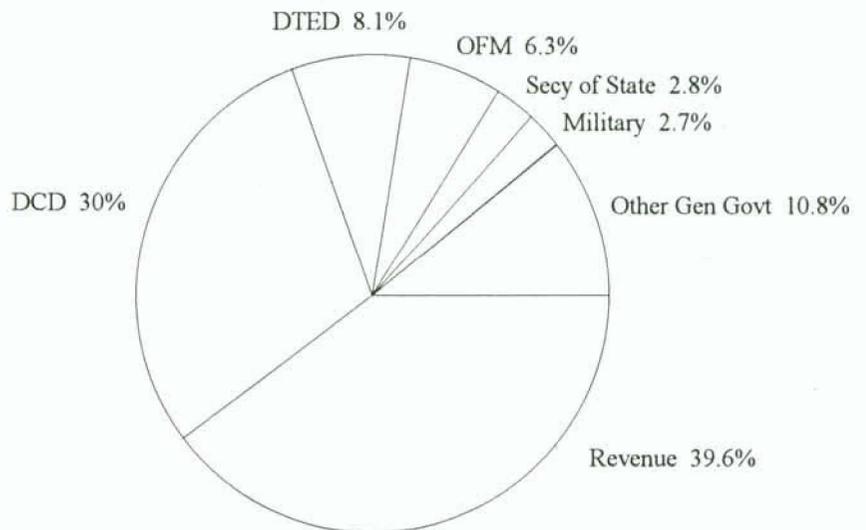
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Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

Dept of Revenue	122,358
Community Development	91,763
Trade & Econ Development	25,167
Office of Financial Mgmt	19,522
Secretary of State	8,549
Military Department	8,198
Other General Government	33,304
General Government	308,861



General Government

Office of the Governor

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	6,138	0	6,138
1994 Supplemental Budget			
1. Administrative Savings	-123	0	-123
Total Supplemental Items	-123	0	-123
1993-95 REVISED APPROPRIATION	6,015	0	6,015

Comments:

1. ADMINISTRATIVE SAVINGS - Savings will occur due to extradition costs paid by the Governor's Office being lower than originally anticipated. In addition, there will be reduced printing and use of communications equipment.

Office of the Secretary of State

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	8,049	4,528	12,577
1994 Supplemental Budget			
1. Voter Services	540	0	540
2. Fund Transfer: Charities	-6	6	0
3. Reduce Travel and Goods/Services	-10	-10	-20
4. Reduce Agency Administration	-24	-12	-36
Total Supplemental Items	500	-16	484
1993-95 REVISED APPROPRIATION	8,549	4,512	13,061

Comments:

1. VOTER SERVICES - Funding is provided for voter services costs such as voters pamphlet publication and mailing, initiative and referendum verification, and legal advertising in excess of that provided in the 1993-95 budget. The funding is for recovery of actual costs due to increased activity in the 1993 elections.

2. FUND TRANSFER: CHARITIES - Administrative support services are transferred from General Fund-State to the Secretary of State's Revolving Fund for expedited service in the Corporation Division. This fund shift is justified by workload analysis. (Other Funds: Secretary of State's Revolving Fund, Non-Appropriated)

3. REDUCE TRAVEL AND GOODS/SERVICES - Goods and services and travel expenditures in administration, address confidentiality, elections training and certification, and the Productivity Board are reduced. Impacts include reduced training of local government election staff, limited geographic coverage for the address confidentiality program, and reduced training and agency outreach by the Productivity Board. (Other Funds: Department of Personnel Service Account)

4. REDUCE AGENCY ADMINISTRATION - Agency administrative support to programs in the areas of personnel and fiscal services is reduced. (Other Funds: Archives and Records Management Account and Department of Personnel Service Account)

Governor's Office of Indian Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	297	0	297
1994 Supplemental Budget			
1. Consolidated Mail Service	<u>3</u>	<u>0</u>	<u>3</u>
Total Supplemental Items	3	0	3
1993-95 REVISED APPROPRIATION	300	0	300

Comments:

1. CONSOLIDATED MAIL SERVICE - Funding is provided to adequately cover the agency's mail service charges.

Washington State Commission on Asian-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	336	0	336
1994 Supplemental Budget			
1. Consolidated Mail Service	<u>2</u>	<u>0</u>	<u>2</u>
Total Supplemental Items	2	0	2
1993-95 REVISED APPROPRIATION	338	0	338

Comments:

1. CONSOLIDATED MAIL SERVICE - Funding is provided to adequately cover the agency's mail service charges.

Office of the State Treasurer

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	10,020	10,020
1994 Supplemental Budget			
1. Accelerate Relocation of Staff	0	-43	-43
2. Reduce Mainframe Upgrade	0	-157	-157
3. Televising Government Deliberations	4,990	0	4,990
Total Supplemental Items	4,990	-200	4,790
1993-95 REVISED APPROPRIATION	4,990	9,820	14,810

Comments:

1. ACCELERATE RELOCATION OF STAFF - Accelerating the planned consolidation of Olympia staff into the General Administration Building will generate savings from reduced lease costs.
2. REDUCE MAINFRAME UPGRADE - Savings result from the purchase of used equipment to upgrade the agency mainframe computer and the extension of the lease purchase payments over 48 months. (State Treasurer's Service Account)
3. TELEVISIONING GOVERNMENT DELIBERATIONS - The State Treasurer is directed to establish an escrow account to fund the television coverage of state government deliberations by a nonprofit organization.

Public Disclosure Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	1,989	0	1,989
1994 Supplemental Budget			
1. Legal Costs	125	0	125
2. Electronic Access to Public Records	64	0	64
Total Supplemental Items	189	0	189
1993-95 REVISED APPROPRIATION	2,178	0	2,178

Comments:

1. LEGAL COSTS - Funds are provided for the one-time costs associated with the implementation of Initiative 134.
2. ELECTRONIC ACCESS TO PUBLIC RECORDS - Funds are provided to implement a program to increase public electronic access to the records of the Public Disclosure Commission, pursuant to chapter 40, Laws of 1994 (E2SSB 6426).

Office of the State Auditor

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	20	36,964	36,984
1994 Supplemental Budget			
1. Administrative Reorganization	0	-240	-240
2. Street and Federal Audits	0	-10	-10
Total Supplemental Items	0	-250	-250
1993-95 REVISED APPROPRIATION	20	36,714	36,734

Comments:

1. ADMINISTRATIVE REORGANIZATION - An administrative reorganization of the agency resulted in staff savings and several management positions being replaced with less expensive direct service delivery staff. (Auditing Services Revolving Fund)
2. STREET AND FEDERAL AUDITS - Audits of the Bonneville Power Administration and city streets will be reduced. (General Fund-Federal and Motor Vehicle Fund)

Office of the Attorney General

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	5,918	104,461	110,379
1994 Supplemental Budget			
1. State Funds Reduction	-118	0	-118
2. Highway Bidrigging Program	0	-748	-748
3. Staff Travel Reduction	0	-200	-200
4. Revolving Fund Reduction	0	-409	-409
5. State Investment Board Litigation	0	4,000	4,000
6. Executive Ethics Board	205	0	205
Total Supplemental Items	87	2,643	2,730
1993-95 REVISED APPROPRIATION	6,005	107,104	113,109

Comments:

1. STATE FUNDS REDUCTION - Funds will be saved by reducing efforts in the Anti-Trust program, Medicaid Fraud program, and Consumer Protection program and by reducing the purchase of goods and services in the agency's administrative program.
2. HIGHWAY BIDRIGGING PROGRAM - The Highway Bidrigging program will be eliminated. The agency has investigated numerous allocations of highway construction bidrigging but does not feel that a case has been developed warranting criminal prosecution. (Motor Vehicle Fund)
3. STAFF TRAVEL REDUCTION - An administrative efficiency will be implemented to reduce agency staff travel. (Legal Services Revolving Fund)
4. REVOLVING FUND REDUCTION - Attorney General staff have coordinated service delivery reductions with the Department of Labor and Industries (\$339,000), Department of Ecology (\$30,000), and Health Services Commission (\$40,000). (Legal Services Revolving Fund)
5. STATE INVESTMENT BOARD LITIGATION - Funds are provided for the one-time costs incurred in pursuing litigation relating to the real estate investments of the State Investment Board.
6. EXECUTIVE ETHICS BOARD - Funds are provided for the Executive Ethics Board, established by chapter 154, Laws of 1994 (ESSB 6111), as recommended by the Commission on Ethics in Government and Campaign Financing.

Economic & Revenue Forecast Council

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	815	0	815
1994 Supplemental Budget			
1. Consolidated Mail Service	3	0	3
Total Supplemental Items	3	0	3
1993-95 REVISED APPROPRIATION	818	0	818

Comments:

1. CONSOLIDATED MAIL SERVICE - Funding is provided to adequately cover the agency's mail service charges.

Office of Financial Management

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	19,660	15,423	35,083
1994 Supplemental Budget			
1. Administrative Savings	-378	0	-378
2. Regulatory Reform	140	0	140
3. Central Facilities Authority Study	100	0	100
Total Supplemental Items	-138	0	-138
1993-95 REVISED APPROPRIATION	19,522	15,423	34,945

Comments:

1. ADMINISTRATIVE SAVINGS - Savings will occur by leaving the Deputy Director position vacant, eliminating one staff position in the Accounting and Fiscal Services Division, and reducing printing.
2. REGULATORY REFORM - Additional resources for the Governor's Task Force on Regulatory Reform are provided. This will allow for the exploration of alternative approaches for regulatory compliance and compilation of baseline statistics. The Task Force will make its recommendations to the Governor on December 14, 1994.
3. CENTRAL FACILITIES AUTHORITY STUDY - Funds are provided to examine the feasibility of establishing a statewide central facility authority to coordinate and manage the construction and use of state facilities, including leased facilities.

Department of Community Development

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	88,457	239,517	327,974
1994 Supplemental Budget			
1. Oil Spill Account Reduction	0	-130	-130
2. General FTE Reduction	-93	0	-93
3. Farmworker Set Aside	-26	0	-26
4. Administration Program Reduction	-102	0	-102
5. Other Funds Reductions	0	-4,716	-4,716
6. Fire Inspections	150	0	150
7. Yakima Econ Development Study	50	0	50
8. SEPA/GMA Prototypes	1,350	0	1,350
9. Earthquake Planning	650	0	650
10. Retired Senior Volunteer Pgm (RSVP)	175	0	175
11. Mt. St. Helens Early Warning System	38	0	38
12. Seattle S.D. Planning Grant	25	0	25
13. Kitsap County L.T. Care Ombudsman	30	0	30
14. Sexual Assault Prevent (E2SHB 2319)	1,059	0	1,059
15. Governor Veto	0	130	130
Total Supplemental Items	3,306	-4,716	-1,410
1993-95 REVISED APPROPRIATION	91,763	234,801	326,564

Comments:

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| <p>1. OIL SPILL ACCOUNT REDUCTION - The reduction is a result of a revenue shortfall. The reduction will delay production of instructional materials for oil spill response field training. The number of classes taught on site will be reduced. (Oil Spill Administration Account)</p> <p>2. GENERAL FTE REDUCTION - Two percent of the General Fund-State FTE staff years are eliminated in the second year.</p> <p>3. FARMWORKER SET ASIDE - Funds for farmworkers in communities with late harvests are reduced.</p> <p>4. ADMINISTRATION PROGRAM REDUCTION - The goods and services budget for the administration program is reduced by 2 percent.</p> <p>5. OTHER FUNDS REDUCTIONS - Federal funds are reduced due to slow start up of the Enhanced 911 grants program and to slower than anticipated expenditures in the Presidential Disaster Declarations program. (General Fund-Federal)</p> <p>6. FIRE INSPECTIONS - Funding is provided to contract with local inspectors to address the backlog of fire inspections.</p> <p>7. YAKIMA ECON DEVELOPMENT STUDY - Funding is provided for a grant to Yakima County to assess the impact of import/export opportunities associated with the expansion of the Yakima airport.</p> <p>8. SEPA/GMA PROTOTYPES - Funding is provided for three environmental analysis prototypes consistent with the Growth Management Act (GMA).</p> <p>9. EARTHQUAKE PLANNING - Funding is provided for emergency preparedness planning.</p> | <p>10. RETIRED SENIOR VOLUNTEER PGM (RSVP) - One-time funding of \$175,000 is provided for RSVP, in order to maintain the programs through the remainder of the biennium. This will allow local RSVP programs to seek alternative sources of funding as state support for RSVP will be eliminated at the end of this biennium.</p> <p>11. MT. ST. HELENS EARLY WARNING SYSTEM - One-time funding is provided to continue the Mt. St. Helens early warning system. This system monitors large debris flows which may pose a hazard to residents of the area. State support for this system will be gradually phased-out by the end of this biennium, allowing Cowlitz county time to seek alternative funding sources.</p> <p>12. SEATTLE S.D. PLANNING GRANT - Funding is provided for a grant to the Seattle School District for a community use planning study of the Sealth High School/Denny Middle School field complex.</p> <p>13. KITSAP COUNTY L.T. CARE OMBUDSMAN - Provides \$30,000 to establish a long term care ombudsman in Kitsap County.</p> <p>14. SEXUAL ASSAULT PREVENT (E2SHB 2319) - Funding is provided for crime victim advocacy services (\$800,000) through the Public Safety and Education Account (PSEA) and for sexual assault prevention grants (\$259,000).</p> <p>15. GOVERNOR VETO - The Governor vetoed three provisions in the appropriation to the Department of Community Development. (1) The Governor vetoed section 122(10), which earmarked funds for the long-term care ombudsman program, restricted administrative costs for the program, and required a report to the Legislature on funding allocation. (2) The Governor vetoed section 122(12), which dedicated certain funds for environmental analysis grants to local governments under GMA. (3) The Governor vetoed section 123, which reduced the appropriation from the oil spill administration account to the Fire Protection Policy Board.</p> |
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Department of Personnel

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	28,493	28,493
1994 Supplemental Budget			
1. Addition of HEPB	0	1,898	1,898
2. Travel Reductions	0	-40	-40
3. Managerial FTE Reductions	0	-168	-168
4. Development and Training Reductions	0	-51	-51
5. Restructure Wellness Program	0	-148	-148
6. PAB to Full-time Status	0	-170	-170
7. Hyogo Prefecture Exchange Program	0	31	31
Total Supplemental Items	0	1,352	1,352
1993-95 REVISED APPROPRIATION	0	29,845	29,845

Comments:

1. ADDITION OF HEPB - Legislation enacted in 1993 merged the Higher Education Personnel Board with DOP. This item reflects that change. (Higher Education Personnel Service Account)
2. TRAVEL REDUCTIONS - Travel is reduced by \$40,000. (Department of Personnel Service Account)
3. MANAGERIAL FTE REDUCTIONS - Two managerial positions are eliminated. Specifically, one position is abolished in the Test Development area and one is eliminated in the Classification and Pay unit. (Department of Personnel Service Account)
4. DEVELOPMENT AND TRAINING REDUCTIONS - One position from the Employee Development and Training Program (ED&TP) is eliminated. (Department of Personnel Service Account)
5. RESTRUCTURE WELLNESS PROGRAM - Funding for the Wellness Program is eliminated from the Department's budget. Individual agencies may continue to offer events and materials that promote employee health through the use of volunteer coordinators, but the Department of Personnel will no longer provide centralized coordination. (Department of Personnel Services Account)
6. PAB TO FULL-TIME STATUS - Funds are transferred to the Personnel Appeals Board (PAB) in order to expand the board from part-time to full-time status. (Department of Personnel Service Fund)
7. HYOGO PREFECTURE EXCHANGE PROGRAM - This item restores funding, eliminated in last year's budget, for the employee exchange program with the Hyogo prefecture in Japan. (Department of Personnel Service Fund)

Deferred Compensation Committee
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	2,692	2,692
1994 Supplemental Budget			
1. Data Processing Costs	<u>0</u>	<u>376</u>	<u>376</u>
Total Supplemental Items	0	376	376
1993-95 REVISED APPROPRIATION	0	3,068	3,068

Comments:

1. DATA PROCESSING COSTS - The budget directs the Deferred Compensation Committee to begin reimbursing the Department of Personnel for the data processing charges associated with the deferred compensation program. The budget further directs the Committee to begin charging enrollees for the data processing costs.
(Non-appropriated account)

State Lottery Commission
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	478,141	478,141
1994 Supplemental Budget			
1. Industrial Insurance Refund	0	7	7
2. Reduce Printing/Supplies/Equipment	0	-244	-244
3. Contract Savings for X-Validation	0	-45	-45
4. Reduce Communication	0	-106	-106
Total Supplemental Items	0	-388	-388
1993-95 REVISED APPROPRIATION	0	477,753	477,753

Comments:

1. INDUSTRIAL INSURANCE REFUND - Retrospective rating savings are provided to enhance the agency's safety programs. (Industrial Insurance Premium Refund Account-State).
2. REDUCE PRINTING/SUPPLIES/EQUIPMENT - Reductions are made in general operating expenses including printing, supplies, vehicle maintenance, repairs, equipment rental, and instant ticket disposal. (Lottery Administrative Account-State)
3. CONTRACT SAVINGS FOR X-VALIDATION - Fees paid to computer vendors for validating scratch ticket winners at any location are reduced. (Lottery Administrative Account-State)
4. REDUCE COMMUNICATION - Reductions are made in the frequency of contacts and communications with retailers, and in training of the agency's sales force. The 1-800 service for winning ticket information may be eliminated as a result of these reductions. (Lottery Administrative Account-State)

Washington State Commission on African-American Affairs

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	271	0	271
1994 Supplemental Budget			
1. Consolidated Mail Service	<u>2</u>	<u>0</u>	<u>2</u>
Total Supplemental Items	2	0	2
1993-95 REVISED APPROPRIATION	273	0	273

Comments:

1. CONSOLIDATED MAIL SERVICE - Funding is provided to adequately cover the agency's mail service charges.

Personnel Appeals Board

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	1,268	1,268
1994 Supplemental Budget			
1. PAB to Full-time Status	0	170	170
Total Supplemental Items	0	170	170
1993-95 REVISED APPROPRIATION	0	1,438	1,438

Comments:

1. PAB TO FULL-TIME STATUS - Funds will enable the Personnel Appeals Board (PAB) to expand from part-time to full-time status and reduce the backlog of appeals cases. By reducing the backlog of appeals cases, the Board will reduce the use of hearings examiners in the 1995-97 biennium. (Department of Personnel Service Account)

Department of Retirement Systems

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	31,988	31,988
1994 Supplemental Budget			
1. Data Processing Service Costs	0	492	492
2. Staffing Reductions	0	-292	-292
3. Travel Reductions	0	-14	-14
4. Reductions to Personal Services	0	-48	-48
5. Service Level Adjustments	0	-164	-164
6. Program Reductions	0	-99	-99
7. Equipment Reductions	0	-23	-23
Total Supplemental Items	0	-148	-148
1993-95 REVISED APPROPRIATION	0	31,840	31,840

Comments:

1. DATA PROCESSING SERVICE COSTS - Additional funds cover the current level costs for processing services purchased from the Department of Information Services (DIS) for the operation of the agency's Member Information System. (Department of Retirement Systems Expense Account)
2. STAFFING REDUCTIONS - Four positions will be eliminated, including one management position. (Department of Retirement Systems Expense Account)
3. TRAVEL REDUCTIONS - Travel expenditures for the Employer Audit Team are reduced. (Department of Retirement Systems Expense Account)
4. REDUCTIONS TO PERSONAL SERVICES - Personal services contracts are reduced \$48,000. (Department of Retirement Systems Expense Account)
5. SERVICE LEVEL ADJUSTMENTS - Service level adjustments are made to archive retrieval, data storage at DIS, data communication lines, and report distribution software. (Department of Retirement Systems Expense Account)
6. PROGRAM REDUCTIONS - The number of DRS produced informational bulletins is reduced. The funding level reduces the number of bulletins for active members from eight to seven per biennium and retirees' bulletins from eight to four per biennium. Also, the number of pre-retirement seminars and the length of the classes are reduced. (Department of Retirement Systems Expense Account)
7. EQUIPMENT REDUCTIONS - The replacement and upgrade of some hardware and software is delayed. (Department of Retirement Systems Expense Account)

State Investment Board
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	6,939	6,939
1994 Supplemental Budget			
1. Increased Communication Costs	0	83	83
2. Investment Litigation	0	350	350
3. Vacancy Savings	0	-120	-120
4. Reduce Subscriptions	0	-19	-19
Total Supplemental Items	0	294	294
1993-95 REVISED APPROPRIATION	0	7,233	7,233

Comments:

1. INCREASED COMMUNICATION COSTS - Funding is provided to cover ongoing communications costs resulting from the new telephone communications system approved in the 1991-93 biennial budget. (State Investment Board Expense Account)
2. INVESTMENT LITIGATION - Funds are provided to cover SIB expenses for litigation being conducted by the attorney general's office related to real estate investments from the 1980s. (State Investment Board Expense Account)
3. VACANCY SAVINGS - This reduction captures vacancy savings from the first six months of FY 1994. (State Investment Board Expense Account)
4. REDUCE SUBSCRIPTIONS - Subscriptions to technical journals and investment data are reduced. (State Investment Board Expense Account)

Department of Revenue
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	123,538	6,704	130,242
1994 Supplemental Budget			
1. Reduction in Toxics Tax Collection	0	-4	-4
2. Efficiency Reduction	-1,280	-14	-1,294
3. Tax Incentives Study (E2SSB 5468)	100	0	100
4. 911 Excise Tax Study	0	85	85
Total Supplemental Items	-1,180	67	-1,113
1993-95 REVISED APPROPRIATION	122,358	6,771	129,129

Comments:

1. REDUCTION IN TOXICS TAX COLLECTION - Reductions are made to staff responsible for future financial audits of the Oil Spill Administration Account. (Oil Spill Administration Account)
2. EFFICIENCY REDUCTION - Reductions are made in postage and printing expenses, travel of in-state auditors, telecommunication expenses, and salaries associated with staffing vacancies. (Other Funds: State Toxics Control Account, Solid Waste Management Account, Vehicle Tire Recycling Account, Oil Spill Administration Account, and Litter Control Account)
3. TAX INCENTIVES STUDY (E2SSB 5468) - Funding is provided to conduct a study of tax-based incentives and loan programs designed to promote economic development in accordance with E2SSB 5468 (tax incentives study).
4. 911 EXCISE TAX STUDY - Funding is provided to conduct a study of the current tax base for the 911 excise tax, including projected revenues, expenditures and funding sources, and the appropriate tax rate, in light of current and future technologies, as prescribed in SB 6265. (State Enhanced 911 Account)

Governor's Vetoes:

The Governor vetoed section 132(3), which earmarked \$100,000 from the General Fund-State appropriation for a study of various business tax deferral and tax credit programs.

Uniform Legislation Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	47	0	47
1994 Supplemental Budget			
1. State Audit	3	0	3
2. National Dues	5	0	5
Total Supplemental Items	8	0	8
1993-95 REVISED APPROPRIATION	55	0	55

Comments:

1. STATE AUDIT - Funding will cover costs of an unanticipated state audit of the commission.
2. NATIONAL DUES - Adds \$5,000 to the commission budget for national dues and data processing costs.

Office of Minority & Women's Business Enterprises

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	2,103	2,103
1994 Supplemental Budget			
1. Advisory Committee Travel	0	-5	-5
Total Supplemental Items	0	-5	-5
1993-95 REVISED APPROPRIATION	0	2,098	2,098

Comments:

1. ADVISORY COMMITTEE TRAVEL - Travel compensation for the Office's Advisory Committee is eliminated. (Minority and Women's Business Enterprises Revolving Fund)

Department of General Administration

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	393	100,555	100,948
1994 Supplemental Budget			
1. Retrospective Rating Refund	0	59	59
2. Replace Demolished Vehicles	0	160	160
3. Reduce Low Return Contracts	0	-332	-332
4. Reduce Property Development Mgmt	0	-303	-303
5. Reduce Equipment, Travel and Goods	-6	-105	-111
6. Reduced Clerical Support	0	-41	-41
7. Eliminate Alternate Fuel Position	0	-35	-35
8. Statewide Collocation	0	171	171
Total Supplemental Items	-6	-426	-432
1993-95 REVISED APPROPRIATION	387	100,129	100,516

Comments:

1. RETROSPECTIVE RATING REFUND - An appropriation is provided from the Industrial Insurance Premium Refund Account to ensure continued viability of the agency's safety program. Of the appropriation, \$1,000 is designated for the Washington School Directors. (Industrial Insurance Premium Refund Account)
2. REPLACE DEMOLISHED VEHICLES - This funding provides for the cash out of lease-purchase contracts for vehicles demolished in vehicular accidents before the termination of the contract. (Motor Transport Account)
3. REDUCE LOW RETURN CONTRACTS - Centralized purchasing contracts that serve few agencies or provide little or no savings over direct procurement by individual agencies are eliminated. These contracts represent less than 10 percent of the workload of the Office of State Procurement. (Central Stores Revolving Fund)
4. REDUCE PROPERTY DEVELOPMENT MGMT - De-layering of management will occur in the Division of Property Development by eliminating the Deputy Assistant Director, Facility Senior Planner, Facility Planner, and a Real Estate Supervising Agent without transferring lease development responsibilities to client agencies. (Facilities and Services Revolving Fund)
5. REDUCE EQUIPMENT, TRAVEL AND GOODS - Equipment, travel, and goods and services are reduced in the agency administrative program. This will result in reduced indirect costs to the direct service programs without transferring costs to program services. General Fund-State savings are obtained in equipment, travel, and training reductions in the Temporary Emergency Food Assistance Program. (Savings allocated to most other funds)
6. REDUCED CLERICAL SUPPORT - Clerical and administrative support in the Division of Risk Management are reduced. (Risk Management Account)
7. ELIMINATE ALTERNATE FUEL POSITION - The position and funding provided for the development of procurement specifications consistent with the state alternative fuels statute (RCW 43.19.570) and the National Energy Policy Act of 1992 are eliminated. Funding was contingent on the provision of matching funds by the alternative fuels industry by July 1, 1993. The matching requirement was not satisfied. (Air Pollution Control Account)
8. STATEWIDE COLLOCATION - Under chapter 219, Laws of 1994, General Administration is required to provide long-range planning services to identify collocation opportunities and develop procedures, in consultation with OFM, for implementing collocation and consolidation of state facilities.

Governor's Vetoes:

The Governor vetoed section 135(9), which earmarked \$171,000 from the General Administration Facilities and Services Revolving Fund for planning for statewide collocation of state facilities.

Department of Information Services

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	180,252	180,252
1994 Supplemental Budget			
1. Reduced Technology Oversight	0	-70	-70
2. Televising Government Operations	400	0	400
3. Capitol Campus Fiber Optic Network	0	75	75
Total Supplemental Items	400	5	405
1993-95 REVISED APPROPRIATION	400	180,257	180,657

Comments:

1. REDUCED TECHNOLOGY OVERSIGHT - Savings will be achieved in the Policy and Regulations Division by leaving one senior policy analyst position vacant for the first year of the biennium. This is one of 10 positions responsible for monitoring large complex technology projects. (Data Processing Revolving Fund)
2. TELEVISING GOVERNMENT OPERATIONS - Funding is provided to establish data transmission and production facilities to support televised legislative hearings.
3. CAPITOL CAMPUS FIBER OPTIC NETWORK - One-time funding is provided to design a campus fiber-optic system. This system will enable the state to achieve future savings through a more efficient flow of voice, video, and data and establish the foundation for future changes in technology (Data Processing Revolving Fund - Non Appropriated).

Office of Insurance Commissioner

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	18,310	18,310
1994 Supplemental Budget			
1. Reduce Out-of-State Travel	0	-10	-10
2. Eliminate Management Positions	0	-69	-69
3. Reduce Telecommunications Cost	0	-29	-29
4. Consolidation of Facilities	0	-19	-19
5. Vacancy Savings	0	-50	-50
6. Licensing Cycle Adjustment*	0	-7	-7
7. Reduce Personal Services Contract	0	-56	-56
8. Computer Support/Regulation of CHPs	0	335	335
Total Supplemental Items	0	95	95
1993-95 REVISED APPROPRIATION	0	18,405	18,405

Comments:

1. REDUCE OUT-OF-STATE TRAVEL - Out-of-state travel is reduced by curtailing membership on national committees within the National Association of Insurance Commissioners. (Insurance Commissioner's Regulatory Account)
2. ELIMINATE MANAGEMENT POSITIONS - One management position is eliminated and two management positions are reallocated to line staff to provide more direct service to consumers. (Insurance Commissioner's Regulatory Account)
3. REDUCE TELECOMMUNICATIONS COST - The Insurance Commissioner has identified a 1-800 vendor which will reduce telephone costs by \$800 per month. An internal audit of telephone lines has identified seven lines which can be canceled. Updating the current telephone system enables elimination of the "foreign exchange" lines from Olympia to Seattle and Tacoma. (Insurance Commissioner's Regulatory Account)
4. CONSOLIDATION OF FACILITIES - The Insurance Commissioner is planning a consolidation of its Consumer Protection offices in Olympia, Tacoma, Seattle, Spokane, and Yakima. A 1-800 number would be established to serve Tacoma, Yakima, and Spokane. (Insurance Commissioner's Regulatory Account)
5. VACANCY SAVINGS - Vacancy savings are captured from the first quarter of the biennium. (Insurance Commissioner's Regulatory Account)
6. LICENSING CYCLE ADJUSTMENT* - The Insurance Commissioner will license insurance agents every two years instead of annually, allowing more careful review of unethical or possibly illegal practices before renewal. The two year renewal would eliminate redundant paperwork. (Insurance Commissioner's Regulatory Account)
7. REDUCE PERSONAL SERVICES CONTRACT - The Certified Health Plan study required by the Health Care Reform Act was funded as a personal services contract. Based on responses to a Request for Quote, it has been determined that the cost of a contract would exceed the funding appropriated. The agency proposes to hire a project actuary to conduct the study with a savings of \$56,000. (Insurance Commissioner's Regulatory Account)
8. COMPUTER SUPPORT/REGULATION OF CHPS - Funds a Program Analyst position to analyze and improve existing systems or design new systems to enhance insurance regulation and compliance.

Provides for memory upgrades of minicomputer, personal computers and purchase of new personal computers. Also provided to meet the demands associated with reviewing and regulating Certified Health Plans (CHPs) are two Insurance Regulation Analyst positions and a Clerk Typist 3 position.

State Board of Accountancy

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	1,202	1,202
1994 Supplemental Budget			
1. Facilities Move	0	22	22
2. Administrative Savings	0	-10	-10
Total Supplemental Items	0	12	12
1993-95 REVISED APPROPRIATION	0	1,214	1,214

Comments:

1. FACILITIES MOVE - Funds are necessary for the agency to move to a different building that meets Americans with Disabilities Act (ADA) requirements. The agency is currently located in a two-story building that does not have an elevator and will not meet ADA requirements. (Certified Public Accountants' Account)
2. ADMINISTRATIVE SAVINGS - Equipment replacement is delayed and out-of-state travel is reduced. (Certified Public Accountants' Account)

Washington Horse Racing Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	4,876	4,876
1994 Supplemental Budget			
1. Implement Random Drug Testing	0	-98	-98
Total Supplemental Items	0	-98	-98
1993-95 REVISED APPROPRIATION	0	4,778	4,778

Comments:

1. IMPLEMENT RANDOM DRUG TESTING - This item reflects savings from reducing the number of drug tests performed by implementing random drug testing for racehorses and from reducing staff by requiring racing stewards to supervise the satellite locations. (Horse Racing Commission Account)

Washington State Liquor Control Board

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	111,231	111,231
1994 Supplemental Budget			
1. Retrospective Rating Refund	0	132	132
2. Discontinue Manual Mixed Cases	0	-352	-352
3. Reduce Goods/Services	0	-122	-122
4. Reduce Travel	0	-25	-25
5. Reduce Non-Cap Equipment	0	-75	-75
Total Supplemental Items	0	-442	-442
1993-95 REVISED APPROPRIATION	0	110,789	110,789

Comments:

1. RETROSPECTIVE RATING REFUND - Retrospective rating savings are provided to enhance the agency's safety programs. These enhancements include safety training videos, injury prevention supplies and equipment, employee protection equipment, safety awareness supplies, and safety awards. (Industrial Insurance Premium Refund Account)
2. DISCONTINUE MANUAL MIXED CASES - This item reflects savings from eliminating the manual packing of mixed selections of liquor items at the warehouse each day for shipment to liquor stores and agencies. (Liquor Revolving Fund)
3. REDUCE GOODS/SERVICES - The Liquor Control Board expenditures for goods and services are reduced. (Liquor Revolving Account)
4. REDUCE TRAVEL - The Liquor Control Board expenditures for travel are reduced. (Liquor Revolving Account)
5. REDUCE NON-CAP EQUIPMENT - The Liquor Control Board expenditures for non-capitalized equipment are reduced. (Liquor Revolving Account)

Utilities and Transportation Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	29,559	29,559
1994 Supplemental Budget			
1. Reduce Water Regulation Study	0	-50	-50
2. Elim. Review of Securities Filings*	0	-106	-106
3. Staff Reductions	0	-340	-340
4. Close Pierce County Regional Office	0	-50	-50
Total Supplemental Items	0	-546	-546
1993-95 REVISED APPROPRIATION	0	29,013	29,013

Comments:

1. REDUCE WATER REGULATION STUDY - Funding for a study of alternative methods of regulating small water companies is reduced, but the scope of the study has not changed. The Commission is required to report to the Governor and committees of the Legislature by November 15, 1994. (Public Service Revolving Fund)
2. ELIM. REVIEW OF SECURITIES FILINGS* - The review of securities filings is eliminated. This reduces the regulatory workload for the Commission and regulated companies. The Commission will retain adequate authority to regulate the financial operations of regulated companies through the rate review process. (Public Service Revolving Fund)
3. STAFF REDUCTIONS - Efficiencies in the administrative hearings process allow the Commission to reduce its reliance on the Office of Administrative Hearings. The workload for the railroad sanitation and safety program has declined significantly. Safety inspections will be conducted by remaining staff. Additionally, the subsidy provided to railroads for maintaining grade crossings is discontinued. (Public Service Revolving Fund and Grade Crossing Protective Fund)
4. CLOSE PIERCE COUNTY REGIONAL OFFICE - The Commission will close its Pierce County regional office. Staff residing in Olympia will continue to commute to Pierce County locations to conduct transportation safety inspections. (Public Service Revolving Fund)

Military Department
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	8,365	9,036	17,401
1994 Supplemental Budget			
1. Administrative Reductions	-167	-181	-348
Total Supplemental Items	-167	-181	-348
1993-95 REVISED APPROPRIATION	8,198	8,855	17,053

Comments:

1. ADMINISTRATIVE REDUCTIONS - Maintenance operations and staff and expenditures for computer support, printing, uniforms, and travel are reduced. (Other Funds: General Fund-Federal)

Public Employment Relations Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	1,771	2,637	4,408
1994 Supplemental Budget			
1. Second Year Funding	1,675	-2,637	-962
2. Administrative Efficiencies	-53	0	-53
3. Hiring Delay	-45	0	-45
Total Supplemental Items	1,577	-2,637	-1,060
1993-95 REVISED APPROPRIATION	3,348	0	3,348

Comments:

1. **SECOND YEAR FUNDING** - State General Fund support is necessary to continue the agency's activities in the second year of the biennium. The 1993-95 Omnibus Budget Act funded PERC through a revolving fund in the second year of the biennium. The agency was directed to study the revolving fund mechanism during the first year of the biennium. PERC's subsequent report proposed that the agency continue to be funded through the State General Fund. The Senate budget directs the Office of Financial Management, along with legislative fiscal and policy staff, to devise a plan for funding PERC, either in whole or in part, through local funds and other funding sources beginning next biennium.
2. **ADMINISTRATIVE EFFICIENCIES** - Savings will be achieved by eliminating a part-time clerical position, reducing one accountant position to half-time, and reclassifying another administrative position.
3. **HIRING DELAY** - Savings are achieved by delaying the recruiting and hiring of one Labor Mediator/Arbitrator position that was to be hired at the beginning of the biennium.

Department of Financial Institutions

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	9,775	9,775
1994 Supplemental Budget			
1. Mutual Fund Registrations	0	250	250
2. Shift from DOL to FID	0	187	187
Total Supplemental Items	0	437	437
1993-95 REVISED APPROPRIATION	0	10,212	10,212

Comments:

1. MUTUAL FUND REGISTRATIONS - A technical oversight in identifying all securities program costs was made in the fiscal note for chapter 472, Laws of 1993 (SSB 5270), the legislation that created the Department of Financial Institutions. The fiscal note understated the costs of the Securities program by omitting the cost of agency administration. Failure to correct this omission will result in reduced review of mutual fund registrations by the Securities Division. (Securities Regulation Account)
2. SHIFT FROM DOL TO FID - This item transfers the mortgage brokers licensing program to the Department of Financial Institutions as required under chapter 468, Laws of 1993. (Mortgage Brokers Licensing account)

Department of Trade and Economic Development

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	25,026	9,992	35,018
1994 Supplemental Budget			
1. Reduce Travel, Goods and Services	-200	-19	-219
2. Eliminate Electronic Bulletin Board	-44	0	-44
3. Reduce Forest Products Contracts	-349	0	-349
4. Eliminate Tourism Info Manager	-88	0	-88
5. Governor's Trade Initiative	632	0	632
6. Minority & Women Export Assistance	25	0	25
7. Film and Video Enhancement	30	0	30
8. Sports Study	30	0	30
9. ISO-9000 Implementation	30	0	30
10. Associate Development Organizations	75	0	75
Total Supplemental Items	141	-19	122
1993-95 REVISED APPROPRIATION	25,167	9,973	35,140

Comments:

1. REDUCE TRAVEL, GOODS AND SERVICES - Savings are obtained by reducing travel, equipment, and purchase of goods and services.
2. ELIMINATE ELECTRONIC BULLETIN BOARD - The Business Assistance Center (BAC) will no longer maintain the Electronic Bulletin Board for access by small businesses.
3. REDUCE FOREST PRODUCTS CONTRACTS - Feasibility contracts for timber-dependent firms are reduced, due to \$2.5 million of new federal revenue targeted for feasibility studies to timber dependent communities.
4. ELIMINATE TOURISM INFO MANAGER - The tourism information services manager's duties will be absorbed by remaining staff.
5. GOVERNOR'S TRADE INITIATIVE - Funding is provided to expand the state's overseas trade program. The Department of Trade and Economic Development will work with the Department of Agriculture to (1) expand the state's representation in foreign markets; (2) assist small and medium sized businesses with export opportunities; (3) develop the export potential of additional agricultural, service-related, and manufacturing businesses; and (4) establish a trade representative in the Governor's Office.
6. MINORITY & WOMEN EXPORT ASSISTANCE - Funding is provided for the minority and women export assistance program.
7. FILM AND VIDEO ENHANCEMENT - Funding is provided for enhancement of the film and video program under chapter 144, Laws of 1994.
8. SPORTS STUDY - Funding is provided for an economic analysis grant to King County for a sports facility.
9. ISO-9000 IMPLEMENTATION - Funding is provided to implement chapter 140, Laws of 1994 (ISO-9000 quality standards).
10. ASSOCIATE DEVELOPMENT ORGANIZATIONS - The Senate budget provides an additional \$75,000 for the statewide Associate Development Organizations (ADO) program. This increases the budget for the ADO program in the second year of the biennium to \$725,000.

Of this amount, \$525,000 is provided solely for ADOs in timber distressed counties.

Governor's Vetoes:

The Governor vetoed section 145(15), which dedicated \$725,000 from the General Fund-State appropriation for support to associate development organizations, with \$525,000 from these funds being provided to timber-distressed counties.

Growth Planning Hearings Office
(Dollars in Thousands)

	<u>GFS</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	3,028	0	3,028
1994 Supplemental Budget			
1. Board Vacancy Savings	<u>-60</u>	<u>0</u>	<u>-60</u>
Total Supplemental Items	-60	0	-60
1993-95 REVISED APPROPRIATION	2,968	0	2,968

Comments:

1. BOARD VACANCY SAVINGS - The Growth Boards have accrued savings from vacancies and lower than anticipated workload in the first quarter.

State Convention and Trade Center

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	19,471	19,471
1994 Supplemental Budget			
1. Capture Savings from 1st Quarter	0	-220	-220
2. Convention Center Study	0	1,000	1,000
Total Supplemental Items	0	780	780
1993-95 REVISED APPROPRIATION	0	20,251	20,251

Comments:

1. CAPTURE SAVINGS FROM 1ST QUARTER - A lower level of activity than anticipated in the first quarter of the current biennium allows for some operational savings to be captured. Savings accrued in staffing, goods and services, equipment, and travel. (State Convention and Trade Center Operations Account)
2. CONVENTION CENTER STUDY - Funding is provided to study the proposed expansion of the Convention Center. (State Convention/Trade Center Account)

Human Services

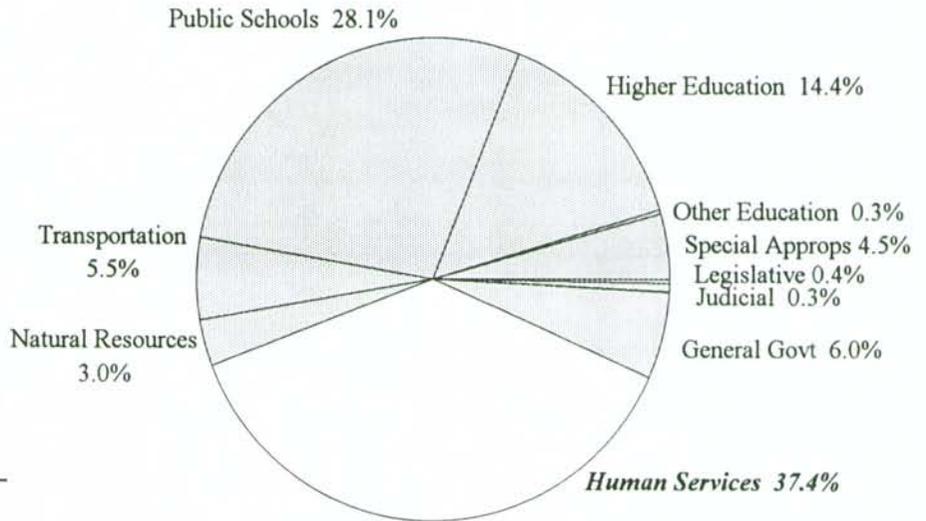
Human Services programs are covered in two separate sections of the Legislative Budget Notes, one on the Department of Social and Health Services (DSHS), and a second section covering Other Human Services. In order to more fully describe the costs of the particular services provided by DSHS, its budget is displayed and discussed by program division. The Other Human Services section presents budgets at the department level, and includes the Department of Corrections, the Department of Labor and Industries, the Department of Employment Security, and each of the other human services-related agencies.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

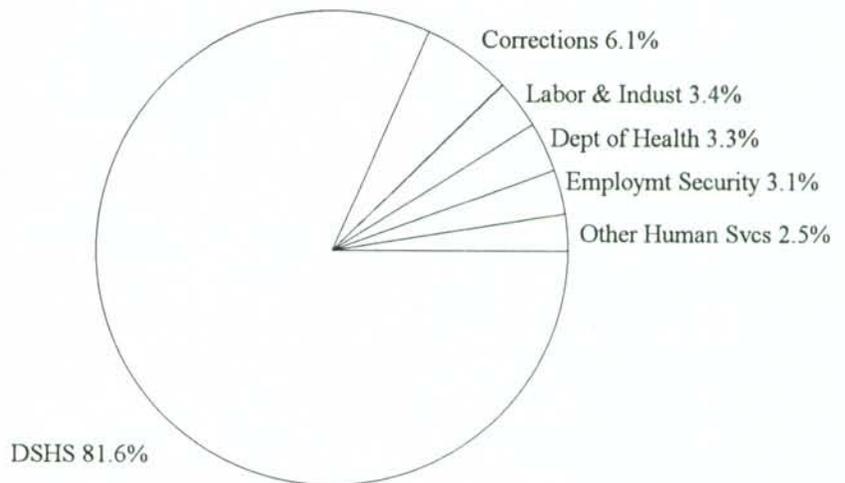
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

DSHS	9,138,059
Dept of Corrections	683,568
Labor & Industries	375,815
Dept of Health	373,770
Employment Security	347,031
Other Human Services	281,705
Human Services	11,199,948



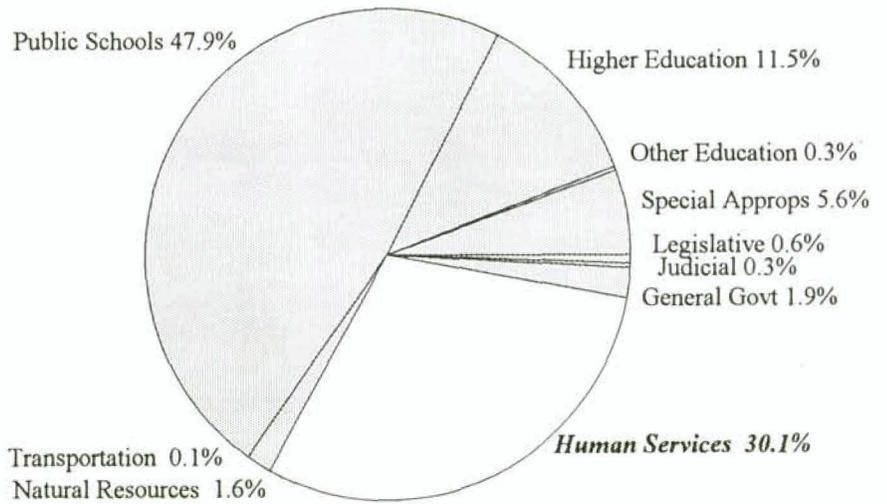
Human Services

Washington State 1993-95 Operating Budget

General Fund - State

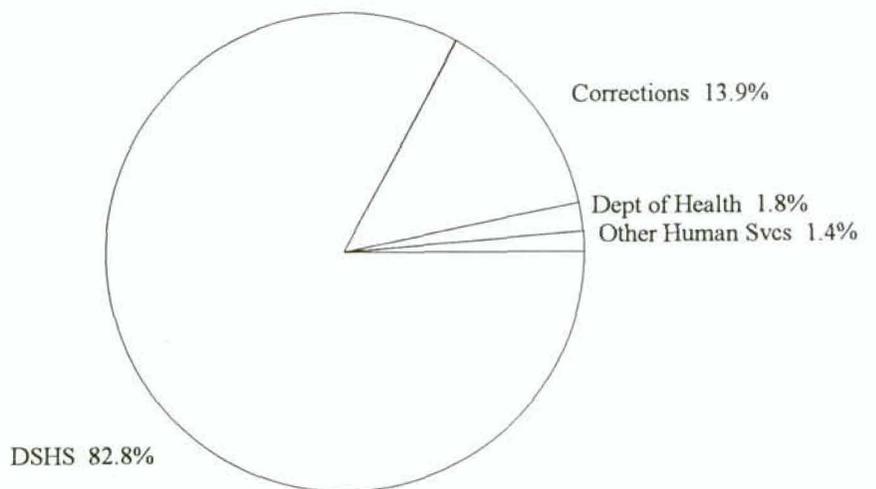
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

DSHS	4,044,088
Dept of Corrections	680,681
Dept of Health	89,662
Other Human Services	68,412
Human Services	4,882,843



Human Services

Department of Social and Health Services

Federal Medical Assistance Percentage (FMAP)

FMAP determines the rate at which the federal government matches state expenditures for major social and health programs such as Medicaid, Aid to Families with Dependent Children (AFDC), and child welfare. Washington's rate, which is based on the state's average per capita income relative to all other states, will decrease by approximately 2 percent during the last nine months of the 1993-95 biennium. A total of \$60.7 million General Fund-State (including \$500,000 in the K-12 Handicapped Education budget) is provided to replace this diminished federal funding.

Children and Family Services

State expenditures for child protective services, family reconciliation services, and therapeutic child development will be matched with federal dollars, resulting in a General Fund-State savings of \$17.2 million. As part of the Youth Violence Act, a total of \$6 million is provided for community networks to plan, organize, and deliver outcome-oriented prevention and early intervention services for children and families. The therapeutic child development program, which provides intensive child care and family training services for abused and neglected children, is expanded by \$1.5 million, or approximately 25 percent. Approximately \$1.1 million of state and federal funds are provided to improve and expedite efforts to find a permanent home for children who have been in out-of-home care for one year or longer.

Juvenile Rehabilitation

As part of the Youth Violence Act, \$6.4 million is provided to increase sentences for crimes committed with firearms, to fund additional county juvenile services, and to develop a boot camp for youthful offenders. In addition, \$9.9 million is provided to incarcerate and treat 17 percent more offenders in state juvenile facilities than were anticipated when the original 1993-95 budget was developed.

Mental Health

Federal Medicare payments to community mental health centers for services previously reimbursed with state funds are expected to result in a \$3 million General Fund-State savings. Regional Support Networks will use accumulated capital project reserves to develop additional community housing and residential treatment facilities, which will enable them to reduce their utilization of the state mental hospitals by 90 beds next biennium, for a net savings of \$6.1 million in 1995-97.

Developmental Disabilities

Funding for both community and institutional services is maintained at the original 1993-95 level. However, the department is instructed to develop and implement a plan for increasing the efficiency of community residential services, so that more persons can be served at a lower cost.

Long-Term Care

Funding for nursing home and institutional services is maintained at the original 1993-95 level. However, the department is instructed to develop a number of specific strategies for reducing future growth in long-term care expenditures to the growth factor established in Initiative 601. To assist in that effort, \$454,000 General Fund-State is provided on a one-time basis to develop new systems for matching payment rates with client needs.

Income Assistance

Due to a shortfall in expected child support collections, General Fund-State appropriations are increased by \$21.6 million. An additional \$5.9 million General Fund-State is added to maintain Supplemental Security Income (SSI) benefits at current levels in accordance with a Governor's budget veto in the original 1993-95 biennial budget. New General Fund-State supplemental budget reductions include savings related to expanded employer reporting for child support collection purposes (\$700,000), reducing the state SSI supplemental payment for persons with spouses ineligible for SSI (\$1.2 million), and altering general assistance income eligibility rules for sponsored aliens to conform with existing AFDC rules (\$540,000).

Alcohol and Substance Abuse

Funding for both community and institutional services is maintained at the original 1993-95 level. Clark county citizens will be able to receive state-funded methadone drug treatment in Portland, Oregon. A total of \$50,000 General Fund-State is provided to develop a protocol for integrating family planning considerations into chemical dependency treatment programs. Future savings are anticipated through delayed or avoided pregnancies.

Medical Assistance

Funding increases are provided for higher-than-expected caseloads and to eliminate the \$1 co-payment on certain medical and dental services. Over \$8 million in General Fund-State savings are realized by eliminating obstetric and pediatric fee increases and through claiming federal funds for services that were provided solely through state funding. A one-time appropriation of \$70,000 General Fund-State is provided to analyze the definition of medical necessity and to study selective contracting to identify cost-saving strategies which could be implemented in the 1995-97 biennial budget. Approximately 80,000 SSI clients will be transitioned to managed care at a cost of \$400,000 General Fund-State. Savings in the 1995-97 biennium from this expansion are anticipated to \$4.4 million General Fund-State.

Community Services Administration

A total of \$3.2 million General Fund-State is provided for continuation of the Automated Client Eligibility System (ACES) for community service office (CSO) personnel to help public assistance clients. The federal enhanced match percentage rate was reduced, thereby causing a state funding shortfall. In addition, \$5.7 million in funding is available for CSO staff training to improve delivery of family planning assistance and employment information. There are other changes due to budgetary decisions made at the Federal level. The amount of \$250,000 is provided to make up a federal budget reduction for fraud control activities in the food stamp program. In addition, the federal government will begin to charge states an administrative fee for costs associated with assessing eligibility for the SSI program. Washington's portion of the fee for fiscal year 1995 is \$4.1 million. Administrative reductions totalling \$4.3 million General Fund-State are made in the community services offices. The majority of the reduction is cost savings due to better management of lease space by the department.

Revenue Collections

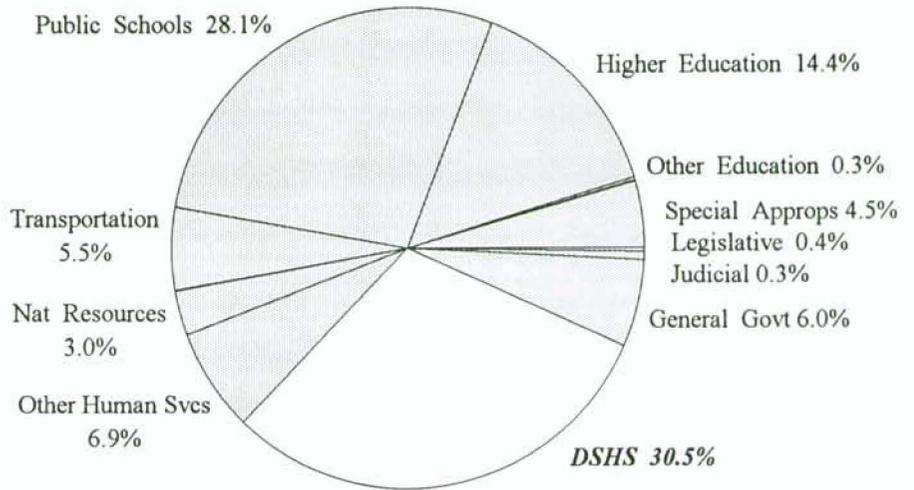
A total of \$5.8 million General Fund-State is provided to replace the federal incentive pay shortfall due to the insufficient hiring of support enforcement field staff and lower than anticipated collection of child support payments.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

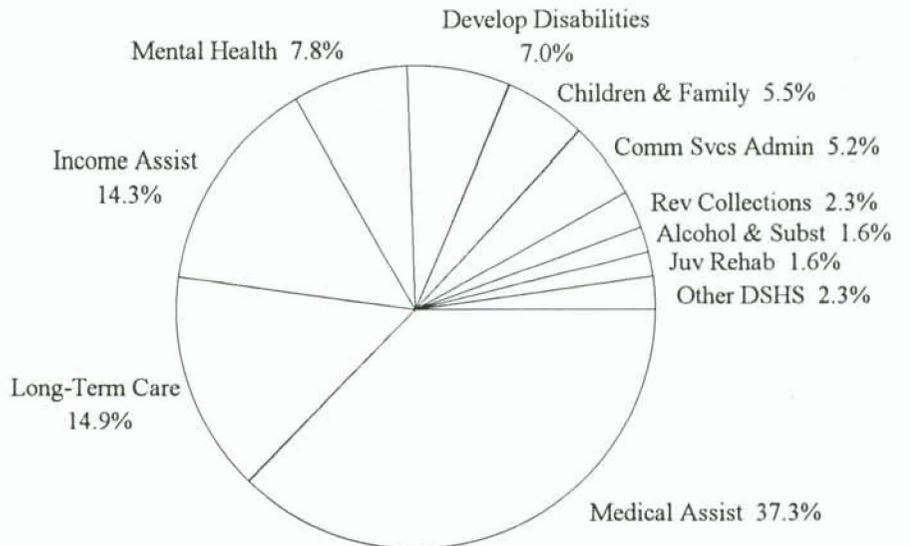
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
DSHS	9,138,059
Other Human Services	2,061,889
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Medical Assistance	3,412,818
Long-Term Care	1,358,584
Income Assistance	1,308,835
Mental Health	710,483
Develop Disabilities	640,695
Children & Family	503,246
Community Svcs Admin	479,159
Revenue Collections	214,089
Alcohol & Substance	149,657
Juvenile Rehab	147,403
Other DSHS	213,090
DSHS	9,138,059



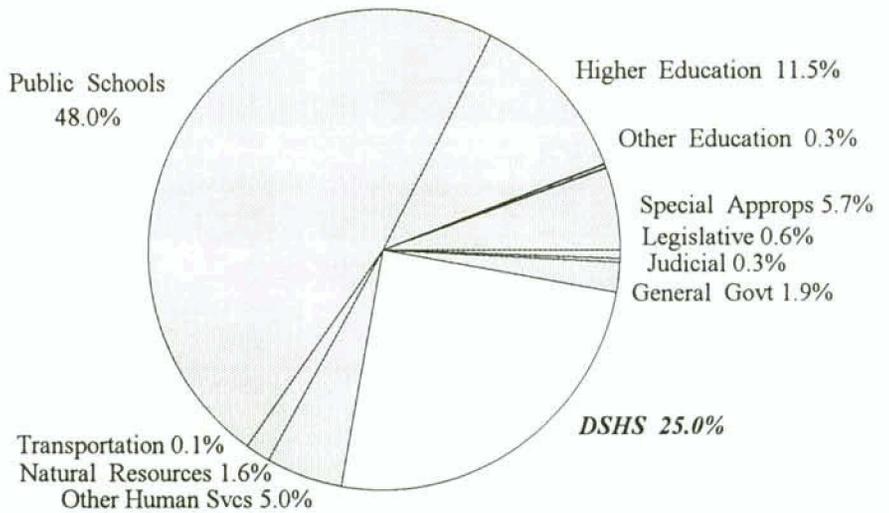
D S H S

Washington State 1993-95 Operating Budget

General Fund - State

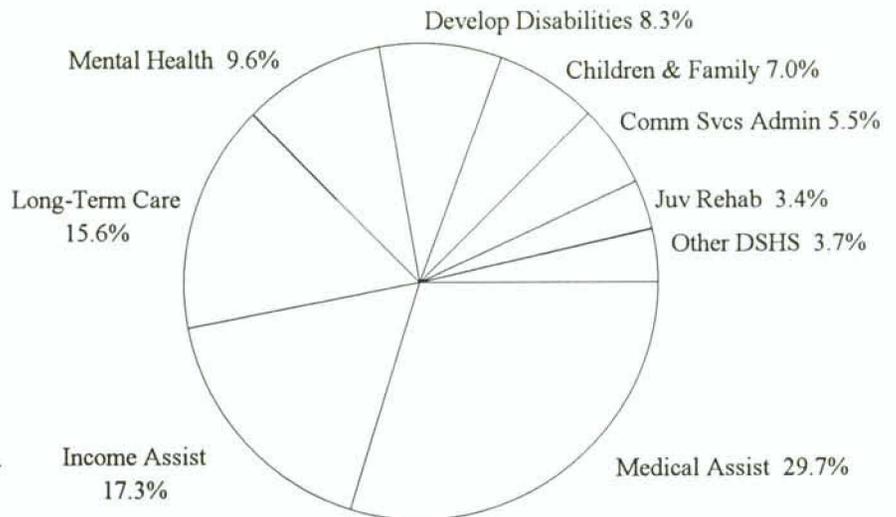
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
DSHS	4,044,088
Other Human Services	838,755
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

Medical Assistance	1,201,027
Income Assistance	698,640
Long-Term Care	629,313
Mental Health	388,146
Develop Disabilities	336,218
Children & Family	283,352
Community Svcs Admin	222,778
Juvenile Rehab	136,237
Other DSHS	148,377
DSHS	4,044,088



D S H S

**Department of Social & Health Services
Children & Family Services
(Dollars in Thousands)**

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	292,004	197,129	489,133
1994 Supplemental Budget			
1. Underfunded Salary and Benefits	3,292	1,218	4,510
2. Increased Federal Earnings	-13,000	13,000	0
3. Transfer Child Care Funds	-1,395	-45	-1,440
4. FMAP Change	857	-857	0
5. Homeless Children and Families	800	-800	0
6. Emphasize Adoption Practice	0	135	135
7. Respite Care-Children w/ Disability	0	200	200
8. Family Preservation - Title XIX	0	2,052	2,052
9. Therapeutic Child Dev.-Title XIX	-4,248	4,248	0
10. Family Services Block Grants	4,142	1,858	6,000
11. Therapeutic Child Dev. Enhancement	0	1,531	1,531
12. Improved Permanency Planning	900	225	1,125
Total Supplemental Items	-8,652	22,765	14,113
1993-95 REVISED APPROPRIATION	283,352	219,894	503,246

Comments:

1. UNDERFUNDED SALARY AND BENEFITS - Due to several errors in the budget-building process, the current budget for field staff is less than needed for salaries and employee benefits. These funds are needed to avoid the loss of approximately 80 caseworkers and field staff effective April 1, 1994. The Conference budget corrects the anticipated federal share to reflect the increased federal funding which will be available under the Consolidated Emergency Assistance Program. (Other Funds: General Fund-Federal)
2. INCREASED FEDERAL EARNINGS - State expenditures on Child Protective Services and Family Reconciliation Services will be matched with federal dollars under the Consolidated Emergency Assistance Program, thus saving state general fund expenditures. (Other Funds: General Fund-Federal)
3. TRANSFER CHILD CARE FUNDS - This item corrects a technical error in the 1993-95 budget, which mistakenly appropriated to the Children and Family Services program funds for child care rate increases which should have been appropriated to the Income Assistance program. (Other Funds: General Fund-Federal)
4. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is provided to replace the lost federal funding. (Other Funds: General Fund-Federal)
5. HOMELESS CHILDREN AND FAMILIES - This policy change will allow Aid to Families with Dependent Children program (AFDC) families whose children are expected to remain in foster care less than 90 days to retain their AFDC grants, thus enabling the family to maintain stable housing and prepare for reunification with their children. For children who have been in foster care for more than 90 days, the policy change will also reactivate AFDC 30 days prior to family reunification for families who would otherwise be homeless.
6. EMPHASIZE ADOPTION PRACTICE - This item reflects a grant award to participate in a project sponsored by Region X of the federal Department of Health and Human Services which will attempt to provide better services and support to children and their adoptive families. (General Fund-Federal)
7. RESPITE CARE-CHILDREN W/ DISABILITY - A grant has been awarded to provide respite in the form of day care for parents and foster parents caring for children with severe disabilities. (General Fund-Federal)
8. FAMILY PRESERVATION - TITLE XIX - If approved by the federal government, federal Medicaid matching funds will be used to expand the Intensive Family Preservation Services by approximately 27 percent, or an additional 20 families served per month. This expansion will include an evaluation of methods to improve the accuracy of service targeting to children at imminent risk of foster care; child safety; child and family functioning; client satisfaction; and placement prevention outcomes. (General Fund-Federal)
9. THERAPEUTIC CHILD DEV.-TITLE XIX - Federal Medicaid funds are available to cover part of the costs of therapeutic child development services, which allows a savings in General Fund-State expenditures. (Other Funds: General Fund-Federal)
10. FAMILY SERVICES BLOCK GRANTS - Funds are provided to support initial planning, start-up activities, service grants for community networks, and expanded Family Policy Council duties, as provided in the 1994 Youth Violence bill. The networks will be responsible for decentralized planning, coordination, and administration of outcome-oriented prevention and early intervention services for children and families. (Other Funds: General Fund-Federal)
11. THERAPEUTIC CHILD DEV. ENHANCEMENT - The Therapeutic Child Development program, which provides intensive child care and family training services for abused and neglected children, will be expanded by 120 slots, or by approximately 25 percent, over the last

Department of Social & Health Services Children & Family Services

year of the 1993-95 biennium, and 61 slots which presently provide a four-hour program will be converted to a six-hour program. This expansion will be possible because of the availability of federal Medicaid and Family Preservation and Support Services block grant funds. (Other Funds: General Fund-Federal)

12. IMPROVED PERMANENCY PLANNING - This item funds chapter 288, Laws of 1994 (E2SSB 6255), which provides that there shall be a court hearing and order on a permanent placement goal for children age 10 and younger within 12 months of their removal from their parents' home, rather than within 18 months as is provided under current law. Increased permanency planning and court hearings will require additional caseworkers and assistant attorneys general. (Other Funds: General Fund-Federal)

**Department of Social and Health Services
Children and Family Services**

**Workload History
By Fiscal Year**

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
Foster Care								
# Children Served	5,591	5,872	6,143	6,441	6,734	6,723	6,846	6,898
% Change from prior year		5.0%	4.6%	4.9%	4.5%	-0.2%	1.8%	0.8%
Child Care *								
# Children Served	8,789	8,906	9,945	12,330	14,251	15,009	14,755	14,855
% Change from prior year		1.3%	11.7%	24.0%	15.6%	5.3%	-1.7%	0.7%
Child Protective Services								
# Case Openings	1,779	3,331	3,644	4,301	5,819	5,625	5,695	5,939
% Change from prior year		87.2%	9.4%	18.0%	35.3%	-3.3%	1.2%	4.3%
Adoption Support								
# Children Served	1,105	1,162	1,351	1,598	1,901	2,361	2,826	3,279
% Change from prior year		5.2%	16.3%	18.3%	19.0%	24.2%	19.7%	16.0%

NOTES:

* Includes Therapeutic Child Care.

Data Sources:

FY88 through FY93 LEAP workload data base;
FY94 and FY95 Child Care provided by DSHS Budget Office.

Department of Social & Health Services Juvenile Rehabilitation

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	120,210	10,925	131,135
1994 Supplemental Budget			
1. November Forecast Revision	9,932	0	9,932
2. Program Underexpenditures	-880	0	-880
3. Correct Unit Cost & Bed Cost	866	0	866
4. FMAP Change	17	-59	-42
5. Consolidated Juvenile Services	2,800	0	2,800
6. Capital Master Plan	0	300	300
7. Program Reorganization	-947	0	-947
8. Skills Center Grants	650	0	650
9. Youth Violence Act	3,589	0	3,589
Total Supplemental Items	16,027	241	16,268
1993-95 REVISED APPROPRIATION	136,237	11,166	147,403

Comments:

1. NOVEMBER FORECAST REVISION - The November 1993 revised offender forecast projects a 13 percent increase in FY 94 and a 20 percent increase in FY 95 over the level funded in the original 1993-95 biennial budget. This item funds this new population forecast (131 additional beds in FY 94, and 198 additional beds in FY 95).
2. PROGRAM UNDEREXPENDITURES - This item represents underexpenditures in Transition Services and Sex Offender Parole Services resulting from lower than anticipated caseloads.
3. CORRECT UNIT COST & BED COST - This step corrects three technical errors which occurred in the development of the Division's 1993-95 budget. These errors were: (1) a shortfall of 73.8 FTE staff years for institutional staffing; (2) the double counting of phased-out capacity in the current authorized level; and (3) an error in unit cost analysis resulting in underfunding of expansion beds.
4. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)
5. CONSOLIDATED JUVENILE SERVICES - This item increases funding to county governments to provide increased diversion, probation, and detention services in accordance with the 1994 Youth Violence legislation (chapter 7, Laws of 1994, 1st sp.s. -- E2SHB 2319).
6. CAPITAL MASTER PLAN - This item provides funding to conduct a comprehensive analysis of future state and local juvenile rehabilitation facility needs. (Charitable, Educational, Penal, and Reformatory Institutions Account-State)
7. PROGRAM REORGANIZATION - The Department of Social and Health Services had proposed to merge the divisions of Children and Family Services (DCFS) and Juvenile Rehabilitation (DJR). This item represents the savings associated with reductions to DCFS/DJR headquarters and regional administration, and consolidation of regional sex offender program coordination. This proposal is reversed as part of the Youth Violence Act initiative, which instead establishes a separate assistant secretary for juvenile rehabilitation.
8. SKILLS CENTER GRANTS - Provides funding for chapter 152, Laws of 1994 (SSB 6593), which establishes a new grant program under which school districts and the Department of Social and Health Services will collaborate to assist court-involved youth complete school, enter employment, or enter a post-secondary education or job training program.
9. YOUTH VIOLENCE ACT - This item funds the increased incarceration, treatment, and juvenile justice system planning and reorganization costs associated with the 1994 Youth Violence Act (chapter 7, Laws of 1994, 1st sp.s. -- E2SHB 2319).

**Department of Social and Health Services
Juvenile Rehabilitation**

**Workload History
By Fiscal Year**

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
Community Residential *								
Average Daily Population/Month	204	198	209	238	254	314	408	470
% Change from prior year		-2.9%	5.6%	13.9%	6.7%	23.6%	29.9%	15.2%
Institutions								
Average Daily Population/Month	540	543	588	646	683	719	695	736
% Change from prior year		0.6%	8.3%	9.9%	5.7%	5.3%	-3.3%	5.9%

NOTES:

* Includes State and Contracted Group Homes, and Contracted County Commitment Beds.

Data Sources:

*FY88 through FY93 from LEAP workload data base, except for County Commitment Beds from DSHS;
FY94 and FY95 from 1994 Conference Budget estimate.*

Department of Social & Health Services Mental Health

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	398,605	315,468	714,073
1994 Supplemental Budget			
1. FMAP Change	2,783	-2,783	0
2. Intergovernmental Transfer	-12,652	12,652	0
3. PORTAL Phase Down Savings	-340	0	-340
4. Alternative Hospital Purchasing	-250	0	-250
5. RSN/Provider Business Efficiencies	-3,000	0	-3,000
6. CEPRI Fund Shift	3,000	-3,000	0
Total Supplemental Items	-10,459	6,869	-3,590
1993-95 REVISED APPROPRIATION	388,146	322,337	710,483

Comments:

1. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)
2. INTERGOVERNMENTAL TRANSFER - Additional Medicaid Disproportionate Share payments are available from the federal government and can be utilized to offset state funds. (Other Funds: General Fund-Federal)
3. PORTAL PHASE DOWN SAVINGS - The planned conversion of the PORTAL program at Northern State to a private treatment program for mentally ill chemical abusers is ahead of schedule and under budget, resulting in a general fund state savings.
4. ALTERNATIVE HOSPITAL PURCHASING - State mental hospitals will be authorized to purchase goods and services through a national hospital consortium rather than through the Office of State Procurement within the Department of General Administration, resulting in savings.
5. RSN/PROVIDER BUSINESS EFFICIENCIES - Community mental health centers are expected to retroactively recover at least \$3 million in federal Medicare payments for services which were reimbursed with state funds. State funds can therefore be reduced by this amount, without resulting in a reduction in total funding and services.
6. CEPRI FUND SHIFT - This item replaces \$3 million of funds from the state Charitable, Educational, Penal, and Reformatory Institutions (CEPRI) Account with General Fund-State. The CEPRI funds will instead be used in the state capital budget.

**Department of Social and Health Services
Mental Health**

**Workload History
By Fiscal Year**

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
Institutions *								
Average Daily Population/Month	1,634	1,664	1,720	1,728	1,709	1,622	1,469	1,416
% Change from prior year		1.8%	3.4%	0.5%	-1.1%	-5.1%	-9.4%	-3.6%
County/RSN Services	NA	NA						

NOTES:

* Includes Eastern State Hospital, Western State Hospital (WSH), WSH Program for Adaptive Living Skills (PALS), Program Offering Rehabilitation & Training in Adult Living (PORTAL), and Child Study and Treatment Center.

Data Sources:

LEAP workload data base.

**Department of Social & Health Services
Developmental Disabilities**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	330,879	307,478	638,357
1994 Supplemental Budget			
1. IMR Tax	1,198	1,465	2,663
2. High School Employment	-275	0	-275
3. FMAP Change	4,466	-4,466	0
4. Community Housing Initiative	-50	0	-50
Total Supplemental Items	5,339	-3,001	2,338
1993-95 REVISED APPROPRIATION	336,218	304,477	640,695

Comments:

1. **IMR TAX** - Reflects the costs associated with the federal IMR tax. The original 1993-95 budget assumed the tax on facilities certified as Institutions for the Mentally Retarded (IMR) would have to be decreased from 15 percent to 6 percent on July 1, 1993. The federal government extended the date from July 1 to September 13, 1993. This step will result in a net increase of \$1,465,000 for the state General Fund. (Other Funds: General Fund-Federal)
2. **HIGH SCHOOL EMPLOYMENT** - This is a technical adjustment which transfers state funds from the Division of Developmental Disabilities to the Division of Vocational Rehabilitation, where they will be matched with federal funds in order to provide employment opportunities for at least 240 graduating high school students with developmental disabilities, as was provided in the original 1993-95 Appropriations Act.
3. **FMAP CHANGE** - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)
4. **COMMUNITY HOUSING INITIATIVE** - The Division of Developmental Disabilities is to develop and implement a strategy which will reduce the average cost of community residential services per person served by approximately 8 percent by the final quarter of the 1995-97 biennium. This will be accomplished through strategies such as serving people in somewhat larger groups (for example, 4 to 6 people sharing a residence, rather than the current average of 2 or 3); reducing and rationalizing administrative reimbursement rates; and eliminating unproductive regulatory requirements. Under the terms of this initiative, one-half of the savings will be used in 1995-97 to provide community residential services for at least 220 adults who are currently unserved and living with family members who cannot continue caring for them. To assure sufficient safe and affordable community housing is available to implement this initiative, the 1994 Supplemental Capital Budget provides \$4 million for the purchase, renovation, and construction of community housing.

Governor's Vetoes:

The Governor vetoed section 204(4)(h), which directed the Department of Social and Health Services to develop and implement a plan to expand community residential services by 220 adults while reducing General Fund costs by \$2.9 million in the 1995-97 biennium.

**Department of Social and Health Services
Developmental Disabilities**

**Workload History
By Fiscal Year**

	FY88	FY89	FY90	FY91	FY92	Estimate		
						FY93	FY94	FY95
Institutions								
Month End Population	1,798	1,795	1,758	1,616	1,534	1,477	1,421	1,347
% Change from prior year		-0.2%	-2.1%	-8.1%	-5.1%	-3.7%	-3.8%	-5.2%
Community Residential Programs *								
Month End Contracted Beds	2,798	2,768	2,848	3,112	3,187	3,283	3,355	3,428
% Change from prior year		-1.1%	2.9%	9.3%	2.4%	3.0%	2.2%	2.2%
Employment and Day Programs								
# in County Programs	5,405	5,751	6,064	6,528	6,133	6,531	6,963	7,356
% Change from prior year		6.4%	5.4%	7.7%	-6.1%	6.5%	6.6%	5.6%
Family Support **								
# Clients Served	883	933	1,065	1,397	1,486	1,674	1,814	1,946
% Change from prior year		5.7%	14.1%	31.2%	6.4%	12.7%	8.4%	7.3%

NOTES:

* Includes Alternate Living (clients served), Group Homes, IMRs, Tenant Support (clients served), and SOLA (FY91-95).

** Includes Children's Personal Care (FY90-FY95).

Data Sources:

FY88 through FY93 LEAP workload data base;

FY94 and FY95 data provided by the DSHS Division of Developmental Disabilities.

Department of Social & Health Services
Long-Term Care Services
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	618,987	740,031	1,359,018
1994 Supplemental Budget			
1. FMAP Change	10,326	-10,326	0
2. Medicaid Estate Recovery *	-262	-310	-572
3. Nursing Home Case Mix Study	100	100	200
4. Community Client Information System	354	354	708
5. Criminal Background Checks	150	0	150
6. Guardianship Fee Limit	-522	-578	-1,100
7. AIDS Day Health	180	0	180
Total Supplemental Items	10,326	-10,760	-434
1993-95 REVISED APPROPRIATION	629,313	729,271	1,358,584

Comments:

1. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is needed to replace the lost federal funding. (Other Funds: General Fund-Federal)
2. MEDICAID ESTATE RECOVERY * - State law presently provides that the state will recover the cost of care from their estate after the death of a Medicaid nursing home resident age 65 and over. New federal law requires that estate recovery provisions be extended to include recipients of home- and community-based as well as nursing home services, and that it apply to persons over the age of 55. These new provisions are effective July 1994, as provided in chapter 21, Laws of 1994 (HB 2492). (Other Funds: General Fund-Federal)
3. NURSING HOME CASE MIX STUDY - Provides funding to study and develop a case mix reimbursement methodology in nursing homes that will match client needs to services and resources. The study will develop a means for measuring the characteristics of clients and identify the staffing needs and resources required for their care. (Other Funds: General Fund-Federal)
4. COMMUNITY CLIENT INFORMATION SYSTEM - Provides funding for a management information system to capture client information such as service mix, return to institutional settings, and length of stay in various settings for community based users of long term care services. (Other Funds: General Fund-Federal)
5. CRIMINAL BACKGROUND CHECKS - Provides funding to eliminate the backlog of criminal background checks on prospective long-term care facility employees.
6. GUARDIANSHIP FEE LIMIT - Chapter 68, Laws of 1994 (SB 6604) limits the fees which a court-appointed guardian may charge a person receiving state-funded care in nursing homes or other residential programs. This will enable recipients to contribute more towards their cost of care, resulting in a reduction of state and federal expenditures. (Other Funds: General Fund-Federal)
7. AIDS DAY HEALTH - Provides funding for adult day health services for an average of 25 persons with AIDS who are financially-eligible for the Medicaid medically needy program.

Department of Social and Health Services
Long Term Care

Workload History
 By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
Nursing Homes *								
# FTE Clients	16,576	16,694	16,937	17,190	17,342	17,437	17,303	17,271
% Change from prior year		0.7%	1.5%	1.5%	0.9%	0.5%	-0.8%	-0.2%
Community Care **								
# Clients Served	17,287	17,763	18,754	19,959	21,243	22,031	22,957	24,863
% Change from prior year		2.8%	5.6%	6.4%	6.4%	3.7%	4.2%	8.3%

NOTES:

* Workloads for Nursing Homes are based on Month of Service.

** Includes Chore Services, COPES, Adult Residential, and Personal Care (FY90-95).

Data Sources:

LEAP workload data base.

Department of Social & Health Services Income Assistance Grants

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	653,252	599,986	1,253,238
1994 Supplemental Budget			
1. FIP Budget Neutrality	6,458	-6,458	0
2. Transfer Child Care Funds	1,395	45	1,440
3. November Forecast	-37	-2,780	-2,817
4. SSI Supplemental Payments	5,875	0	5,875
5. Employer Reporting *	-700	-800	-1,500
6. FMAP Change	11,724	-11,724	0
7. Support Enforcement Shortfall	21,590	31,018	52,608
8. Homeless Children and Families	164	196	360
9. SSI State Supplement-Inelig. Spouse	-1,185	0	-1,185
10. Elimination of the 100-Hour Rule	644	712	1,356
11. GA-U: Sponsored Alien Eligibility	-540	0	-540
Total Supplemental Items	45,388	10,209	55,597
1993-95 REVISED APPROPRIATION	698,640	610,195	1,308,835

Comments:

1. FIP BUDGET NEUTRALITY - Savings assumed in the 1993-95 budget from a Family Independence Program (FIP) budget neutrality payment were actually received in the prior biennium. (Other Funds: General Fund-Federal)

October 1994. The rate assumed in the 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding is requested to replace the lost federal funding. (Other Funds: General Fund-Federal)
2. TRANSFER CHILD CARE FUNDS - A technical error was made in the 1993-95 budget regarding the distribution of funds for the child care rate increase. An appropriation of \$1,440,000 was made to Children and Family Services that should have been made to Income Assistance. The Children and Family Services program shows a decrease of \$1,440,000. (Other Funds: General Fund-Federal)
3. NOVEMBER FORECAST - This item reflects the November 1993 forecast changes. Most of the programs are projected to see a modest increase in the number of eligible clients, with the exception of the two-parent Aid to Families with Dependent Children-Employable (AFDC-E) program which is projected to see a substantial decline. (Other Funds: General Fund-Federal)
4. SSI SUPPLEMENTAL PAYMENTS - The 1993-95 Appropriations Act proviso to limit Supplemental Security Income (SSI) state supplemental benefits to calendar 1992 total payments was vetoed. Funding, however, was not restored. Biennial appropriations must be increased to fund this entitlement program or risk federal sanctions.
5. EMPLOYER REPORTING * - Agency request legislation (chapter 127, Laws of 1994, EHB 2487) adds one new Standard Industrial Classifications (SIC) code to the current list of employers required to report new hires and rehires to the Department as part of the Employer Reporting Program. The addition of this SIC code will allow the Office of Support Enforcement (OSE) to expand Employer Reporting into an industry that generally employs high percentages of child support payers and has high rates of employee turnover. This should increase OSE's ability to quickly identify where parents are employed and to promptly issue payroll deduction notices thus increasing the support collections. This will result in savings in AFDC expenditures. (Other Funds: General Fund-Federal)
6. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in
7. SUPPORT ENFORCEMENT SHORTFALL - OSE revenue collections are projected to be far below the revenue estimates assumed in the original 1993-95 budget. The collections are directly related to the OSE field staffing level. These staff were not added as planned in the revenue estimate; thus the savings to AFDC grant expenditures did not materialize. This item restores funding to the AFDC grants. (Other Funds: General Fund-Federal)
8. HOMELESS CHILDREN AND FAMILIES - In response to a lawsuit, DSHS has developed a Comprehensive Plan to Coordinate Services for Homeless Children and Families which includes this proposed policy change. It will allow AFDC families whose children are in short-term (less than 90 days) foster care to retain their grants, enabling them to maintain stable housing and prepare for reunification with their children. It also reactivates AFDC for families at risk of homelessness 30 days prior to family reunification for children placed in foster care for more than 90 days. (Other Funds: General Fund-Federal)
9. SSI STATE SUPPLEMENT-INELIG. SPOUSE - This item reduces the state supplemental portion of the monthly SSI grant to approximately 4,490 aged, blind, and disabled SSI recipients with ineligible spouses by an estimated \$22 starting in July 1994.
10. ELIMINATION OF THE 100-HOUR RULE - This item eliminates the 100-hour work rule for recipients of AFDC-E. This rule acts as a disincentive for families to work. (Other Funds: General Fund-Federal)
11. GA-U: SPONSORED ALIEN ELIGIBILITY - In determining eligibility for AFDC, sponsored aliens are considered to have some portion of their sponsor's income available to them. This item brings GA-U eligibility rules concerning sponsored aliens and sponsor's income into conformity with existing AFDC rules.

Department of Social and Health Services
Income Assistance

Workload History
By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
SSI State Supplement								
# Cases Received	47,748	49,712	52,457	56,818	62,532	69,332	76,883	84,868
% Change from prior year		4.1%	5.5%	8.3%	10.1%	10.9%	10.9%	10.4%
General Assistance - Unemployable								
# Cases Served	14,057	12,927	13,651	13,993	15,251	15,585	16,633	17,605
% Change from prior year		-8.0%	5.6%	2.5%	9.0%	2.2%	6.7%	5.8%
General Assistance - Pregnant Women								
# Cases Served	1,252	1,439	1,607	1,847	1,934	1,842	1,859	1,873
% Change from prior year		14.9%	11.7%	14.9%	4.7%	-4.8%	0.9%	0.8%
AFDC - Employable								
# Cases Served	7,031	7,611	8,309	10,070	13,784	15,778	16,377	16,906
% Change from prior year		8.2%	9.2%	21.2%	36.9%	14.5%	3.8%	3.2%
AFDC - Regular								
# Cases Served	68,298	69,780	72,098	75,880	81,189	84,542	87,045	89,319
% Change from prior year		2.2%	3.3%	5.2%	7.0%	4.1%	3.0%	2.6%

Data Sources:

*FY88 through FY93 LEAP workload data base;
FY94 and FY95 provided by DSHS Budget Office.*

**Department of Social & Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)**

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	15,355	134,047	149,402
1994 Supplemental Budget			
1. Border State Methadone	0	466	466
2. FMAP Change	173	-173	0
3. Family Planning Chem Depend Women	50	0	50
4. Reduce TARGET Admin./Training	-261	0	-261
5. Fund Shift (DEEA)	-1,000	1,000	0
Total Supplemental Items	-1,038	1,293	255
1993-95 REVISED APPROPRIATION	14,317	135,340	149,657

Comments:

1. BORDER STATE METHADONE - Clark County voted not to have a methadone facility in their county. Clark County citizens are therefore eligible to seek treatment in a Portland facility. Under Washington law and federal Medicaid regulations, the state is mandated to pay for medical care provided in "border cities" of other states on the same basis as in-state care. The state provides this service to other eligible Washington residents and is, therefore, obligated to pay for this service if provided to Washington residents in Portland (approximately 50 people). (Other Funds: Drug Enforcement and Education Account and General Fund-Federal)
2. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the original 1993-95 budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State funding replaces the lost federal funding. (Other Funds: General Fund-Federal)
3. FAMILY PLANNING CHEM DEPEND WOMEN - Funds the development of a protocol for integrating family planning considerations into chemical dependency treatment programs and provides for technical assistance on the protocol to 10 treatment agencies throughout the state.
4. REDUCE TARGET ADMIN./TRAINING - Represents the savings generated by elimination of funding for training management functions under contract to the Chemical Dependency Training Coalition and an administrative staff reduction associated with the Treatment and Assessment Report Generation Tool (TARGET) computer project.
5. FUND SHIFT (DEEA) - The unreserved balance in the Drug Enforcement and Education Account (DEEA) is utilized to offset General Fund-State expenditures. (Other Funds: Drug Enforcement and Education Account)

Department of Social and Health Services
Alcohol and Substance Abuse

Workload History
 By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
ADATSA - Outpatient Treatment *								
# Cases	NA	NA	610	844	797	769	911	911
% Change from prior year		NA	NA	38.4%	-5.6%	-3.5%	18.5%	0.0%
ADATSA - Shelter Services								
# Cases	427	1,587	414	55	24	16	18	18
% Change from prior year		271.7%	-73.9%	-86.7%	-56.4%	-33.3%	12.5%	0.0%
ADATSA - Assessment								
# Assessments	1,317	1,277	1,164	1,289	1,194	1,184	1,156	1,156
% Change from prior year		-3.0%	-8.8%	10.7%	-7.4%	-0.8%	-2.4%	0.0%
Inpatient Treatment (Adults & Youths) *								
# Cases	NA	NA	580	571	552	505	732	732
% Change from prior year		NA	NA	-1.6%	-3.3%	-8.5%	45.0%	0.0%

NOTES:

* Data for Outpatient Treatment and Inpatient Treatment cases is unavailable prior to FY 90.

Data Sources:

FY88 through FY93 LEAP workload data base;

FY94 and FY95 provided by DSHS Budget Office.

Department of Social & Health Services Medical Assistance Payments

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	1,167,705	2,221,081	3,388,786
1994 Supplemental Budget			
1. November Forecast	16,744	26,019	42,763
2. FMAP Change	29,860	-29,860	0
3. Medicaid Estate Recovery *	-29	-34	-63
4. \$1 Co-payment Medicaid Services	1,399	1,548	2,947
5. Earn Federal/State Only Children	-4,244	4,244	0
6. Eliminate Fee Increases	-4,155	-4,682	-8,837
7. Forecast Adjustment	-8,542	-9,698	-18,240
8. Extended Family Planning Coverage	100	800	900
9. Managed Care for SSI Clients	400	400	800
10. Eliminate \$1 Co-payment	1,719	1,903	3,622
11. Long-term Studies	70	70	140
Total Supplemental Items	33,322	-9,290	24,032
1993-95 REVISED APPROPRIATION	1,201,027	2,211,791	3,412,818

Comments:

1. NOVEMBER FORECAST - Major changes in the forecast include increases in the number of eligibles, especially for pregnant women, children, and disabled. These increases are somewhat offset by reductions in the cost of rebasing inpatient hospital care and other steps. The increase in Health Services Account funding is due to an incorrect federal share being used in the appropriation. (Other Funds: General Fund-Federal (\$31,392,000); General Fund-Local (-\$6,249,000); Health Services Account-State (\$876,000))
2. FMAP CHANGE - The Federal Medical Assistance Percentage (FMAP) will be reduced in Federal Fiscal Year 1995, which begins in October 1994. The rate assumed in the state budget was 54.24 percent. The new rate is 51.97 percent, a decrease of 2.27 percent. State, local, and Health Services Account funding is proposed to replace the lost federal funding. (Other Funds: General Fund-Federal (-\$38,389,000); General Fund-Local (\$6,203,000); Health Services Account-State (\$2,326,000))
3. MEDICAID ESTATE RECOVERY * - Agency request legislation (chapter 21, Laws of 1994, HB 2492) amends Washington's estate recovery law to resemble the federal statute regarding Medicaid recovery. (Other Funds: General Fund-Federal)
4. \$1 CO-PAYMENT MEDICAID SERVICES - The budget eliminates the \$1 co-payment for prescription drugs, physician visits, eyeglasses, and dental services, effective April 1, 1994. (Other Funds: General Fund-Federal)
5. EARN FEDERAL/STATE ONLY CHILDREN - Federal Medicaid matching funds are available for the cost of emergency medical services to undocumented alien children. Currently, these services are funded entirely from General Fund-State. Federal claiming will be retroactive to the beginning of the 1993-95 Biennium. (Other Funds: General Fund-Federal)
6. ELIMINATE FEE INCREASES - Fee increases scheduled for obstetric and pediatric providers are eliminated. It is not anticipated that access to care will be impacted. Insurance companies are now paying their preferred providers fees comparable to the Medicaid fees. (Other Funds: General Fund-Federal)
7. FORECAST ADJUSTMENT - The November forecast overstates the cost of the increase in the number of eligible pregnant women and children by using a composite per capita rate. Most of the increase in eligibles will be among children. Using the average child rate (\$77.91) for the increase in eligibles rather than the composite rate (\$185.58) results in these savings. (Other Funds: General Fund-Federal)
8. EXTENDED FAMILY PLANNING COVERAGE - Provides funding for additional outreach efforts and for establishing on-site family planning capabilities at the Spokane North Community Service Office. (Other Funds: General Fund-Federal)
9. MANAGED CARE FOR SSI CLIENTS - As part of the Healthy Options managed care program, the Supplemental Security Income (SSI) caseload will be added to the transition to managed care. An additional 80,000 clients are added to managed care during the current biennium. As a result, a total estimated savings of \$9.2 million, of which \$4.4 million is from the General Fund-State can be realized for the 1995-97 biennium. (Other Funds: General Fund-Federal)
10. ELIMINATE \$1 CO-PAYMENT - The budget eliminates the \$1 co-payment for prescription drugs, physician visits, eyeglasses, and dental services, effective April 1, 1994. (Other Funds: General Fund-Federal)
11. LONG-TERM STUDIES - A total of \$140,000 (\$70,000 General Fund-State and \$70,000 General Fund-Federal) is appropriated to study long-term issues related to the type and quantity of services provided to medical assistance clients and for selective contracting of specified medical assistance services.

Department of Social and Health Services
Medical Assistance

Workload History
By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
State General Assistance								
# Persons/Month	14,801	15,762	13,780	13,885	12,230	10,200	9,616	8,885
% Change from prior year		6.5%	-12.6%	0.8%	-11.9%	-16.6%	-5.7%	-7.6%
Categorically Needy								
# Persons/Month	326,887	341,292	362,162	407,208	473,377	521,192	570,162	684,567
% Change from prior year		4.4%	6.1%	12.4%	16.2%	10.1%	9.4%	20.1%
Medically Needy								
# Persons/Month	14,924	16,195	15,005	15,779	17,612	18,208	19,278	16,810
% Change from prior year		8.5%	-7.3%	5.2%	11.6%	3.4%	5.9%	-12.8%
State Medically Indigent								
# Persons/Month	2,034	2,083	2,419	2,758	2,473	2,647	2,787	2,849
% Change from prior year		2.4%	16.1%	14.0%	-10.3%	7.0%	5.3%	2.2%

NOTES:

FY94 and FY95 estimates include the Medicaid expansion for children below 200 percent of federal poverty level which was funded to implement chapter 492, Laws of 1993, (Health Care Reform). It is estimated that this expansion will add up to 140,000 children to Medical Assistance caseload by the end of FY95.

Data Sources:

*FY88 through FY93 LEAP workload data base;
FY94 and FY95 provided by DSHS Budget Office.*

**Department of Social & Health Services
Vocational Rehabilitation**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	15,406	68,237	83,643
1994 Supplemental Budget			
1. High School Employment	275	0	275
2. Local Matching Funds	0	2,127	2,127
Total Supplemental Items	275	2,127	2,402
1993-95 REVISED APPROPRIATION	15,681	70,364	86,045

Comments:

1. HIGH SCHOOL EMPLOYMENT - This is a technical adjustment which transfers state funds from the Division of Developmental Disabilities to the Division of Vocational Rehabilitation, where they will be matched with federal funds in order to provide employment opportunities for at least 240 graduating high school students with developmental disabilities, as specified in the original 1993-95 Appropriations Act.

2. LOCAL MATCHING FUNDS - Appropriates the local funds which the agency will collect through cooperative agreements with county developmental disabilities programs and mental health Regional Support Networks. As provided in the original 1993-95 budget, the agency will match these local funds with federal dollars in order to provide employment opportunities for people with developmental disabilities and mental illness. (General Fund-Local)

Department of Social & Health Services Administration & Supporting Services

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	46,547	37,420	83,967
1994 Supplemental Budget			
1. Increase Federal Title XIX Earnings	-1,174	1,174	0
2. Food Stamp Administration	574	-574	0
3. Child Abuse & Neglect Prev. Grant	0	87	87
4. Juvenile Justice Grant	0	743	743
5. Administrative Reductions	-931	-678	-1,609
6. Consolidate Advisory Committees	-127	0	-127
7. Center for Human Services	195	0	195
8. Sprague Building	660	0	660
Total Supplemental Items	-803	752	-51
1993-95 REVISED APPROPRIATION	45,744	38,172	83,916

Comments:

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|---|--|
| <p>1. INCREASE FEDERAL TITLE XIX EARNINGS - Reflects the revised cost allocation plan for the 1993-95 Biennium. Additional Title XIX earnings are used to replace appropriated state funds. (Other Funds: General Fund-Federal)</p> <p>2. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding replaces the discontinued federal funding for this activity. (Other Funds: General Fund-Federal)</p> <p>3. CHILD ABUSE & NEGLECT PREV. GRANT - Provides additional staff support for statewide programs to reduce child abuse and neglect. Activities include monitoring, providing technical assistance, evaluating prevention projects and programs, identifying barriers to child abuse and neglect prevention, and developing plans to remove the barriers. (General Fund-Federal)</p> <p>4. JUVENILE JUSTICE GRANT - Funds the federal Juvenile Justice and Delinquency Prevention Act as amended in 1992. County, city, and state juvenile justice agencies monitor adult jails and juvenile detention facilities, participate in training, and perform other projects designed to ensure compliance with federal laws and regulations. (General Fund-Federal)</p> <p>5. ADMINISTRATIVE REDUCTIONS - Reductions to central administrative functions include special investigations, mail, manual storage and warehouse activities, nursing home audits, employee services, and assistant attorney general support staff. (Other Funds: General Fund-Federal)</p> <p>6. CONSOLIDATE ADVISORY COMMITTEES - Savings result from consolidating various advisory committees reporting to the Secretary of the Department of Social and Health Services under an umbrella committee with special subcommittees. This will reduce the number of members and the number of meetings while maintaining effective representation from all Washington communities.</p> <p>7. CENTER FOR HUMAN SERVICES - Provides a matching grant to the center for human services which it will use to purchase a building in King County to house its social services and educational programs.</p> | <p>8. SPRAGUE BUILDING - Funds a matching grant to assist the United Way of Pierce County with the purchase of the Sprague Building in downtown Tacoma. The acquisition will allow for consolidation of many human service activities in a single location at below-market rents. The grant is contingent upon negotiation of an agreement under which DSHS will be provided free space in the building.</p> |
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**Department of Social & Health Services
Community Services Administration**

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	219,837	258,030	477,867
1994 Supplemental Budget			
1. ACES Project	3,157	-4,229	-1,072
2. Financial Services Staff/Caseload	-302	-124	-426
3. Food Stamp Administration	250	-250	0
4. SSI Administration Fees	4,149	0	4,149
5. SLIAG Grant Funds	-2,515	2,515	0
6. Administrative Reductions	-4,336	-3,149	-7,485
7. Elimination of the 100-Hour Rule	130	130	260
8. Longitudinal Study	100	100	200
9. E2SHB 2798 Welfare Reform	1,697	2,747	4,444
10. One-time Projects: Self-Sufficiency	611	611	1,222
Total Supplemental Items	2,941	-1,649	1,292
1993-95 REVISED APPROPRIATION	222,778	256,381	479,159

Comments:

1. ACES PROJECT - The 1994 federal Omnibus Budget Reconciliation Act lowered the matching rates for management information systems which impacts the funding for the Automated Client Eligibility System (ACES) project. This item provides the necessary funding for continued implementation of the ACES project. Concurrent with ACES development and implementation, however, a new work group will be established to plan the transition of ACES to a more flexible "open" computer system which makes use of current distributed technologies. (Other Funds: General Fund-Federal)
2. FINANCIAL SERVICES STAFF/CASELOAD - The decrease in caseload in the November 1993 forecast justifies a reduction in staff who determine eligibility and benefit amounts. Also included in this item is the increased workload as a result of the termination of the Family Independence Program (FIP). (Other Funds: General Fund-Federal)
3. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding is provided to replace discontinued federal funding for this activity. (Other Funds: General Fund-Federal)
4. SSI ADMINISTRATION FEES - The federal government has begun to charge states, effective October 1, 1993, for the administrative costs associated with their work in determining eligibility for the supplement portion of the federal Supplemental Security Income (SSI) program and for the approximately 2,600 warrants they generate monthly for the clients eligible for only the supplement portion of the program.
5. SLIAG GRANT FUNDS - The State Legalization Impact Assistance Grant (SLIAG) award was higher than projected in the initial appropriation. These funds are used to replace state funds. (Other Funds: General Fund-Federal)
6. ADMINISTRATIVE REDUCTIONS - These reductions are in the administration of the Department's Community Services Offices. They include a variety of administrative reductions and efficiencies, including lease cost reductions (\$2.5 million GF-S), purchased services, travel, and equipment (\$1.3 million GF-S), and FTE reductions (\$0.5 million GF-S). Assumed effective date is April 1, 1994. (Other Funds: General Fund-Federal)
7. ELIMINATION OF THE 100-HOUR RULE - Funding is provided for the increase in workload resulting from eliminating the 100-hour work rule for recipients of Aid to Families with Dependent Children-Employable (AFDC-E) in the Income Assistance program. (Other Funds: General Fund-Federal)
8. LONGITUDINAL STUDY - The Washington State Institute for Public Policy is conducting a longitudinal study of families receiving, or at risk of receiving, public assistance. Funding is provided to continue the study for one additional year. (Other Funds: General Fund-Federal)
9. E2SHB 2798 WELFARE REFORM - Chapter 299, Laws of 1994 (E2SHB 2798) provides for training for Community Service Office (CSO) employees in communicating the transitional nature of Aid to Families with Dependent Children (AFDC). These employees actively make referrals to the Job Opportunities and Basic Skills (JOBS) program, and provide family planning information and assistance. This item includes funding for CSOs to provide family planning assistance (\$3.4 million); federal matching funds for job developers in the CSOs (\$750,000); modifications to ACES and implementation of an information system to track JOBS participants who take any job offered (\$200,000); and an evaluation coordinator (\$75,000). (Other Funds: General Fund-Federal)
10. ONE-TIME PROJECTS: SELF-SUFFICIENCY - Funding is provided for one-time projects involving clients and communities in self-sufficiency efforts (\$70,000); staff training to assist clients in becoming self-sufficient and in family planning (\$800,000); and providing family planning and employment information in the Community Service Offices (\$352,000). (Other Funds: General Fund-Federal)

Department of Social & Health Services
Revenue Collections
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	35,763	178,323	214,086
1994 Supplemental Budget			
1. Employer Reporting *	-194	194	0
2. Child Support Enforcement/Postage *	-31	-61	-92
3. Medicaid Estate Recovery *	47	48	95
4. Support Enforcement Shortfall	5,824	-5,824	0
5. Transfer Incentive Pay from Federal	0	0	0
Total Supplemental Items	5,646	-5,643	3
1993-95 REVISED APPROPRIATION	41,409	172,680	214,089

Comments:

1. EMPLOYER REPORTING * - Chapter 127, Laws of 1994 (EHB 2487) adds one new Standard Industrial Classifications (SIC) code to the current list of employers required to report new hires and rehires to the Department as part of the Employer Reporting Program. The addition of this SIC code will allow the Office of Support Enforcement (OSE) to expand Employer Reporting into an industry that generally employs high percentages of child support payers and has high rates of employee turnover. This should increase OSE's ability to quickly identify where parents are employed and to promptly issue payroll deduction notices thus increasing the support collections. This item reflects the additional incentive payment from the federal government which offsets General Fund-State administrative costs. (Other Funds: General Fund-Local)
2. CHILD SUPPORT ENFORCEMENT/POSTAGE * - Chapter 230, Laws of 1994 allows the Office of Support Enforcement to send the informational copy of the Order to Withhold and Deliver (OWD) to the responsible parent by regular mail instead of certified mail. (Other Funds: General Fund-Federal)
3. MEDICAID ESTATE RECOVERY * - Chapter 21, Laws of 1994 (HB 2492) amends Washington's estate recovery law to resemble the federal statute regarding Medicaid recovery. Savings resulting from this legislation are shown in the Aging and Adult Services Administration and the Medical Assistance programs. (Other Funds: General Fund-Local)
4. SUPPORT ENFORCEMENT SHORTFALL - Office of Support Enforcement (OSE) revenue collections are projected to be far below the revenue estimates assumed in the original 1993-95 budget. The collections are directly related to OSE field staffing levels. These staff were not added as planned in the original revenue estimate so the collection estimates decreased. This item restores funding to offset the shortfall in the federal incentive payments as a result of the lower estimates. (Other Funds: General Fund-Local)
5. TRANSFER INCENTIVE PAY FROM FEDERAL - This transfers AFDC incentive pay from the federal appropriation to the local appropriation. The Department tracks expenditures as local dollars for accounting purposes. (Other Funds: General Fund-Federal, General Fund-Local)

**Department of Social & Health Services
 Payments to Other Agencies
 (Dollars in Thousands)**

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	30,935	11,724	42,659
1994 Supplemental Budget			
1. Food Stamp Administration	26	-26	0
2. Facilities and Services Adjustment	265	205	470
Total Supplemental Items	291	179	470
1993-95 REVISED APPROPRIATION	31,226	11,903	43,129

Comments:

1. FOOD STAMP ADMINISTRATION - Recent Congressional action on the federal budget eliminated enhanced funding for fraud control activities in the food stamp program effective April 1, 1994. State funding is provided to replace the discontinued federal funding for this activity. (Other Funds: General Fund-Federal)

2. FACILITIES AND SERVICES ADJUSTMENT - This item provides the additional funds the agency needs to cover its share of General Administration Facilities and Services Revolving Fund charges for the 1993-95 Biennium. (Other Funds: General Fund-Federal)

Other Human Services

Department of Labor & Industries

Funding of \$1.5 million from the medical aid fund is provided to support research on chemically-related illness. Programs include development of a sound scientific research and implementation plan. A progress report is expected by June 30, 1995. An additional four FTEs are also provided for adjudication and other activities related to chemically-related illness. Also, \$210,000 and three FTEs are provided to enhance current building inspection efforts.

Department of Veterans' Affairs

An additional 41 FTE staff are provided to assure that care at the state veterans' homes meets the standards for Medicaid nursing facilities. Because of increased federal funding and resident contributions, total General Fund-State spending at the homes is reduced by \$1.7 million. Appropriations for the agency's field services programs are increased by \$1.2 million to reflect increased federal grants and authorized program transfers, and to prevent the disproportionate reductions to such services which would otherwise result from the agency's delayed implementation of reductions in the original 1993-95 budget.

Department of Health

Funding of \$1,158,000 General Fund-State is provided for the Department of Health's portion of the Youth Violence Act. The department will develop comprehensive rules for the collection of data related to violence, risk, and protective factors. In addition, the department will also establish standards for local health departments to use in planning and policy development to prevent juvenile crime.

Health Services Commission

A total of \$180,000 General Fund-State is appropriated for the commission to analyze long-term issues related to the type and quantity of services provided to Medical Assistance clients and to study the impact and feasibility of imposing means-tested co-payments, deductibles, and co-insurance on Medical Assistance clients. An additional \$49,000 from the health services trust account is appropriated to analyze the provision of health care to seasonal workers.

Department of Corrections

State expenditure reductions for the Department of Corrections total \$25.4 million. They include: the closing of two small facilities (Monroe Honor Farm and Indian Ridge Corrections Center); delays in opening facilities (Airway Heights); adjustments to both the inmate population forecast and the community corrections forecast; efficiencies throughout the system; and specific cost savings and consolidations at the Monroe facility. A total of \$1.3 million is added to provide one-time impact grants for three local governments where new correctional facilities were opened. The sum of \$975,000 in state funds is appropriated to replace federal funding eliminated by the U.S. Department of Agriculture's termination of the surplus food program. In order to improve medical cost

containment in the Corrections' system, \$356,000 will be used to purchase a health care data system to track inmate health care expenses. Lastly, as part of the Youth Violence Act, a total of \$532,000 is provided for expenses related to 16 and 17 year olds being convicted and imprisoned in the adult corrections system as well as an increase in criminal penalties.

Department of Employment Security

An \$8.3 million increase in the overall budget for the General Unemployment Insurance Development Effort (GUIDE) system is authorized to complete programming and implementation of this project.

Health Services Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	4,004	4,004
1994 Supplemental Budget			
1. Farmworker Health Care Analysis	0	49	49
2. Health Care Studies	180	0	180
Total Supplemental Items	180	49	229
1993-95 REVISED APPROPRIATION	180	4,053	4,233

Comments:

1. FARMWORKER HEALTH CARE ANALYSIS - Funds an analysis of the factors and requirements for providing health care to farmworkers. (Health Services Trust Account)

2. HEALTH CARE STUDIES - Reflects funding for comparing the scope and cost of services provided by: (1) the Basic Health Plan; (2) the uniform benefits package; (3) the state employees health insurance package; and (4) the Medical Assistance program. In addition, the commission will analyze the impact of means tested co-payments, co-insurance, and/or deductibles for persons receiving medical assistance, as well as other states' experiences with defining medical necessity.

Washington State Health Care Authority

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	6,810	151,961	158,771
1994 Supplemental Budget			
1. FMAP Change	0	129	129
2. Administrative Savings	0	-462	-462
3. Basic Health Plan	0	-2,548	-2,548
4. FTE Reduction	0	-36	-36
5. Health Services Account Shortfall	20,608	0	20,608
Total Supplemental Items	20,608	-2,917	17,691
1993-95 REVISED APPROPRIATION	27,418	149,044	176,462

Comments:

1. FMAP CHANGE - State funds are increased to offset a reduction in federal funds. (Health Services Account)
2. ADMINISTRATIVE SAVINGS - The merger of the Basic Health Plan (BHP) into the Health Care Authority (HCA) results in decreases in executive positions and increases in professional and technical positions, with a net savings. Additionally, there are savings due to a combined telephone system, and savings due to the merger of the BHP membership accounting system into the HCA membership accounting system. (State Health Care Authority Administrative Account and Health Services Account)
3. BASIC HEALTH PLAN - The Basic Health Plan expansion has been slower than anticipated and the overall rate for plans is lower than assumed in the appropriation. This reduction will still allow the Basic Health Plan to expand to the caseload levels assumed in the appropriation. (Health Services Account)
4. FTE REDUCTION - This item reflects savings from staff vacancies. (State Health Care Authority Administrative Account)
5. HEALTH SERVICES ACCOUNT SHORTFALL - Since appropriations were made last year from the Health Services Account, the revenue forecast for the account has dropped. This item provides funding from the General Fund-State to the Basic Health Plan to be used only to the extent that revenues to the Health Services Account fall short of appropriations from the account.

Human Rights Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	3,919	1,411	5,330
1994 Supplemental Budget			
1. Administrative Reductions	-78	0	-78
2. Lapse	-102	0	-102
Total Supplemental Items	-180	0	-180
1993-95 REVISED APPROPRIATION	3,739	1,411	5,150

Comments:

1. ADMINISTRATIVE REDUCTIONS - Secretarial support and goods and services, attorney general services, equipment, and travel expenditures are reduced.
2. LAPSE - Funding was provided in the 1993 Omnibus Appropriations Act to implement SHB 1443 (jurisdiction of the human rights commission), contingent on enactment of the bill by June 30, 1994. Because the bill was not passed by the Legislature, the \$102,000 General Fund-State appropriation lapses.

Board of Industrial Insurance Appeals

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	110	20,408	20,518
1994 Supplemental Budget			
1. Administrative Reductions	0	-408	-408
2. Crime Victims Appeals Funding	-110	0	-110
Total Supplemental Items	-110	-408	-518
1993-95 REVISED APPROPRIATION	0	20,000	20,000

Comments:

1. ADMINISTRATIVE REDUCTIONS - Reductions are made in travel, equipment, and purchases of goods and services, such as computer maintenance agreements, training, and transcripts. (Accident Fund and Medical Aid Fund)
2. CRIME VICTIMS APPEALS FUNDING - Funding for crime victims appeals is provided through an interagency agreement with the Department of Labor and Industries.

Washington State Criminal Justice Training Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	11,200	11,200
1994 Supplemental Budget			
1. Efficiency Reductions	0	-164	-164
Total Supplemental Items	0	-164	-164
1993-95 REVISED APPROPRIATION	0	11,036	11,036

Comments:

1. EFFICIENCY REDUCTIONS - Reflects savings associated with: a 5 percent reduction to managerial FTE staff years in FY 95; a 2 percent across-the-board reduction in programs conducted by the Washington Association of Sheriffs and Police Chiefs; and savings to date from underexpenditures for law enforcement and corrections trainees per diem. (Public Safety and Education Account)

Department of Labor & Industries

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	9,241	369,433	378,674
1994 Supplemental Budget			
1. Public Works Administration Account	0	434	434
2. Administrative Reduction Adjustment	0	0	0
3. Management Information System Cost	0	0	0
4. Document Imaging Project	0	0	0
5. Crime Victims Compensation Grant	0	1,382	1,382
6. Administrative Reductions	-72	-4,238	-4,310
7. Computer Projects	0	-2,240	-2,240
8. Building Inspection Program	210	0	210
9. Chemically Related Illness Program	0	1,500	1,500
10. Crime Victims Appeals Funding	108	0	108
11. Plumbing Certification	0	57	57
Total Supplemental Items	246	-3,105	-2,859
1993-95 REVISED APPROPRIATION	9,487	366,328	375,815

Comments:

1. PUBLIC WORKS ADMINISTRATION ACCOUNT - Funding is added to correct a technical error in the Public Works Administration Account.
2. ADMINISTRATIVE REDUCTION ADJUSTMENT - This item corrects a technical error in the fund split for "administrative reductions" in the original 1993-95 budget. In the original budget, the Plumbing Certification Fund was reduced by \$464,000. The amount should have been \$5,500, with the remaining \$458,500 split equally between the Accident Fund and the Medical Aid Fund. This correction does not change the total amount appropriated.
3. MANAGEMENT INFORMATION SYSTEM COST - This item corrects a technical error in the Essential Requirements Level for Management Information System development costs in the Accident Fund-Federal and Medical Aid Fund-State accounts. The original 1993-95 budget made a reduction of \$1,280,000 in the Accident Fund-Federal. This reduction should have been made in the Medical Aid Fund-State. This correction does not change the total amount appropriated.
4. DOCUMENT IMAGING PROJECT - This item corrects a technical error in the funding of the Document Imaging Project. The electrical, plumber, and boiler funds should have been reduced as a "one-time" development cost. This correction does not change the total amount appropriated.
5. CRIME VICTIMS COMPENSATION GRANT - Funding is added to reflect a recent increase in grants from the United States Department of Justice for victims compensation. (Public Safety and Education Account-Federal)
6. ADMINISTRATIVE REDUCTIONS - Reductions are made in clerical and support staff, goods and services, contracts, travel, equipment, and debt service. (Other Funds: Electrical License, Worker and Community Right-to-Know, Public Works Administration, Pressure Systems, Accident, and Medical Aid Funds)
7. COMPUTER PROJECTS - This item reflects savings from changing two computer projects as follows: (1) The Safety and Health Information Management System (SHIMS IV) project appropriation of \$1,423,000 will be reduced to \$248,000 to complete two sub-projects: Laboratory Systems Data Communications (\$153,000) and Migration of Prime Asbestos System (\$95,000). The agency spent \$39,000 as of November 30, 1993. (Accident Fund and Medical Aid Fund); (2) The Pension Benefits System (PBS) project will be eliminated. The amount of \$1,242,000 was appropriated for the project and the agency spent \$138,000 as of November 30, 1993. (Accident Fund and Medical Aid Fund)
8. BUILDING INSPECTION PROGRAM - Three FTEs and \$210,000 are provided to enhance the existing Building Inspection program efforts.
9. CHEMICALLY RELATED ILLNESS PROGRAM - An additional four FTEs are provided for adjudication of claims and other activities related to chemically related illness, and expenditures up to \$1.5 million are authorized for research on chemically related illness. (Medical Aid Fund)
10. CRIME VICTIMS APPEALS FUNDING - The Board of Industrial Insurance Appeals is reimbursed for crime victims appeals through an interagency agreement with the department.
11. PLUMBING CERTIFICATION - Chapter 174, Laws of 1994, directs that penalties assessed for violations of the plumbing certification requirements are to be collected through an administrative hearing procedure instead of through district court. Revenue from the penalties is appropriated to the department for enforcement of the plumbing certification requirements. (Plumbing Certificate Fund)

Indeterminate Sentence Review Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	2,643	0	2,643
1994 Supplemental Budget			
1. Indigent Defense Underexpenditures	<u>-52</u>	<u>0</u>	<u>-52</u>
Total Supplemental Items	-52	0	-52
1993-95 REVISED APPROPRIATION	2,591	0	2,591

Comments:

1. INDIGENT DEFENSE UNDEREXPENDITURES - Reflects savings from lower than anticipated indigent defense payments.

Department of Veterans' Affairs

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	20,701	26,241	46,942
1994 Supplemental Budget			
1. Industrial Insurance Refund	0	28	28
2. Increased Staffing for Homes	-1,729	2,230	501
3. Field Services Adjustments	801	0	801
4. Field Services Federal Grant	0	394	394
5. Headquarters Adjustments	40	0	40
6. Guardianship Fees *	-58	58	0
7. Governor Reduction: Headquarters	-30	0	-30
8. Governor Reduction: Field Services	-35	0	-35
Total Supplemental Items	-1,011	2,710	1,699
1993-95 REVISED APPROPRIATION	19,690	28,951	48,641

Comments:

1. INDUSTRIAL INSURANCE REFUND - The Department received a larger retrospective rating refund than originally anticipated in its 1993-95 appropriation. These additional funds are made available for its efforts to improve staff and client safety programs. (Industrial Insurance Premium Refund Account)
2. INCREASED STAFFING FOR HOMES - Additional staff are provided to assure that care in the two state veterans homes meets Medicaid nursing home certification standards. Because more funding is available from client contributions and from federal Veterans Administration payments than was anticipated when the original 1993-95 budget was developed, these additional staff can be added while still reducing state funding. (Other Funds: General Fund-Federal and General Fund-Local)
3. FIELD SERVICES ADJUSTMENTS - Additional funds are provided to prevent disproportionate reductions to Field Services programs which would result from delayed implementation of the original 1993-95 budget.
4. FIELD SERVICES FEDERAL GRANT - A grant from the federal Department of Labor to assist homeless veterans will be larger than was anticipated when the original 1993-95 budget was developed. (General Fund-Federal)
5. HEADQUARTERS ADJUSTMENTS - Headquarters staffing is to be reduced in order to partially offset over-expenditures in the Field Services program.
6. GUARDIANSHIP FEES * - Chapter 147, Laws of 1994 (2SSB 6237), authorizes the Department of Veterans' Affairs to charge fees for guardianship and money management services provided to veterans and family members. State funds will be replaced by the new fee revenue. (Other Funds: General Fund-Local)
7. GOVERNOR REDUCTION: HEADQUARTERS - As part of the Governor's 2 percent reduction plan, headquarters will reduce purchased services, including travel, supplies, and printing costs.
8. GOVERNOR REDUCTION: FIELD SERVICES - As part of the Governor's 2 percent reduction plan, field services staffing will be reduced slightly at two local offices.

Department of Health

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	92,520	260,089	352,609
1994 Supplemental Budget			
1. Streamline Management	-177	-1,033	-1,210
2. WIC Administrative Efficiency	-350	0	-350
3. Eliminate Radon Program	-35	-63	-98
4. Reduce State Funding/Immunizations	-3,522	0	-3,522
5. Reduce CSHN	0	-450	-450
6. Restructure Accommodations License*	0	-198	-198
7. Eliminate Boards and Commissions	0	59	59
8. Pesticides	0	419	419
9. Public Water System Certification	0	162	162
10. Public Water Sys. Operating Permits	0	1,220	1,220
11. Water System Reuse Engineering	0	300	300
12. Breast & Cervical Cancer	0	4,187	4,187
13. Tuberculosis Outreach	0	1,181	1,181
14. Emergency Medical Services	0	0	0
15. Tech. Assist./Health Care Facility	0	217	217
16. Maternal and Child Health	0	4,120	4,120
17. Retrospective Rating Refund	0	14	14
18. STD Project	0	745	745
19. Ryan White Care Act	0	1,218	1,218
20. Chlamydia Testing	0	384	384
21. HIV Testing	0	548	548
22. WIC	0	6,824	6,824
23. Family Planning	0	609	609
24. EPA Drinking Water	0	300	300
25. Immunizations	0	2,800	2,800
26. HIV Prevention Project	0	456	456
27. FMAP Change	43	0	43
28. Suicide Prevention Plan	25	0	25
29. Youth Violence Act	1,158	0	1,158
Total Supplemental Items	-2,858	24,019	21,161
1993-95 REVISED APPROPRIATION	89,662	284,108	373,770

Comments:

1. STREAMLINE MANAGEMENT - Administrative efficiencies are realized through agency reorganization by reducing goods and services, travel, and salaries and benefits from the following programs: HIV/AIDS, Emergency Medical Services, Rural Health, Parent and Child Health, and Administration. Effective date is March 1, 1994. (Other Funds: General Fund-Federal (\$63,000); Health Professions-State (\$218,000); Medical Test Site-State (\$752,000))
2. WIC ADMINISTRATIVE EFFICIENCY - State dollars are replaced with federal dollars saved from the implementation of a new data processing contract. There is no effect on caseload.
3. ELIMINATE RADON PROGRAM - Effective July 1, 1994, the state will no longer participate in the State Indoor Radon Grant Program with the United States Environmental Protection Agency. (Other Funds: General Fund-Federal)
4. REDUCE STATE FUNDING/IMMUNIZATIONS - Increased federal funding improves current immunization levels in local communities and provides adequate vaccine resources. There is also a savings in state funds as a result.
5. REDUCE CSHN - Children currently served through the federally-funded Children with Special Health Needs (CSHN) program are served through Medicaid effective July 1, 1994. At that time, the eligibility level is increased to 200 percent of poverty level to serve more children. (General Fund-Federal)
6. RESTRUCTURE ACCOMMODATIONS LICENSE* - One hundred percent inspection of transient accommodations upon license renewal is reduced to a 10 percent random sample, as provided in chapter 250, Laws of 1994 (EHB 2555). The department will continue to investigate complaints. (General Fund-Local)
7. ELIMINATE BOARDS AND COMMISSIONS - Reflects net costs associated with the certification of athletic trainers. (Health Professions-State)

Department of Health

8. PESTICIDES - The pesticide program is supported from fees collected by the Department of Agriculture for pesticide registration and applicators licenses through an interagency agreement. The fees are insufficient to sustain the current and increasing workload in the Department of Health and the investigative efforts of the Department of Agriculture. The Health Services Account will support the Department of Health pesticide program and all the fee revenue will be retained by the Department of Agriculture for their investigative workload (\$150,000). In addition, because of a fee revenue shortfall, additional funding for current activities this biennium is necessary (\$144,000). The remaining funds are for an additional investigator in Eastern Washington and a half-time FTE staff for physician education and outreach activities (\$125,000). (Health Services-State)
9. PUBLIC WATER SYSTEM CERTIFICATION - Increased fees charged to public water system certified operators and to public water systems requiring certified operators were authorized in the 1993 session. This legislation (chapter 306, Laws of 1993) established the Waterworks Operator Certification Account; however, no funds were appropriated to the account. Appropriation authority is transferred from the Safe Drinking Water Account to the Waterworks Operator Certification Account. In addition, a new fee schedule will generate more revenue than was originally estimated. Authority to spend the increased funds to support the certification program is also provided. One FTE staff is added in FY 95 to increase enforcement efforts in the field. (Waterworks Operator Certification Account-State)
10. PUBLIC WATER SYS. OPERATING PERMITS - Provides authority to expend additional revenue projected to be collected during the current biennium. Additional funds are to provide technical support for and monitoring of local water systems. (Safe Drinking Water Account-State)
11. WATER SYSTEM REUSE ENGINEERING - Plan reviews and annual operating permit fees for public water systems using reclaimed water are required. DOH has developed standards, procedures, and guidelines using Federal Referendum 38 funds. Fee revenue supports three positions necessary for engineering and construction document review. (General Fund-Local)
12. BREAST & CERVICAL CANCER - Federal grants to conduct capacity building, planning activities, and a comprehensive screening program for breast and cervical cancer have been received. The capacity building and planning activities were initiated during FY 93 and are a necessary step to implement the comprehensive screening program. The screening program is anticipated to be available to nearly 90,000 women (43 percent of need) during the first year. Authority to expend federal funds is provided. (General Fund-Federal)
13. TUBERCULOSIS OUTREACH - Federal funding for tuberculosis control is higher than was anticipated in the 1993-95 budget. (General Fund-Federal)
14. EMERGENCY MEDICAL SERVICES - The 1993-95 budget converted Emergency Services personnel certification and ambulance services licensing from a general fund account to a fee supported account. Fees were to be levied on volunteers and rural fire districts, but were never implemented. Health Services Account monies are used to fund the cost of licensing and certification. (Health Services Account-State)
15. TECH. ASSIST./HEALTH CARE FACILITY - A federal grant was received to develop, implement, and monitor trauma care plans, including planning for the integration and coordination of Rural/Native American Health Services. Authority to expend federal funding is provided. (General Fund-Federal)
16. MATERNAL AND CHILD HEALTH - The Maternal and Child Health Block Grant is used to improve the health of children in the state. Federal grant funding has increased since the adoption of the original 1993-95 budget. Authority to expend additional federal funding is provided. State matching funds are available for this increase. (General Fund-Federal)
17. RETROSPECTIVE RATING REFUND - An industrial insurance premium refund was received and the department is authorized to spend the amount refunded. The funds are for department safety related expenditures. (Industrial Insurance Premium Refund Account-State)
18. STD PROJECT - Federal funding is increasing for several projects pertaining to the prevention and control of Sexually Transmitted Diseases (STD). These include: (1) a chlamydia project to reduce the prevalence of chlamydia in clients; (2) a Hepatitis B project to provide vaccine to target populations in King and Pierce counties; and (3) new contracts for Clark, Kitsap, and Snohomish counties for disease intervention staff to perform activities associated with the control and prevention of STDs in those counties. (General Fund-Federal)
19. RYAN WHITE CARE ACT - Additional federal funding is anticipated through the Ryan White Care Act and is to support community-based services delivered by local agencies to HIV/AIDS patients. (General Fund-Federal)
20. CHLAMYDIA TESTING - Additional federal funding is anticipated for chlamydia testing by the Public Health Laboratory. Screening and testing for chlamydia is important because many infected individuals do not know they are infected and at risk of transmitting the disease to others. (General Fund-Federal)
21. HIV TESTING - Additional federal funding is anticipated due to the increase in HIV tests performed by the Public Health Laboratory. An HIV Seroprevalence study will test child-bearing women to develop a method of estimating the prevalence and spread of HIV in women and their children. Also, an HIV test provided for local health departments and state institutions will determine the extent to which HIV has spread among the general and specified populations. (General Fund-Federal)
22. WIC - Additional federal funding is available above the amount included in the original 1993-95 budget. Two-thirds of the additional funds are to provide supplemental food to eligible clients. (General Fund-Federal)
23. FAMILY PLANNING - Additional federal funding is anticipated for Title X Family Planning grants. Authority to expend the federal funds is provided. (General Fund-Federal)
24. EPA DRINKING WATER - Additional federal funds from the United States Environmental Protection Agency are anticipated. Funds are to enforce the Federal Safe Drinking Water Act. Appropriation authority to expend the federal funds is provided. (General Fund-Federal)
25. IMMUNIZATIONS - Additional federal funding is available for Immunizations. Funds are primarily distributed to local health departments to expand capacity and improve community immunization levels. Authority to expend the federal funds is provided. (General Fund-Federal)
26. HIV PREVENTION PROJECT - Federal funding for the HIV Prevention Project grants is \$300,000 more than the original estimate. Authority to expend the federal funds is provided. (General Fund-Federal)
27. FMAP CHANGE - Title XIX funding is provided for some DOH activities (immunizations) and DOH provides the state match. Additional state funds are needed for the match requirement as a result of the federal share decreasing from 54.24 percent to 51.97 percent effective October, 1994.

Department of Health

28. SUICIDE PREVENTION PLAN - Funds the development of a state-wide youth suicide prevention plan.
29. YOUTH VIOLENCE ACT - Funds the Department of Health's portion of the Violence Prevention Act (chapter 7, Laws of 1994, 1st sp. s. – E2SHB 2319). The department will develop comprehensive rules for the collection of data related to violence, risk and protective factors. In addition, the department will also establish standards for local health departments to use in planning and policy development to prevent juvenile crime and develop a reporting format for public media to voluntarily report efforts to reduce violence.

Department of Corrections

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	700,639	3,872	704,511
1994 Supplemental Budget			
1. One-Time Impacts	1,274	0	1,274
2. U.S. Dept. of Agriculture	975	0	975
3. Employee Parking Costs	0	90	90
4. Risk Management Funding	470	0	470
5. Procurement Services Funding	591	0	591
6. Fire Protection Contracts	110	0	110
7. Discharge of Offenders*	-92	0	-92
8. Facilities and Services Adjustment	58	0	58
9. Health Care Data Systems	356	0	356
10. November 1993 Forecast Update	-2,368	0	-2,368
11. Reduction to Medical Inflation	-638	0	-638
12. Delay Airway Heights CC	-7,231	0	-7,231
13. Close Reformatory Farm	-1,195	0	-1,195
14. Close Indian Ridge CC	-1,483	0	-1,483
15. Delay 40 WR beds	-753	0	-753
16. Delay DCC Supervision	-1,092	0	-1,092
17. Delay Prison Expansion	-3,010	0	-3,010
18. Airway Heights Cost Reductions	-1,000	0	-1,000
19. Community Corrections Forecast Rev	-5,461	0	-5,461
20. Community Corrections Equipment	-376	0	-376
21. McNeil Island Ferry	1,075	-1,075	0
22. Monroe Efficiencies	-700	0	-700
23. Youth Violence Act	532	0	532
Total Supplemental Items	-19,958	-985	-20,943
1993-95 REVISED APPROPRIATION	680,681	2,887	683,568

Comments:

- 1. ONE-TIME IMPACTS - Funds one-time impacts associated with the opening of new correctional facilities. Impact funds are provided for: (1) Franklin County - \$167,617 for the Coyote Ridge Corrections Center; (2) The City of Airway Heights - \$806,000 for the Airway Heights Corrections Center; and (3) Spokane County - \$300,000 for the Airway Heights Corrections Center.
- 2. U.S. DEPT. OF AGRICULTURE - Funds the costs associated with replacing the United States Department of Agriculture surplus food program, discontinued as of September 30, 1994.
- 3. EMPLOYEE PARKING COSTS - Appropriation authority is provided to pay for contracted leased parking. Funds are deposited into the account from employees payments for parking. (State Capitol Vehicle Parking Account)
- 4. RISK MANAGEMENT FUNDING - Funding is provided for the agency's risk management appropriation to cover increased costs.
- 5. PROCUREMENT SERVICES FUNDING - The conversion of procurement services charges based on agency FTE staff years to a percentage of agency purchases has resulted in a need for increased funding. This amount provides 15 months of added funding for procurement services. The amount of purchases originally estimated by the Department is reduced by 20 percent due to delays in opening facilities and the reduction of startup costs at Airway Heights.
- 6. FIRE PROTECTION CONTRACTS - Funds the City of Walla Walla for fire protection services at the Washington State Penitentiary (WSP).
- 7. DISCHARGE OF OFFENDERS* - As provided for in chapter 271, Laws of 1994 (SSB 6007), this amount reflects the savings from allowing the courts to grant an early discharge to offenders convicted of non-violent offenses and ordered to serve a term of community supervision, provided the offender has served at least one-half of the term of community supervision and met all sentence requirements.
- 8. FACILITIES AND SERVICES ADJUSTMENT - Funds Facilities and Services charges which have been higher than those assumed in the original budget.
- 9. HEALTH CARE DATA SYSTEMS - Provides funding for the Department to centralize and update its collection of information related to expenditures for health care for inmates. In consultation with the Health Care Authority, the Department will be adapting a system from another state, allowing for a relatively low cost for the system. This will be the first step in the Health Care Authority's evaluation of the Department's health care system. The Health Care Authority will continue to work with the Department to identify means to reduce the Department's health care expenses, including a review of the standard of care provided to inmates.

Department of Corrections

10. NOVEMBER 1993 FORECAST UPDATE - Reflects the savings associated with the reduction in the forecast of inmates to be admitted to the system this biennium. The revision to the inmate forecast reflects a decline in population of 176 in FY 94 and 268 in FY 95.
11. REDUCTION TO MEDICAL INFLATION - Reflects the savings associated with a reduction in the estimate for medical inflation for the biennium.
12. DELAY AIRWAY HEIGHTS CC - Reflects the savings associated with the delay in opening the 1,024 bed prison at Airway Heights to November 1994, rather than April 1994, as planned.
13. CLOSE REFORMATORY FARM - Reflects the savings associated with closure of the Monroe Farm housing unit on July 1, 1994.
14. CLOSE INDIAN RIDGE CC - Reflects the savings associated with closure of the Indian Ridge Corrections Center on July 1, 1994.
15. DELAY 40 WR BEDS - Reflects the savings associated with elimination of 40 planned work release beds in the 1993-95 biennium.
16. DELAY DCC SUPERVISION - Reflects the savings associated with the Division of Community Corrections' delay in hiring new staff.
17. DELAY PRISON EXPANSION - Reflects the savings associated with the Division of Prisons delay in hiring staff associated with expansion at McNeil Island Corrections Center, Washington Corrections Center for Women, and Clallam Bay Corrections Center.
18. AIRWAY HEIGHTS COST REDUCTIONS - Reflects the savings associated with a reduction in the goods and services and programming budget at the new Airway Heights prison.
19. COMMUNITY CORRECTIONS FORECAST REV - Reflects the savings associated with a decrease in the anticipated workload in the Community Corrections program. The reduction equates to approximately 8.2 percent fewer Sentencing Reform Act causes, 15.7 percent fewer community placement causes, and 46.3 percent fewer parole causes. While the number of causes per offender increased, the net between the two equates to a reduction of 6.3 percent fewer offenders on supervision.
20. COMMUNITY CORRECTIONS EQUIPMENT - Reflects the savings associated with the purchase of new vehicles for the community corrections program through the federal general services administration program.
21. MCNEIL ISLAND FERRY - Transfers the funding for the McNeil Island ferry purchase from the Transportation Fund to the State General Fund. (Other Funds: Transportation Fund)
22. MONROE EFFICIENCIES - Represents the savings associated with the Legislative Budget Committee's identification of several areas where efficiencies could be realized by combining functions at the three correctional facilities located at Monroe (Washington State Reformatory, Twin Rivers Correction Center, and Special Offender Center).
23. YOUTH VIOLENCE ACT - Funds the Department of Corrections' portion of the Violence Prevention Act (chapter 7, Laws of 1994, 1st sp. s. – E2SHB 2319). The combination of sentencing provisions are estimated to cause an increase in the average daily population of 72 for FY 95.

Department of Corrections

Workload History By Fiscal Year

	FY88	FY89	FY90	FY91	FY92	FY93	Estimate	
							FY94	FY95
Work Release								
Population Average *	635	600	670	820	1,169	1,066	1,014	1,069
% Change from prior year		-5.5%	11.7%	22.4%	42.6%	-8.8%	-4.9%	5.4%
Community Supervision								
# Active Offenders **	29,480	28,800	33,250	35,655	38,647	38,650	45,404	48,029
% Change from prior year		-2.3%	15.5%	7.2%	8.4%	0.0%	17.5%	5.8%
Institutions								
Population Average *	5,983	6,510	6,647	7,441	8,387	9,125	9,483	9,796
% Change from prior year		8.8%	2.1%	11.9%	12.7%	8.8%	3.9%	3.3%

NOTES:

* Year end average daily population.

** Number of active offenders on last day of fiscal year.

Data Sources:

Department of Corrections Accounting Services.

Department of Services for the Blind

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	2,601	10,324	12,925
1994 Supplemental Budget			
1. Agency Underexpenditures	-19	-59	-78
2. Facilities and Services Adjustment	5	17	22
Total Supplemental Items	-14	-42	-56
1993-95 REVISED APPROPRIATION	2,587	10,282	12,869

Comments:

1. AGENCY UNDEREXPENDITURES - This reflects an underexpenditure of salaries and benefits which resulted from some positions being vacant during the first four months of FY 94. (Other Funds: General Fund-Federal)
2. FACILITIES AND SERVICES ADJUSTMENT - This item provides the additional funds the agency needs to cover its General Administration Facilities and Services Revolving Fund charges for the 1993-95 Biennium. (Other Funds: General Fund-Federal)

Sentencing Guidelines Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	662	0	662
1994 Supplemental Budget			
1. Consolidated Mail Service	6	0	6
2. Travel	23	0	23
3. Data Entry FTE	32	0	32
Total Supplemental Items	61	0	61
1993-95 REVISED APPROPRIATION	723	0	723

Comments:

1. CONSOLIDATED MAIL SERVICE - Funding is provided to adequately cover the agency's mail service charges.
2. TRAVEL - Funding is provided for increased travel to allow for monthly Commission meetings and some subcommittee meetings.
3. DATA ENTRY FTE - Funding is provided for a part-time data entry position to maintain the sentencing disposition database.

Department of Employment Security

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	1,397	343,929	345,326
1994 Supplemental Budget			
1. Unemployment Insurance Task Force	0	68	68
2. Unemployment Ins. Overpaymt Program	0	707	707
3. Retrospective Rating Refund	0	30	30
4. Labor Market Information	0	-100	-100
5. Youthbuild: E2SHB 2319	600	0	600
6. ESB 5920 - Unempl Insur Pilot Proj	0	400	400
Total Supplemental Items	600	1,105	1,705
1993-95 REVISED APPROPRIATION	1,997	345,034	347,031

Comments:

1. UNEMPLOYMENT INSURANCE TASK FORCE - Funds are provided to cover the costs of the Joint Task Force on Unemployment Insurance created by chapter 483, Laws of 1993 and continued by chapter 199, Laws of 1994. (Employment Service Administration Account-Federal)
2. UNEMPLOYMENT INS. OVERPAYMT PROGRAM - This item provides funding for clerical, data entry, and investigative staff support to address the additional workload already being generated by BARTS (Benefit Audit Report and Tracking System). These staff will collect an additional \$3.3 million for the Unemployment Insurance Trust Fund and \$396,000 in interest for the Administrative Contingency Account per year. (Administrative Contingency Account)
3. RETROSPECTIVE RATING REFUND - This item authorizes the agency to receive a \$30,000 refund from the Industrial Insurance Premium Refund Account.
4. LABOR MARKET INFORMATION - Chapter 62, Laws of 1993 gives the Department of Employment Security the authority to manage a statewide, comprehensive labor market and occupational supply and demand system. It included an appropriation of \$100,000. However, the 1993 Appropriations Act also provided \$50,000. This corrects the duplicate appropriation. (Unemployment Compensation Administration Account)
5. YOUTHBUILD: E2SHB 2319 - Funding is provided for the Youthbuild program established under chapter 7, Laws of 1994, 1st sp. s. (E2SHB 2319 - youth violence prevention) to create employment opportunities for at-risk youth.
6. ESB 5920 - UNEMPL INSUR PILOT PROJ - The Department of Employment Security received an appropriation in chapter 187, Laws of 1994 (ESB 5920). (Unemployment Insurance Reserve Acct-State)

For further information, see the schedule entitled "Appropriations Contained Within Other Legislation" in the Revenue Section of this document.

Governor's Vetoes:

The Governor vetoed section 228(19), which directed \$80,000 from the Unemployment Compensation Administration Fund to be used under SB 6480 to study computer technology to improve unemployment compensation procedures. (SB 6480 was not enacted.)

Natural Resources

Watershed Restoration

A total of \$10 million in new funding is provided to the Department of Natural Resources to jointly select projects with the Department of Fish and Wildlife for watershed restoration and fish stock recovery as established in the 1994 Supplemental Capital Budget (chapter 308, Laws of 1994 -- SSB 6243). A portion of this funding (\$2 million) is to be used to offset a general fund reduction to the existing jobs and the environment program which is jointly administered by the Department of Ecology and the Department of Natural Resources.

State Parks Trustland Transfer

One-time funding of \$15 million General Fund-State is provided to purchase environmentally sensitive trustlands for the benefit of the Common School Construction Fund and to reduce the state's bonded indebtedness. By replacing \$15 million of existing bonds with General Fund-State, future debt service payments of approximately \$2.2 million per biennium are avoided (which would carry through the year 2020).

Long-Term Viability of State Parks

As an alternative to making short-term reductions in the state parks budget, the Legislature directs the Parks and Recreation Commission to conduct a comprehensive review that examines the long-term structure of the state park system. In part, the study will include alternative approaches which more fully utilize private organizations in the operation and maintenance of the park system. This study is intended to help guide budget decisions for state parks in the 1995-97 biennium.

Park Maintenance Projects

One-time funding of \$5 million General Fund-State is provided for up to 17 critical park maintenance projects throughout the state which are necessary for the long-term viability of the park system. The parks commission is directed to make every effort to contract locally and provide local jobs to complete these projects.

Department of Ecology Savings

Through a variety of actions, the Department of Ecology guarantees savings totalling \$3.8 million. Administrative savings occur by the consolidation of water resource supervisory activities in the central and eastern regional offices. Further savings are achieved through other organizational consolidation and by reductions in travel and equipment. In addition, funding for the Ecological Commission, Nuclear Waste Advisory Council, and Science Advisory Board is eliminated.

Delay Impact of Agriculture Administrative Fund Shift

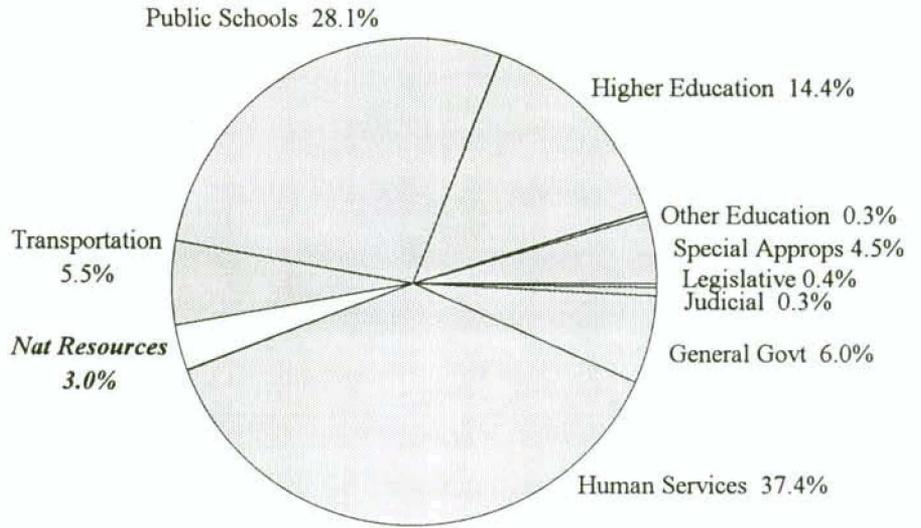
The budget provides \$600,000 from the General Fund-State to ease the transition of shifting a proportionate share of Department of Agriculture administrative costs to agricultural local funds. This allows for the agency to adjust fees over a longer period of time. The department is also directed to report to the Legislature by November 15, 1994, regarding the allocation of administrative costs between programs and fund sources.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

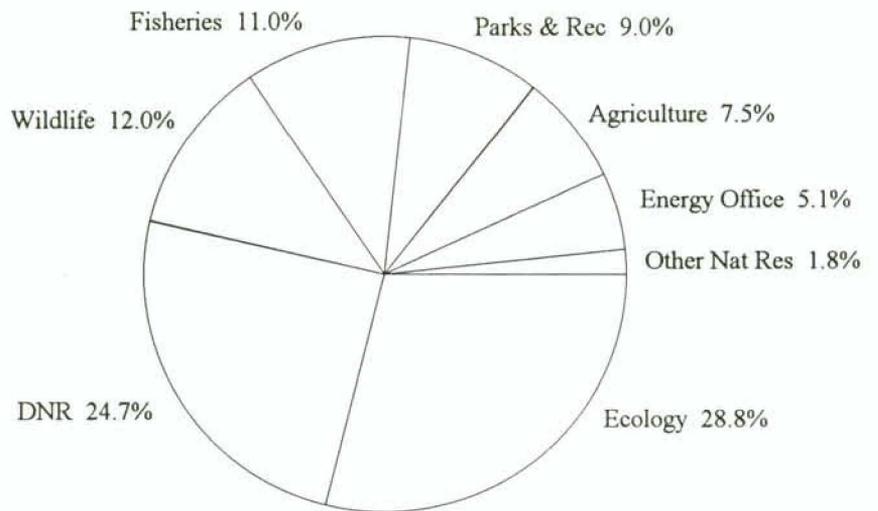
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Dept of Ecology	261,523
Dept of Natural Resources	223,584
Dept of Wildlife	109,014
Dept of Fisheries	100,177
Parks & Recreation	81,809
Dept of Agriculture	68,205
State Energy Office	46,393
Other Natural Resources	16,248
Natural Resources	906,953



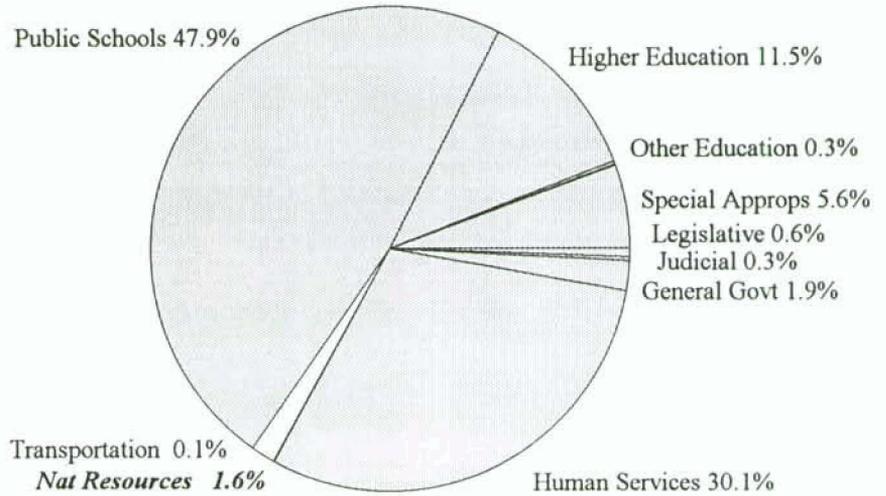
Natural Resources

Washington State 1993-95 Operating Budget

General Fund - State

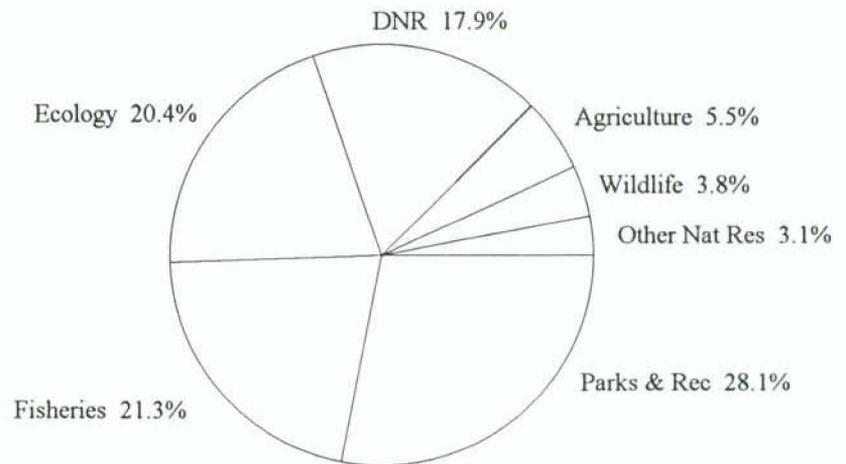
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
<i>Natural Resources</i>	<i>263,032</i>
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

Parks & Recreation	73,938
Dept of Fisheries	55,930
Dept of Ecology	53,557
Dept of Natural Resources	46,994
Dept of Agriculture	14,523
Dept of Wildlife	10,021
Other Natural Resources	8,069
<i>Natural Resources</i>	<i>263,032</i>



Natural Resources

Washington State Energy Office
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	1,518	45,658	47,176
1994 Supplemental Budget			
1. Eliminate BPA Programs	0	-753	-753
2. Shift Management to Other Funds	-30	0	-30
Total Supplemental Items	-30	-753	-783
1993-95 REVISED APPROPRIATION	1,488	44,905	46,393

Comments:

1. ELIMINATE BPA PROGRAMS - The Bonneville Power Administration (BPA) is reducing funding for peak load management research and residential construction demonstration projects. The reduction to the Energy Office incorporates these BPA decisions into the state's budget. (General Fund-Federal)
2. SHIFT MANAGEMENT TO OTHER FUNDS - Management costs currently billed to the General Fund-State will be shifted to other funds.

Columbia River Gorge Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	574	542	1,116
1994 Supplemental Budget			
1. Eliminate Vehicle and Comm Expenses	<u>-11</u>	<u>-11</u>	<u>-22</u>
Total Supplemental Items	-11	-11	-22
1993-95 REVISED APPROPRIATION	563	531	1,094

Comments:

1. ELIMINATE VEHICLE AND COMM EXPENSES - Eliminates a vehicle purchase, reduces the number of Commission meetings, and reduces Attorney General costs. (Other Funds: General Fund-Private/Local)

Department of Ecology

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	55,625	205,982	261,607
1994 Supplemental Budget			
1. Restructure Water Resources Program	-327	0	-327
2. Administrative Reductions: GF-S	-648	0	-648
3. Administrative Reductions: Non-GFS	0	-2,184	-2,184
4. Water Grant Compliance Assistance	0	-182	-182
5. Reduce Contracts	-20	-316	-336
6. Air Program Reductions	-150	-126	-276
7. Eliminate UST Supervisor Licensing	0	-135	-135
8. Reduce Woodstove Projects	0	-85	-85
9. Well Driller Enforcement Fund Shift	-300	300	0
10. Eliminate Boards & Commissions*	-109	-80	-189
11. Aquatic Weeds	0	298	298
12. Vehicle Tire Contracts	0	2,100	2,100
13. Retrospective Rate Refund	0	130	130
14. Liberty Lake	0	100	100
15. Water Resources: 2nd Year Funding	279	2,154	2,433
16. Oil Spill Account Reductions	0	-212	-212
17. Low Level Nuclear Waste	-143	143	0
18. Metals Mining & Milling (ESHB 2521)	100	0	100
19. Jobs and the Environment Reductions	-750	0	-750
20. Environmental Equity Report	0	29	29
21. Hood Canal Coordinating Council	0	50	50
Total Supplemental Items	-2,068	1,984	-84
1993-95 REVISED APPROPRIATION	53,557	207,966	261,523

Comments:

1. RESTRUCTURE WATER RESOURCES PROGRAM - Costs are reduced through the restructuring of duties for two section supervisors and their corresponding support staff. activities previously achieved through contracts will be assumed by existing staff at Hanford. (Other Funds: State Toxics Control Account)
2. ADMINISTRATIVE REDUCTIONS: GF-S - Reflects savings from the elimination of the legislative administrative intern, the unit supervisor in the planning and application services unit, and a warehouse position. Reductions are also made in economic analysis and permit review activities. In addition, travel and equipment purchases are reduced.
3. ADMINISTRATIVE REDUCTIONS: NON-GFS - Savings are generated by reducing travel, equipment, and supply purchases and by extending vacancies. (General Fund-Federal, General Fund-Private/Local, State Toxics Control Account, Local Toxics Control Account, Air Pollution Control Account, Oil Spill Response Account, Vehicle Tire Recycling Account, Basic Data Account)
4. WATER GRANT COMPLIANCE ASSISTANCE - Compliance and technical assistance activities are reduced to local governments receiving grants and loans from the Water Quality Financial Assistance program. (General Fund-Federal, State and Local Improvement Revolving Account, Water Quality Account, Freshwater Aquatic Weeds Account, State Revolving Loan Fund)
5. REDUCE CONTRACTS - A 4 percent reduction is made in contracts used for developing freshwater sediments cleanup standards and for source control efforts funded from the General Fund. In addition, emergency spill clean up contracts are reduced and regulatory
6. AIR PROGRAM REDUCTIONS - Eliminates a liaison position originally intended to work with the Department of Licensing. Publications and outreach efforts to vehicle owners regarding the vehicle emissions inspection program are reduced. In addition, an air quality engineer funded from the Air Pollution Control Account is eliminated. (Other Funds: Air Pollution Control Account)
7. ELIMINATE UST SUPERVISOR LICENSING - The Underground Storage Tank (UST) Supervisor License program will be eliminated. Supervisor certification will be conducted by a private firm. (Underground Storage Tank Account)
8. REDUCE WOODSTOVE PROJECTS - A woodstove conference and a project to analyze woodstove emission reduction strategies will be eliminated. (Woodstove Education and Enforcement Account)
9. WELL DRILLER ENFORCEMENT FUND SHIFT - Increased revenues in the first quarter of the biennium allow well drillers enforcement expenses to be transferred from the General Fund to the Reclamation Revolving Fund. This is a one-time shift. It is anticipated that enforcement activities will be funded from the state General Fund next biennium. (Other Funds: Reclamation Revolving Fund)

Department of Ecology

10. **ELIMINATE BOARDS & COMMISSIONS*** - Consistent with chapter 9, Laws of 1994, 1st sp.s. (ESHB 2676), the Ecological Commission, the Nuclear Waste Advisory Council, and the Science Advisory Board are eliminated. (Other Funds: Air Pollution Control Account)
11. **AQUATIC WEEDS** - Funding is provided to increase grants to local governments, to develop and distribute a Washington State aquatic plant handbook, to update the invasive/exotic plant database, and to conduct additional public information activities. (Freshwater Aquatic Weeds Account)
12. **VEHICLE TIRE CONTRACTS** - The Vehicle Tire Recycling program is due to sunset October 1994. Additional appropriation authority is granted for the remaining fund balance of \$2.1 million. This will allow the agency to complete the clean up of existing large tire piles. (Vehicle Tire Recycling Account)
13. **RETROSPECTIVE RATE REFUND** - Additional appropriation authority is provided from the industrial insurance premium retrospective rating refund. It will be used for additional safety training and related activities. (Industrial Insurance Premium Refund Account)
14. **LIBERTY LAKE** - A court order requires the Department of Ecology to repair the control device, culvert, and drainage channel at Liberty Lake. The court order also requires the property owners abutting the lake to reimburse the Department for the costs of the repairs, and fund the continued operation and maintenance of the outlet device and drainage system through an assessment. (Reclamation Revolving Fund)
15. **WATER RESOURCES: 2ND YEAR FUNDING** - The 1993 Legislature established a Water Rights Fee Task Force to develop a new fee schedule to fund one-half of the Water Rights Administration program including data management. Based on the Task Force's recommendations, SSB 6291 implements efficiency measures in the water rights permit process and establishes fees to fund one-half of the water rights program. In addition, a temporary surcharge fee schedule is established that generates revenue to address and eliminate the backlog in the water rights permit process by June 30, 1998. The surcharge fee schedule expires June 30, 1998. (Other Funds: Water Right Processing Data Management Account)
16. **OIL SPILL ACCOUNT REDUCTIONS** - In order to remain within available revenues, reductions are made to administrative activities and quality control checks on facility contingency plans reviewed by the regional staff. In addition, there are reductions to spill prevention and response data management efforts. (Oil Spill Administration Account)
17. **LOW LEVEL NUCLEAR WASTE** - Under current statute, the Department is directed to charge a Low Level Nuclear Waste site use permit fee which recovers the full cost of managing the Northwest Interstate Compact on Low-Level Nuclear Waste. The original budget provides General Fund-State support to the program. This item eliminates the General Fund-State support in FY 95, assuming the full cost of the program can be recovered through fees. (Other Funds: General Fund-Private/Local)
18. **METALS MINING & MILLING (ESHB 2521)** - One-time funding is provided to implement chapter 232, Laws of 1994 (ESHB 2521 -- Metals Mining and Milling). The Metals Mining advisory group shall recommend a fee schedule that fully supports all provisions of ESHB 2521 in future biennia.
19. **JOBS AND THE ENVIRONMENT REDUCTIONS** - General Fund-State support to the Jobs and the Environment grant program is reduced. A corresponding addition is made from the Watershed Restoration Account to the Department of Natural Resources to continue the local initiative grants process. Grants will be administered jointly by the Departments of Ecology and Natural Resources in conjunction with the Environmental Enhancement and Job Creation Task Force.
20. **ENVIRONMENTAL EQUITY REPORT** - Funding is provided for the Department of Ecology to prepare a report on the distribution of environmental risks in relation to minority and low-income communities. (Worker and Community Right-to-Know Fund)
21. **HOOD CANAL COORDINATING COUNCIL** - Funding is provided to contract with the Hood Canal Coordinating Council to: (a) pursue methods to control existing nonpoint source pollution; (b) improve cooperation among local, state, federal, and tribal government agencies with management authority over Hood Canal; (c) encourage more centralized research and baseline data collection; and (d) inform and educate about the need to protect the watershed's environmental integrity. (Water Quality Account)

Governor's Vetoes:

The Governor vetoed section 303(8)(b), which provided for a reduction in funding for the water rights permit program as a result of the failure of the Legislature to enact SB 6291 during the 1994 legislative session.

Washington Pollution Liability Insurance Program

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	906	906
1994 Supplemental Budget			
1. Eliminate Advisory Committee*	0	-3	-3
Total Supplemental Items	0	-3	-3
1993-95 REVISED APPROPRIATION	0	903	903

Comments:

1. ELIMINATE ADVISORY COMMITTEE* - Consistent with chapter 9, Laws of 1994, 1st sp.s. (ESHB 2676), the Pollution Liability Insurance Program's Technical Advisory Committee is eliminated. (Pollution Liability Trust Account)

State Parks and Recreation Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	54,130	7,621	61,751
1994 Supplemental Budget			
1. Risk Management Premiums	186	0	186
2. Trail Grooming Equipment	0	250	250
3. Capture Vacancy Savings - Deputy	-21	0	-21
4. Reduce Directorate Travel	-10	0	-10
5. Restructure Fiscal Office	-75	0	-75
6. Shared Responsibility for Admin.	-187	0	-187
7. Eliminate Construction Manager	-60	0	-60
8. Self-Insure Maintenance Boat	-20	0	-20
9. Eliminate Shop Janitorial	-5	0	-5
10. Oil Spill Account Reduction	0	-16	-16
11. Park Maintenance Projects	5,000	0	5,000
12. Trust Land Transfer Program	15,000	0	15,000
13. Governor Veto	0	16	16
Total Supplemental Items	19,808	250	20,058
1993-95 REVISED APPROPRIATION	73,938	7,871	81,809

Comments:

1. RISK MANAGEMENT PREMIUMS - The adjustment fully funds the risk management premium in the 1993-95 Biennium.
2. TRAIL GROOMING EQUIPMENT - Existing snowmobile trail grooming equipment has exceeded its expected life-cycle. An available fund balance will allow the Commission to replace two trail groomers. (Snowmobile Account)
3. CAPTURE VACANCY SAVINGS - DEPUTY - The reduction captures a one-time savings caused by the vacancy in the agency's deputy director position through November 30, 1993.
4. REDUCE DIRECTORATE TRAVEL - This reduction will limit the number of site visits conducted by the Director and members of the Commission.
5. RESTRUCTURE FISCAL OFFICE - Two positions are eliminated in the fiscal office. Tasks will be absorbed by remaining staff. Funding is provided for an internal auditor to ensure cash management procedures are followed with the implementation of new fees during the 1993-95 Biennium.
6. SHARED RESPONSIBILITY FOR ADMIN. - An overhead rate will be charged to non-General Fund programs to cover a share of the costs of central administration.
7. ELIMINATE CONSTRUCTION MANAGER - The agency's construction manager position is eliminated. Other staff will absorb a portion of the workload, with major projects going to consultants with design expertise.
8. SELF-INSURE MAINTENANCE BOAT - Insurance for the Commission's largest maintenance boat will be covered under the state's risk management program.
9. ELIMINATE SHOP JANITORIAL - Janitorial services in the Issaquah shop are eliminated. Staff will absorb the workload.
10. OIL SPILL ACCOUNT REDUCTION - A decline in revenue to the Oil Spill Administration Account requires reductions in oil spill prevention related activities.
11. PARK MAINTENANCE PROJECTS - One-time funding is provided for 17 critical park maintenance projects throughout the state. The Department should make every effort to contract locally and to use local labor to complete these projects.
12. TRUST LAND TRANSFER PROGRAM - Additional funding is provided to purchase environmentally-sensitive trust lands for the benefit of the Common School Construction Fund. This switch is made in order to reduce the state's bonded indebtedness. By replacing \$15 million of bonds with General Fund-State, future debt service payments of approximately \$2.2 million per biennium are avoided through the year 2020.
13. GOVERNOR VETO - Two provisions in the appropriation to the State Parks and Recreation Commission were vetoed. (1) The Governor vetoed the \$16,000 reduction in the appropriation from the Oil Spill Administration Account. (2) The Governor vetoed the requirement that the commission implement new park fees to generate an additional revenue of \$3 million.

Interagency Committee for Outdoor Recreation

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	2,600	2,600
1994 Supplemental Budget			
1. Outdoor Recreation Plan	<u>0</u>	<u>16</u>	<u>16</u>
Total Supplemental Items	0	16	16
1993-95 REVISED APPROPRIATION	0	2,616	2,616

Comments:

1. OUTDOOR RECREATION PLAN - Federal Land and Water Conservation funds are transferred from the capital budget to the operating budget for the 1994-95 Statewide Comprehensive Outdoor Recreation Plan (SCORP). This plan is required in order to receive federal funding. These funds will be used to contract for a recreational supply and demand study required by the plan. (Outdoor Recreation Account-Federal)

Environmental Hearings Office

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	1,205	0	1,205
1994 Supplemental Budget			
1. Secretary	38	0	38
2. Administrative Appeals Judge	101	0	101
3. Computer Equipment	17	0	17
Total Supplemental Items	156	0	156
1993-95 REVISED APPROPRIATION	1,361	0	1,361

Comments:

1. SECRETARY - Funds an additional secretary due to the increased number of cases being filed with the Environmental Hearings Boards.
2. ADMINISTRATIVE APPEALS JUDGE - To address the additional appeals being brought before the Environmental Hearings Office a half-time administrative law judge is increased to full time. In an effort to increase efficiencies, the Environmental Hearings Office will seek an individual with mediation experience. This will allow the Environmental Hearings Office to mediate more cases and reduce the number of appeals brought before the entire Board.
3. COMPUTER EQUIPMENT - Funding is provided for computer equipment to process the increased number of appeals regarding environmental regulations.

State Conservation Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	1,670	202	1,872
1994 Supplemental Budget			
1. PSWQA Plan Reductions	-9	0	-9
Total Supplemental Items	-9	0	-9
1993-95 REVISED APPROPRIATION	1,661	202	1,863

Comments:

1. PSWQA PLAN REDUCTIONS - Funding is reduced for nonpoint water quality activities in the 12 conservation districts abutting Puget Sound.

Puget Sound Water Quality Authority

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	3,059	1,148	4,207
1994 Supplemental Budget			
1. Reduce Travel	-12	0	-12
2. Reduce Number of Authority Meetings	-11	0	-11
3. Reduce Administrative Staff	-28	0	-28
4. Reduce Other Funds	0	-23	-23
5. PSWQA Plan Reduction	-12	0	-12
Total Supplemental Items	-63	-23	-86
1993-95 REVISED APPROPRIATION	2,996	1,125	4,121

Comments:

1. REDUCE TRAVEL - Reduces the Authority's travel budget.
2. REDUCE NUMBER OF AUTHORITY MEETINGS - Reduces Authority meetings in four of the counties bordering Puget Sound.
3. REDUCE ADMINISTRATIVE STAFF - Reduces administrative staff in the second year of the biennium.
4. REDUCE OTHER FUNDS - Reduces environmental education activities and staff supported by federal funds. (Water Quality Account and General Fund-Federal)
5. PSWQA PLAN REDUCTION - Reduces funding passed through for the University of Washington's Sea Grant and Washington State University's Cooperative Extension programs.

Department of Fisheries

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	55,740	44,342	100,082
1994 Supplemental Budget			
1. Coast Tidelands Management	0	177	177
2. Shellfish Litigation Costs	239	0	239
3. L&I Retrospective Rating Refund	0	28	28
4. Marine Fish Habitat Reductions	-233	0	-233
5. Facilities and Services Adjustment	131	0	131
6. Recreational Fisheries Transfer	0	-300	-300
7. Combined Recreation Lic (ESSB 6125)	53	0	53
Total Supplemental Items	190	-95	95
1993-95 REVISED APPROPRIATION	55,930	44,247	100,177

Comments:

1. COAST TIDELANDS MANAGEMENT - Funding is provided for management costs for the recently acquired 1,000 plus acre Coast Tidelands properties. Specific work will include stock assessment and the development of a management plan for harvest on these tidelands. In FY 95, a biologist position will also coordinate water quality, health certification, protection, and enhancement of these properties. (Aquatic Lands Enhancement Account)
2. SHELLFISH LITIGATION COSTS - Additional funding of \$239,000 is provided to cover the costs of a trial over tribal shellfish treaty rights. The issues surrounding the delay in the case have been resolved and the trial is scheduled to begin in the Spring of 1994.
3. L&I RETROSPECTIVE RATING REFUND - This will allow the agency to expend \$28,000 in a retrospective rating refund for safety/training activities. (Industrial Insurance Premium Refund Account)
4. MARINE FISH HABITAT REDUCTIONS - Two habitat and planning positions are eliminated from the Marine Fish program. Monitoring of marine fish under the Puget Sound Water Quality plan is also reduced by 8 percent. This will reduce collection and analysis of marine fish tissue samples to every other year.
5. FACILITIES AND SERVICES ADJUSTMENT - The amount originally included in the Department's budget for Department of General Administration Facilities and Service Revolving Fund charges was in error. This adjustment provides the agency with necessary funding.
6. RECREATIONAL FISHERIES TRANSFER - The Puget Sound recreational salmon and marine fish enhancement program was created by the 1993 Legislature. The primary component of this program is the development of freshwater rearing sites for delayed-release chinook salmon. Appropriation authority is transferred from the operating budget to the capital budget for the purchase of two freshwater rearing sites in southern Puget Sound. (Recreational Fisheries Enhancement Account)
7. COMBINED RECREATION LIC (ESSB 6125) - Chapter 255, Laws of 1994 (ESSB 6125), establishes a combined recreational fishing and hunting license. One-time equipment is necessary to complete the shift from the stamp-based licensing system to a single scannable document.

Department of Wildlife

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	10,226	98,968	109,194
1994 Supplemental Budget			
1. Habitat and Land Reductions	-125	0	-125
2. Washington Conservation Corps	-80	0	-80
3. Oil Spill Account Reductions	0	-28	-28
4. Combined Recreation Lic (ESSB 6125)	0	53	53
5. Warm Water Fish (ESSB 6125)	0	604	604
6. Governor Veto	0	-604	-604
Total Supplemental Items	-205	25	-180
1993-95 REVISED APPROPRIATION	10,021	98,993	109,014

Comments:

1. HABITAT AND LAND REDUCTIONS - The Department will make reductions through management efficiencies.
2. WASHINGTON CONSERVATION CORPS - The Department has encountered delays in implementing the expanded Washington Conservation Corps (WCC). The overall program will be reduced by 9 percent to reflect reduced expenditures.
3. OIL SPILL ACCOUNT REDUCTIONS - A decline in revenue to the Oil Spill Administration Account requires reductions in oil spill prevention related activities. These reductions will be shared by the Department of Fisheries and the Department of Wildlife following their merger as the Department of Fish and Wildlife on July 1, 1994. (Oil Spill Administration Account)
4. COMBINED RECREATION LIC (ESSB 6125) - Chapter 255, Laws of 1994 (ESSB 6125), establishes a combined recreational fishing and hunting license. One-time equipment is necessary to complete the shift from a stamp-based licensing system to a single scannable document. (State Wildlife Account)
5. WARM WATER FISH (ESSB 6125) - Chapter 255, Laws of 1994 (ESSB 6125), establishes a warm water game fish enhancement program. A combined approach of habitat improvement and fish culture will improve warm water fishing opportunities. The program is funded by a new warm water game fish surcharge of \$5.00 per year. Persons over 70 years old will pay a \$1.00 surcharge. (Warm Water Game Fish Account)
6. GOVERNOR VETO - The Governor vetoed two provisions in section 311 relating to the warm water fish enhancement program established under chapter 255, Laws of 1994 (ESSB 6125 -- which was also partially vetoed). The Governor vetoed the \$604,000 appropriation from the Warm Water Fish Account and the earmarking of \$53,000 from the Wildlife Fund appropriation.

Department of Natural Resources

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	49,394	167,324	216,718
1994 Supplemental Budget			
1. L&I Retrospective Rating Refund	0	-22	-22
2. Fire Suppression Reductions	-1,000	0	-1,000
3. Eliminate Log Patrol Program *	-3	0	-3
4. Eliminate Procurement Allocation	-51	-120	-171
5. Jobs and the Environment Reduction	-1,250	0	-1,250
6. Dislocated Timber Worker Reduction	-50	-100	-150
7. Washington Conservation Corps	-100	0	-100
8. Reduce Smoke Management Program	0	-400	-400
9. Aquatic Lands Dredging	0	-92	-92
10. Elim. Oil and Gas Conservation Comm	-1	0	-1
11. Oil Spill Account Reduction	0	0	0
12. Metals Mining & Milling (ESHB 2521)	50	0	50
13. Non-profit TV District	5	0	5
14. Watershed Restoration Projects	0	10,000	10,000
Total Supplemental Items	-2,400	9,266	6,866
1993-95 REVISED APPROPRIATION	46,994	176,590	223,584

Comments:

1. L&I RETROSPECTIVE RATING REFUND - The Labor and Industries (L&I) retrospective rating refund appropriation is reduced to reflect the actual funding available. (Industrial Insurance Premium Refund Account)
2. FIRE SUPPRESSION REDUCTIONS - Fire suppression expenditures for the first five months of the biennium were significantly less than anticipated.
3. ELIMINATE LOG PATROL PROGRAM * - The Department is submitting legislation (SB 6036) to eliminate the Log Patrol Program. The agency will no longer regulate and license individuals who wish to engage in the recapture of stray logs from state waters.
4. ELIMINATE PROCUREMENT ALLOCATION - The Department of Natural Resources (DNR) pays a surcharge on all procurement contracts processed by the Department of General Administration. Funding provided in DNR's budget to cover this surcharge is eliminated. The agency will absorb the charge within existing appropriations. (Other Funds: Forest Development Account and Resource Management Cost Account)
5. JOBS AND THE ENVIRONMENT REDUCTION - The Governor's budget proposes a modest reduction to the Jobs and the Environment Program due to delays in implementation. The Senate budget reduces DNR grant funding in order to: (1) alleviate the revenue shortfall from fees at state parks; (2) maintain funding of the Washington Conservation Corps staff utilized in the park system; and (3) restore funding for parks that the Governor's budget proposed to be closed. After this reduction, remaining Jobs and the Environment funding for the Department of Ecology and the Department of Natural Resources is \$4.0 million.
6. DISLOCATED TIMBER WORKER REDUCTION - The Dislocated Timber Worker Program will be reduced by 10 percent to reflect actual operating levels in the first quarter of FY 94. (Other Funds: Resource Management Cost Account)
7. WASHINGTON CONSERVATION CORPS - Expansion of the Washington Conservation Corps (WCC) has been slower than anticipated. The overall program will be reduced by 7 percent to reflect reduced expenditures.
8. REDUCE SMOKE MANAGEMENT PROGRAM - The Department operates a smoke management program as part of the Clean Air Act. This program is supported by revenues from burning permits. Because revenues are not as great as originally anticipated, expenditures are reduced accordingly. (Air Pollution Control Account)
9. AQUATIC LANDS DREDGING - The Department is responsible for leasing and monitoring aquatic land disposal sites for material dredged from state waters. Savings result from reduced activity. (Aquatic Land Dredge Material Disposal Site Account).
10. ELIM. OIL AND GAS CONSERVATION COMM - Consistent with chapter 9, Laws of 1994, 1st sp.s. (ESHB 2676), the Oil and Gas Conservation Commission is eliminated. This Commission regulates and promotes oil and gas exploration, development, and conservation. The Commission's duties will be assumed by the Department of Natural Resources.
11. OIL SPILL ACCOUNT REDUCTION - A decline in revenue to the Oil Spill Administration Account requires reductions in oil spill prevention related activities. Activities currently undertaken by the Department to review lessee's prevention and contingency plans will be shifted to the aquatic lands component of the Resource Management Cost Account.
12. METALS MINING & MILLING (ESHB 2521) - One-time funding is provided to implement chapter 232, Laws of 1994 (ESHB 2521 -- Metals Mining and Milling). The Metals Mining advisory group shall recommend a fee schedule that fully supports all provisions of ESHB 2521 in future biennia.

Department of Natural Resources

13. NON-PROFIT TV DISTRICT - Funding is provided to implement chapter 294, Laws of 1994 (SSB 6556 – Non-profit TV District), which allows a non-profit television reception improvement district to rent space for a transmitter on Department of Natural Resources' land. The non-profit will pay 50 percent of the fair market value of the rental costs.

14. WATERSHED RESTORATION PROJECTS - Funding is provided to the Department of Natural Resources to jointly select projects with the Department of Fish and Wildlife for watershed restoration and fish stock recovery as established in chapter 308, Laws of 1994 (SSB 6243 – Omnibus Capital Appropriations Act). Funds may be transferred between the Department of Natural Resources to the Department of Fish and Wildlife for this purpose. In addition, the \$2 million reduction to the Jobs and the Environment program which is jointly administered between the Department of Ecology and the Department of Natural Resources is restored. (Watershed Restoration Account)

Department of Agriculture
(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	13,462	52,847	66,309
1994 Supplemental Budget			
1. Laboratory Relocation	185	0	185
2. Noxious Weed Grants	-71	0	-71
3. State Weed Board	-25	0	-25
4. Entomology Program Savings	-173	-134	-307
5. Retrospective Rating	0	74	74
6. Reauthorize Dairy Inspections	0	220	220
7. Facilities and Services Charges	52	27	79
8. Governor's Trade Initiative	493	170	663
9. Apiary Inspection	0	60	60
10. Delay Impact of Admin Fund Shift	600	0	600
Total Supplemental Items	1,061	417	1,478
1993-95 REVISED APPROPRIATION	14,523	53,264	67,787

Comments:

1. LABORATORY RELOCATION - The Department of Agriculture was unable to complete the relocation of the food safety and animal health laboratories during the 1991-93 Biennium due to design and construction delays. The funding for the move did not carry forward into the new biennium. The Department has been able to use vacancy savings to cover \$90,000 of the \$275,000 relocation cost. This item provides funding for the remaining \$185,000.
2. NOXIOUS WEED GRANTS - Reduces noxious weed grants. In FY 95, the program is limited to providing one Class A (top priority) control grant and four leafy spurge control grants. Re-evaluation and reorganization of the noxious weed grant program is scheduled for the coming year and is likely to result in further savings in the 1995-97 Biennium.
3. STATE WEED BOARD - Reflects savings from a vacant position supporting the State Weed Board.
4. ENTOMOLOGY PROGRAM SAVINGS - The Department will achieve a one-time savings in the Entomology Program caused by early project shutdown and a favorable vehicle contract with the Department of General Administration. (Other Funds: General Fund-Federal)
5. RETROSPECTIVE RATING - Additional appropriation authority is provided to establish a "project" safety officer position to begin implementing safety and wellness laws and standards in the agency. (Industrial Insurance Premium Refund Account)
6. REAUTHORIZE DAIRY INSPECTIONS - The Dairy Inspection Program sunsets on June 30, 1994. Funding for FY 95 was not included in the original budget. Chapter 34, Laws of 1994 (SSB 6098), reauthorizes the program and continues the inspection fees in support of the program. (Agriculture Local Fund)
7. FACILITIES AND SERVICES CHARGES - Corrects an error in funding the agency's facilities and services charges. (Other Funds: Agricultural Local Fund, Horticultural Districts Account, and Grain and Hay Inspections Revolving Account)
8. GOVERNOR'S TRADE INITIATIVE - Funding is provided for the Departments of Agriculture and Trade and Economic Development to jointly implement a trade initiative program that will: (1) expand the state's representation in foreign markets; (2) link small- and medium-sized exporters to the leads generated abroad; and (3) develop the export potential of additional agricultural, service-related, and manufacturing businesses. (Other Funds: Rural Rehabilitation Account)
9. APIARY INSPECTION - Funding from the State General Fund for apiary inspection was eliminated in the original 1993-95 budget. This item restores partial funding to the program assuming the passage of chapter 178, Laws of 1994 (SHB 2646), which generates \$60,000 in fees to support the program. The bill establishes a new bee pollination service fee and extends the bee keeper registration fee to out-of-state operators. (Agricultural Local Account)
10. DELAY IMPACT OF ADMIN FUND SHIFT - Provides additional funding from the general fund to ease the transition of shifting administrative costs to agricultural local funds. This allows for the agency to adjust fees over a longer period of time. The department is required to report to the Legislature by November 15, 1994, regarding the allocation of administrative costs between programs and fund sources.

NOTE: The Department of Agriculture received an appropriation of \$418,000 from the original 1993-95 Transportation Budget.

Office of Marine Safety

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	4,496	4,496
1994 Supplemental Budget			
1. Columbia River Field Office	0	224	224
2. Marine Oversight Board *	0	-186	-186
3. Oil Spill Account Reduction	0	-252	-252
4. Regional Marine Safety Committees *	0	-67	-67
5. OMS Priorities	0	75	75
Total Supplemental Items	0	-206	-206
1993-95 REVISED APPROPRIATION	0	4,290	4,290

Comments:

1. COLUMBIA RIVER FIELD OFFICE - Funds 3.5 FTE staff in the second year of the biennium for a field office on the Columbia River. This enhancement assumes that Oregon will provide in kind support for approximately one-third of the program's cost. (Oil Spill Administration Account)
2. MARINE OVERSIGHT BOARD * - The Board is maintained in statute and sufficient funds are provided in FY 95 to cover meeting costs. However, funds are no longer provided to continue staff support to the Board. (Oil Spill Administration Account)
3. OIL SPILL ACCOUNT REDUCTION - Due to a reduction in revenues, it is necessary to reduce activities funded from the Oil Spill Administration Account. Savings are derived from lower than anticipated expenditures in the first quarter of the biennium and the elimination of one program FTE staff. (Oil Spill Administration Account)
4. REGIONAL MARINE SAFETY COMMITTEES * - Consistent with chapter 9, Laws of 1994, 1st sp.s. (ESHB 2676), the four Regional Marine Safety Committees are eliminated. These Committees have completed their mandated review of marine traffic safety issues. (Oil Spill Administration Account)
5. OMS PRIORITIES - Based on the Marine Oversight Board funding study, funds are restored to continue high priority prevention activities. (Oil Spill Administration Account)

Transportation

The majority of funding for transportation services is not included in the supplemental operating budget, but is instead included in the supplemental transportation budget. The supplemental operating budget includes only a portion of the funding for the Washington State Patrol and the Department of Licensing. Therefore, the notes contained in this section are limited. For additional information, please see the supplemental transportation budget section which begins on page 271.

Department of Licensing

Funding for the Department's overhead (administrative) budget is adjusted to ensure that Omnibus Appropriations Act funded programs are not subsidized by inappropriate fund sources. This adjustment occurs each biennium based upon a model which determines the appropriate funding source for each of the Department's programs.

State Patrol

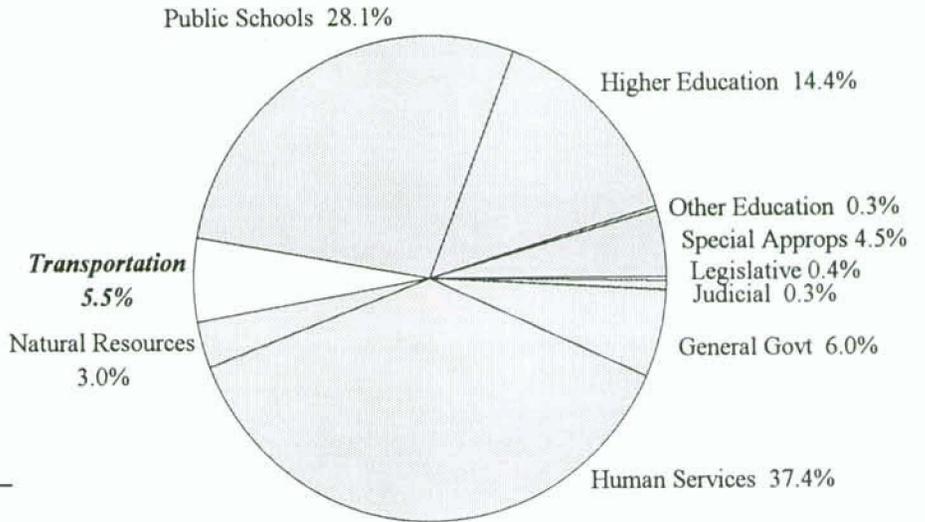
Additional funding of \$339,000 (\$139,000 General Fund-State) is provided to add three forensic scientists to the Crime Lab division. These scientists will improve the response time for analyzing paint, shreds of cloths, hair, fibers, etc. In addition, funding is added for processing 600 DNA samples per year for juvenile offenders as provided for in chapter 271, Laws of 1994 (SSB 6007). Funding of \$30,000 is available for contracting with private labs for DNA processing using Restricted Fragment Length Polymorphism (RFLP) analysis for offender profiling.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

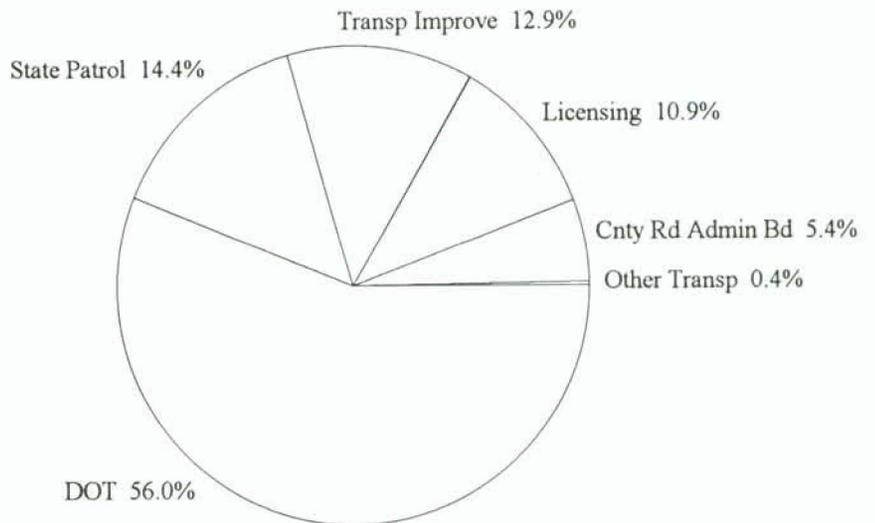
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Dept of Transportation	919,101
State Patrol	235,896
Transp Improvement Bd	211,812
Dept of Licensing	179,161
County Road Admin Bd	87,902
Other Transportation	6,086
Transportation	1,639,958



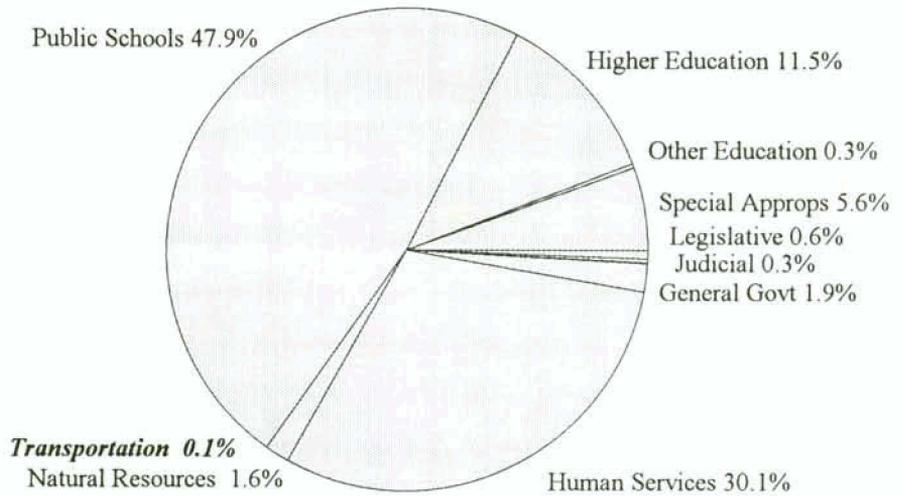
Transportation

Washington State 1993-95 Operating Budget

General Fund - State

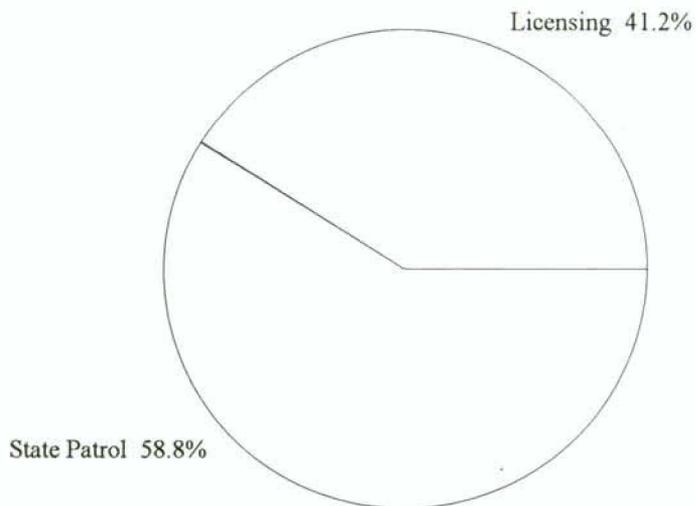
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

State Patrol	10,625
Dept of Licensing	7,440
Transportation	18,065



Transportation

Department of Licensing

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	6,536	24,239	30,775
1994 Supplemental Budget			
1. Overhead Funding Adjustment	765	301	1,066
2. Highway/Licenses Building Rent	15	33	48
3. Replace Parking Program Funding	5	30	35
4. Facilities and Services Adjustment	3	7	10
5. Master License Revenue Adjustment	0	-267	-267
6. Other Overhead Reductions	-3	-165	-168
7. Reduce Mail Staff & Transfer to CMS	-1	-15	-16
8. Shift from DOL to FID	0	-187	-187
9. Youth Violence Act	120	0	120
10. Equipment/Travel/Goods & Services*	0	-63	-63
11. SSB 6047 - Driving Under Influence	0	1,564	1,564
Total Supplemental Items	904	1,238	2,142
1993-95 REVISED APPROPRIATION	7,440	25,477	32,917

Comments:

- | | |
|--|---|
| <p>1. OVERHEAD FUNDING ADJUSTMENT - The agency has developed a model that determines the appropriate fund distribution to support programs and ensures that these programs are not subsidized by inappropriate fund sources. This proposal represents the results of the model based on the 1993-95 final budget. Only a portion of the adjustment was enacted in the 1993-95 budget bills. (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>2. HIGHWAY/LICENSES BUILDING RENT - Renovation of the Highway/Licenses Building will be completed during FY 94 with the Department taking occupancy during FY 95. This proposal reflects funding required to pay the space use charges that will be incurred when the Department resumes occupancy. (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>3. REPLACE PARKING PROGRAM FUNDING - Legislation passed during the 1993 session expanded the state parking program to include facilities located off of the capital campus grounds in Thurston County. This legislation contains a provision that all parking rental income collected from the rental of parking space at state-owned or leased property shall be deposited in the State Capitol Vehicle Parking Account. The Department of Licensing currently occupies two off-campus sites in Olympia and utilizes parking fee revenues to offset lease costs at those locations. This proposal is for replacement funding to cover the loss of revenue from parking rental. (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>4. FACILITIES AND SERVICES ADJUSTMENT - Funding is provided for an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>5. MASTER LICENSE REVENUE ADJUSTMENT - This item reduces appropriations to reflect the lower revised revenue forecast for the Master License Program. (Master License Fund)</p> <p>6. OTHER OVERHEAD REDUCTIONS - Overhead and support positions will be reduced, including: computer positions that assist</p> | <p>staff with office applications; clerical support in the Director's office and in the Uniform Commercial Code program; and a Professional Licensing Manager and an Administrative Assistant in the Assistant Director's Office. (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>7. REDUCE MAIL STAFF & TRANSFER TO CMS - This item eliminates the outgoing mail function which will now be handled by the Consolidated Mail Service (CMS). (Other Funds: Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>8. SHIFT FROM DOL TO FID - This item reflects a transfer of the Mortgage Brokers Licensing program currently in the Department of Licensing as required in chapter 468, Laws of 1993. (Mortgage Brokers Licensing Account)</p> <p>9. YOUTH VIOLENCE ACT - Funds are provided to the Department for implementation of the Senate's Youth Violence Act (2SSB 6174), effective July 1, 1994. These monies will be used to enforce the firearm and driver's licensing requirements of the measure.</p> <p>10. EQUIPMENT/TRAVEL/GOODS & SERVICES* - Items include: reduced attendance at association meetings; elimination of the West Seattle Driver License Exam Office counter replacement; elimination of travel and services to prisons and citizen "55 Alive" elderly safety awareness program; less frequent software upgrades; reduced inventory, fewer publications; elimination of free forms for use by tow truck operators; and other miscellaneous reductions in equipment, travel, and training activities. Savings from discontinuing the use of certified mail and eliminating car dealer place of business regulation requires legislation. (Uniform Commercial Code, Master License Account, and other professional licensing accounts)</p> <p>11. SSB 6047 - DRIVING UNDER INFLUENCE - The Department of Licensing received an appropriation in chapter 275, Laws of 1994 (SSB 6047). (Highway Safety Account)</p> |
|--|---|

Department of Licensing

NOTE: The Department of Licensing received an appropriation in chapter 303, Laws of 1994.

For further information, see the schedule entitled "Appropriations Contained Within Other Legislation" in the Revenue Section of this document.

Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the Department of Licensing's budget is shown in the Transportation Budget section of this document.

Washington State Patrol

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	14,223	4,758	18,981
1994 Supplemental Budget			
1. Drug Enforcement Grant Match	62	0	62
2. Additional DNA/Microanalysis Staff	139	200	339
3. Retrospective Rating Refund	0	28	28
4. Facilities and Services Adjustment	1	0	1
5. AFIS Upgrade/Maintenance Savings	-300	0	-300
6. Fund Shift (PSEA)	-3,500	3,500	0
Total Supplemental Items	-3,598	3,728	130
1993-95 REVISED APPROPRIATION	10,625	8,486	19,111

Comments:

1. DRUG ENFORCEMENT GRANT MATCH - In addition to using the Asset Seizure Account, additional funds are provided for the state match for a federal Bureau of Justice grant. State funds are necessary to match FY 95 federal grant money (passed-through the Department of Community Development) to support the State Patrol's narcotics enforcement efforts and local multi-jurisdictional drug enforcement task forces. The match ratio is 25 percent state to 75 percent federal.
2. ADDITIONAL DNA/MICROANALYSIS STAFF - Funds three additional forensic scientists. Two forensic scientists are added to improve the response time for analysis (paint, shreds of clothing, hair, fibers, etc.) of evidence. The third forensic scientist is needed in the Spokane Crime Laboratory to perform ballistics analysis. In addition, funding is added for processing 600 DNA samples per year for juvenile offenders as provided for in chapter 271, Laws of 1994 (SSB 6007). The sum of \$30,000 is available for contracting with private labs for DNA processing using Restricted Fragment Length Polymorphism (RFLP) analysis for offender profiling. (Other Funds: Motor Vehicle Fund and Transportation Account)
3. RETROSPECTIVE RATING REFUND - A refund from the Retrospective Rating Refund Program is used to help fund the Patrol's risk management activities. (Other Funds: Industrial Insurance Premium Refund Account)
4. FACILITIES AND SERVICES ADJUSTMENT - Funds a reallocation of facilities and services charges among agencies.
5. AFIS UPGRADE/MAINTENANCE SAVINGS - The original budget provided \$802,000 to lease-purchase equipment to expand the Automated Fingerprint Identification System (AFIS) tenprint database and search volume capabilities. Acquisition is deferred approximately four months, thereby reducing debt service payments by \$200,000 in the current biennium. Additional savings are also expected from lower maintenance costs.
6. FUND SHIFT (PSEA) - An existing fund balance and additional Public Safety and Education Account (PSEA) revenue produced by chapter 8, Laws of 1994 (SSB 6006), are utilized to offset General Fund-State expenditures. (Other Funds: Public Safety and Education Account)

NOTE: The State Patrol received an appropriation in chapter 303, Laws of 1994.

For further information, see the schedule entitled "Appropriations Contained Within Other Legislation" in the Revenue Section of this document.

Amounts shown here reflect only the Omnibus Appropriations Act. The remainder of the State Patrol's budget is shown in the Transportation Budget section of this document.

Public Schools

Long-Term Budget Strategies

A number of efforts will be undertaken during the 1994 legislative interim regarding funding for the state's public school system. The Legislative Budget Committee (LBC) will study the K-12 Learning Assistance Program (LAP) and teacher in-service training programs. A report is expected by December 15, 1994, for use in preparing the 1995-97 biennial budget. The Washington State Institute for Public Policy and LBC will start a study of the special education program. The study involves a complete fiscal review of a variety of issues. A first progress report is due December 15, 1994. In addition, funding is provided to initiate a long-term longitudinal study of the special education program.

Funding is also provided in the 1994 Supplemental Budget for two additional Transportation Coordinators employed at the Educational Service District level. Part of their activities will involve ensuring the accuracy of data used for state reimbursement, cataloging hazardous walking conditions, and small school district data. Data and analysis from the coordinators will be available for use in preparing future budgets. Anticipated savings in the Pupil Transportation program will offset the current biennium cost of the coordinators.

Instructional Materials and Technology

A one-time appropriation of \$18.8 million General Fund-State (\$20.61 per student) is provided for the purchase of instructional materials and technology to improve learning for all students. The expenditure of these funds will be determined at each school site.

Added Grants for School to Work

As part of the state's education reform effort, \$750,000 is provided for expansion of school-to-work grants for high school vocational programs. The original 1993-95 biennial budget provided \$1.8 million for such grants, and awards were made to 28 schools. An additional 50 grant applicants were not approved for lack of additional funding.

Student Learning Improvement Grants

Funding of \$16.9 million General Fund-State is provided to increase the new student learning improvement grants from three to four planning days for schools engaged in education reform during the 1994-95 school year. The level of four planning days will also be provided in the 1995-97 biennium, rather than five days, which will reduce projected K-12 spending by \$34 million in 1995-97.

Common School Construction

Trust land revenues from timber sales have declined recently by a total of \$52.3 million. The budget provides \$15.3 million in General Fund-State cash to make up part of the revenue shortfall. This will

help reduce future debt service requirements. The remaining revenue shortfall is addressed in the Supplemental Capital Budget with \$37 million in general obligation bonds.

Health Benefit Savings

The budget allocates \$322.90 per employee per month for K-12 health benefits. While this represents a decrease from the \$350.25 per month rate that was provided in the original 1993-95 biennial budget, it is equivalent to the current rate provided in the 1993-94 school year, after adjustment for the retiree subsidy allocation. The new rate reflects substantially lower medical inflation and utilization and results in General Fund-State savings of \$19 million.

Enrollment Adjustment

The Office of Financial Management's December 1993 forecast reduces expected enrollment by 3,887 students in the 1993-94 school year and 5,844 students in the 1994-95 school year. In addition, workload in the transportation program is lower than expected due to lower enrollment. These adjustments reduce General Fund-State expenditure requirements by \$33.3 million.

Work Transition Programs

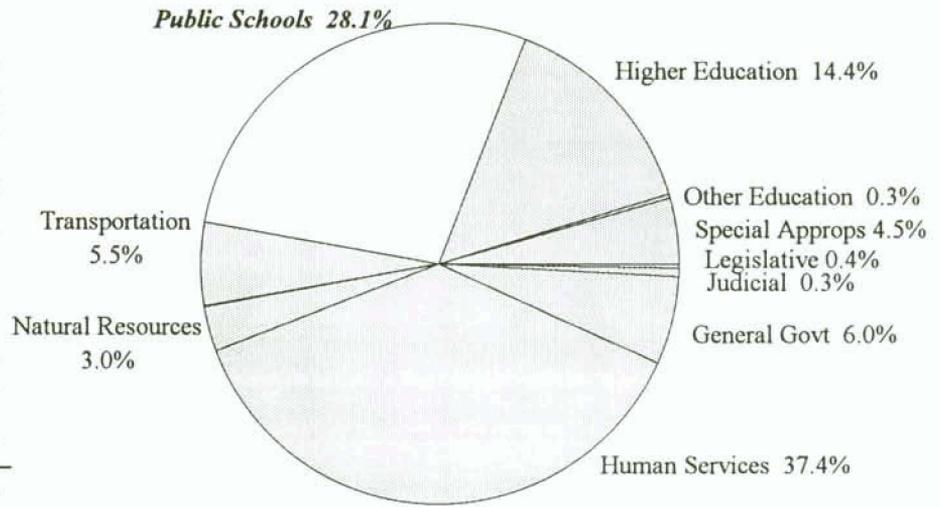
One million dollars General Fund-State is provided for start-up grants for school to work program expansion at skill centers and similar organizations through afternoon/evening programs for high school age student dropouts.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

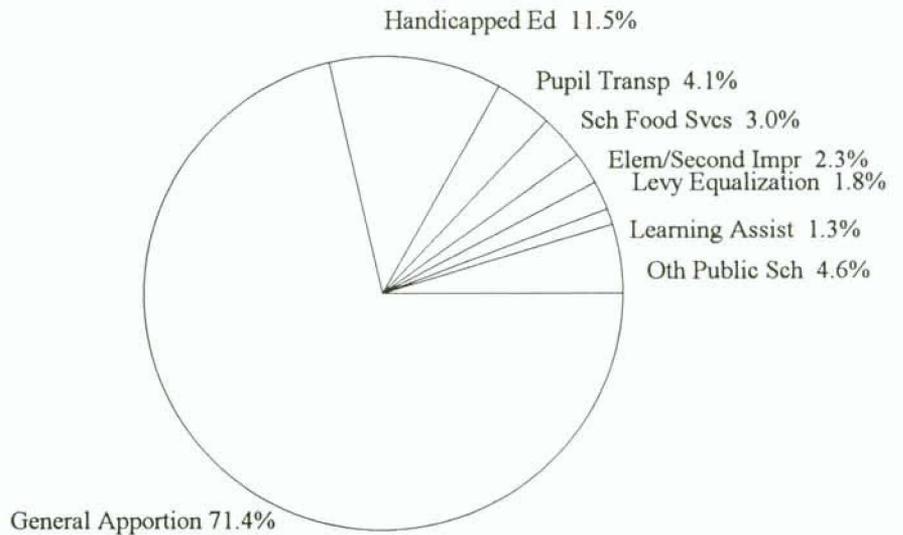
(Dollars in Thousands)

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Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

General Apportionment	6,007,518
Handicapped Education	968,685
Pupil Transportation	344,886
School Food Services	250,886
Elem/Second Sch Improve	197,580
Levy Equalization	149,596
Learning Assist Pgm (LAP)	107,913
Other Public Schools	385,628
Public Schools	8,412,692



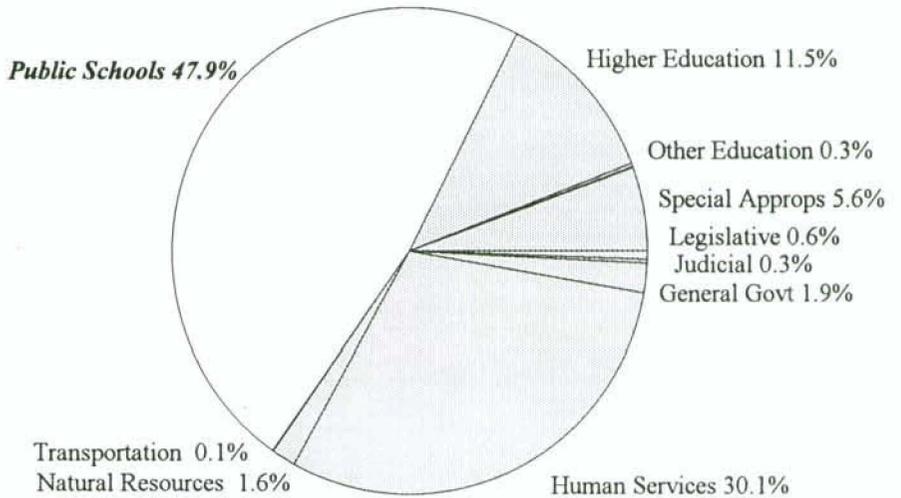
Public Schools

Washington State 1993-95 Operating Budget

General Fund - State

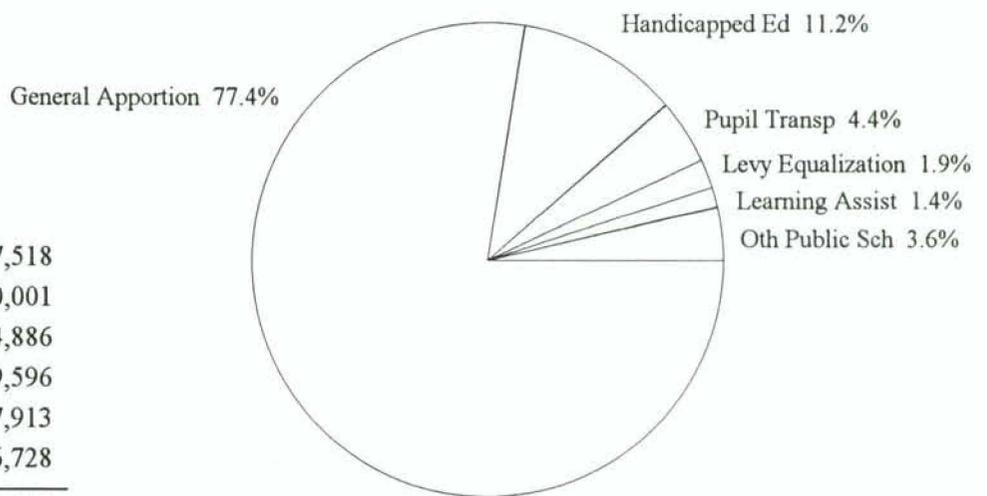
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Judicial	55,359
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Washington State

General Apportionment	6,007,518
Handicapped Education	870,001
Pupil Transportation	344,886
Levy Equalization	149,596
Learning Assist Pgm (LAP)	107,913
Other Public Schools	276,728
Public Schools	7,756,642



Public Schools

Public Schools

Workload History

By School Year

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	Estimate	
							1993-94	1994-95
General Apportionment								
FTE Enrollment	733,850	748,418	768,356	795,703	823,355	850,426	871,735	896,872
% Change from prior year		2.0%	2.7%	3.6%	3.5%	3.3%	2.5%	5.5%
Handicapped Education								
Headcount Enrollment	72,634	76,155	80,236	84,808	90,630	95,954	101,103	107,434
% Change from prior year		4.8%	5.4%	5.7%	6.9%	5.9%	5.4%	12.0%
Bilingual Education								
Headcount Enrollment	14,505	16,877	19,344	23,513	28,156	32,200	36,306	41,001
% Change from prior year		16.4%	14.6%	21.6%	19.7%	14.4%	12.8%	27.3%
Learning Assistance Program								
Entitlement Units *	64,697	75,893	86,749	104,123	106,835	114,909	112,771	117,887
% Change from prior year		17.3%	14.3%	20.0%	2.6%	7.6%	-1.9%	2.6%

NOTES:

* Entitlement units used for allocation purposes only. Actual students served may vary. The allocation formula changed for the 1993-94 and 1994-95 school years.

Data Sources:

1987-88 through 1992-93 actuals from OFM/SPI;

1993-94 and 1994-95 FTE Enrollment and Handicapped Headcount from OFM Forecast;

1993-94 and 1994-95 Bilingual and LAP from Legislative Conference Budget.

**Superintendent of Public Instruction
State Office Administration**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	34,414	37,787	72,201
1994 Supplemental Budget			
1. Administrative Efficiencies	-150	0	-150
2. Extraordinary Board Expenses	30	0	30
3. Teen Aware	403	0	403
4. Holocaust Information Distribution	25	0	25
5. Point Roberts Adjustment	31	0	31
6. Suicide Prevention Transfer to DOH	-25	0	-25
7. School Air Quality	70	0	70
8. Washington St Geographic Alliance	50	0	50
9. Work Transition Programs	1,000	0	1,000
Total Supplemental Items	1,434	0	1,434
1993-95 REVISED APPROPRIATION	35,848	37,787	73,635

Comments:

1. ADMINISTRATIVE EFFICIENCIES - The operating budget for the Office of Superintendent of Public Instruction (OSPI) for the 1993-95 Biennium is reduced by 0.75 percent. To the extent possible, OSPI is to achieve savings through increased administrative efficiencies. Statewide programs administered by OSPI are not affected by the reduction.
2. EXTRAORDINARY BOARD EXPENSES - Funds are provided for one-time costs associated with personnel changes at the state board of education.
3. TEEN AWARE - Funds are provided for media productions by students at up to 40 sites to focus on issues and consequences of teen age pregnancy and child rearing as part of reforming welfare.
4. HOLOCAUST INFORMATION DISTRIBUTION - Funds are provided for allocation to the Washington State holocaust education resource center for reproducing the videotape and teachers guide, "Never Again, I Hope".
5. POINT ROBERTS ADJUSTMENT - The appropriation for operation of a K-2 education program at Point Roberts is increased from \$62,000 to \$93,000.
6. SUICIDE PREVENTION TRANSFER TO DOH - Suicide prevention funds are transferred to the Department of Health (DOH) for development of a state-wide plan.
7. SCHOOL AIR QUALITY - Funds are provided for development of best management practices to improve indoor air quality in new or modernized schools. The State Board of Education is to work with the Department of Health in developing the best management practices.
8. WASHINGTON ST GEOGRAPHIC ALLIANCE - Funding is provided for the Washington State Geographic Alliance to improve the teaching of geography in the common schools.
9. WORK TRANSITION PROGRAMS - Start-up grants for school-to-work programs are expanded at skill centers and similar organizations through afternoon/evening programs for high school age student dropouts.

Superintendent of Public Instruction General Apportionment

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	6,019,646	0	6,019,646
1994 Supplemental Budget			
1. Enrollment Adjustment	-33,296	0	-33,296
2. Staff Mix Adjustment	3,833	0	3,833
3. Inflation	-1,415	0	-1,415
4. Instruction Materials & Technology	18,750	0	18,750
Total Supplemental Items	-12,128	0	-12,128
1993-95 REVISED APPROPRIATION	6,007,518	0	6,007,518

Comments:

1. **ENROLLMENT ADJUSTMENT** - The Office of Financial Management released a new enrollment forecast in December 1993. The new forecast changes 1993-94 enrollment from 875,622 full-time equivalent students (FTE) to 871,735 -- a decrease of 3,887 FTE students. For the 1994-95 school year, enrollment is revised from 902,716 to 896,872 -- a reduction of 5,844 FTE students.
2. **STAFF MIX ADJUSTMENT** - Staff mix refers to the experience and education of certificated instructional staff in each school district. Salary increments are paid for increased education and experience. This item revises assumptions made in the 1993-95 appropriations act based on actual 1993-94 school year data.
3. **INFLATION** - Basic education programs received an inflation adjustment in the 1993-95 budget. The budget assumption was that inflation would be 2.7 percent in FY 94 and 3.0 percent in FY 95. The February Economic and Revenue Forecast estimates that inflation will be 2.4 percent in FY 94 and 2.9 percent for FY 95. Adjustment for the lowered inflation forecast is made beginning in the 1994-95 school year and utilizes a rate of 2.6 percent. This funds the non-employee related cost rate for 1994-95 at a rate equivalent to what it would have been had inflation rates of 2.4 and 2.9 percent been utilized.
4. **INSTRUCTION MATERIALS & TECHNOLOGY** - The amount of \$20.61 per FTE Student is provided for the purchase of instructional materials and technology to improve learning for all students. The funds are allocated on a fiscal year basis for the 1994-95 school year. Skill centers are each provided \$40,000 instead of receiving a per student allocation from participating school districts. The expenditure of the funds shall be determined at each school site by the school building staff, parents, and the community where site-based management has been adopted or, where not adopted, by the building staff.

Superintendent of Public Instruction Compensation Adjustments

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	22,570	0	22,570
1994 Supplemental Budget			
1. Health Benefit Adjustment	-19,031	0	-19,031
Total Supplemental Items	-19,031	0	-19,031
1993-95 REVISED APPROPRIATION	3,539	0	3,539

Comments:

1. HEALTH BENEFIT ADJUSTMENT - Health benefit increases for the 1994-95 school year are reduced due to revised estimates of medical inflation initially 13.5 percent and now 8.5 percent. The health benefit rate for K-12 employees is increased from \$317.79 per month to \$322.90 per month, beginning October 1, 1994. The 4.7 percent for the retiree subsidy will be remitted to the Health Care Authority in accordance with RCW 28A.400.400.

Superintendent of Public Instruction
Pupil Transportation
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	351,143	0	351,143
1994 Supplemental Budget			
1. Enrollment Adjustment	-6,378	0	-6,378
2. Inflation	-154	0	-154
3. Regional Transpo Coordinators	275	0	275
Total Supplemental Items	-6,257	0	-6,257
1993-95 REVISED APPROPRIATION	344,886	0	344,886

Comments:

1. ENROLLMENT ADJUSTMENT - The original 1993-95 budget contained assumptions regarding transportation workload based on expected enrollment increases from the 1991-93 Biennium to the 1993-95 Biennium. The revised numbers are based on actual workload data in this program for the first half of the 1993-94 school year.
2. INFLATION - Basic education programs received an inflation adjustment in the 1993-95 budget. The budget assumption was that inflation would be 2.7 percent in FY 94 and 3.0 percent in FY 95. The February Economic and Revenue Forecast estimates that inflation will be 2.4 percent in FY 94 and 2.9 percent for FY 95. Adjustment for the lowered inflation forecast is made beginning in the 1994-95 school year and utilizes a rate of 2.6 percent. This funds the non-employee related cost rate for 1994-95 at a rate equivalent to what it would have been had inflation rates of 2.4 and 2.9 percent been utilized.
3. REGIONAL TRANSPRO COORDINATORS - Regional transportation coordinators are housed at Educational Service Districts and perform many functions including: helping school districts with routing; managing local transportation programs; and data submittal for state reimbursement. The budget provides \$275,000 to increase the number of coordinators from three to five and assumes offsetting savings of \$275,000 from their services. In addition to other duties, the budget requires the coordinators to: ensure that data submitted by school districts for state funding is accurate; prepare a catalog of hazardous walking conditions in each school district; prepare an analysis of travel times for students in small school districts to contiguous school districts; and prepare an analysis of the small fleet factor used in the transportation formula.

Superintendent of Public Instruction Handicapped Education

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	867,311	98,684	965,995
1994 Supplemental Budget			
1. Enrollment Adjustment	3,941	0	3,941
2. Staff Mix Adjustment	-1,385	0	-1,385
3. Federal Title XIX Rate Adjustment	244	0	244
4. Inflation	-110	0	-110
Total Supplemental Items	2,690	0	2,690
1993-95 REVISED APPROPRIATION	870,001	98,684	968,685

Comments:

1. ENROLLMENT ADJUSTMENT - Revised enrollments are from the Office of Financial Management's December 1993 forecast. Estimated handicapped enrollments decrease by 896 students in 1993-94 and 1,029 students in 1994-95. However, handicapped program costs increase because enrollment increases in higher-cost categories (preschool and health impaired), outweigh enrollment decreases in lower-cost categories (specific learning disabled and communication disordered).
2. STAFF MIX ADJUSTMENT - Staff mix refers to the experience and education of certificated instructional staff in each school district. Salary increments are paid for increased education and experience. This item revises assumptions made in the 1993-95 Appropriations Act based on actual 1993-94 school year data.
3. FEDERAL TITLE XIX RATE ADJUSTMENT - Chapter 149, Laws of 1993 (SB 5727), enacted in 1993 required school districts to seek federal Title XIX Medicaid funds for eligible services provided in the special education program. School districts retain 20 percent of the federal Medicaid funds and the state retains 80 percent. In the 1993-95 budget it was estimated that the state's share of federal Medicaid funds would be \$14.4 million, and this amount was used to offset General Fund-State expenditures in this program. The federal Medicaid match was recently reduced, lowering the expected receipt of federal Medicaid funds by \$244,000. This requires replacement with General Fund-State moneys.
4. INFLATION - Basic education programs received an inflation adjustment in the 1993-95 budget. The budget assumption was that inflation would be 2.7 percent in FY 94 and 3.0 percent in FY 95. The February Economic and Revenue Forecast estimates that inflation will be 2.4 percent in FY 94 and 2.9 percent for FY 95. Adjustment for the lowered inflation forecast is made beginning in the 1994-95 school year and utilizes a rate of 2.6 percent. This funds the non-employee related cost rate for 1994-95 at a rate equivalent to what it would have been had inflation rates of 2.4 and 2.9 percent been utilized.

**Superintendent of Public Instruction
Educational Service Districts**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	9,891	0	9,891
1994 Supplemental Budget			
1. Student Teacher Placement	<u>125</u>	<u>0</u>	<u>125</u>
Total Supplemental Items	125	0	125
1993-95 REVISED APPROPRIATION	10,016	0	10,016

Comments:

1. STUDENT TEACHER PLACEMENT - This program places student teachers in areas not supported by local, regional, or state universities. The 1993-95 budget reduced this program by 50 percent. Commitments had already been made by the Professional Development Centers to student teachers for placement in the 1993-94 school year. These commitments were honored by the Superintendent of Public Instruction. But doing so nearly exhausted the biennial appropriation for this program in the first year of the biennium. This provides funding to continue this program in the second year of the biennium.

**Superintendent of Public Instruction
Institutional Education**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	22,869	8,548	31,417
1994 Supplemental Budget			
1. Enrollment Adjustment	3,251	0	3,251
2. Staff Mix Adjustment	198	0	198
Total Supplemental Items	3,449	0	3,449
1993-95 REVISED APPROPRIATION	26,318	8,548	34,866

Comments:

1. ENROLLMENT ADJUSTMENT - Estimated enrollments in institutions for juveniles are increased from 479 to 713 in the 1993-94 school year and from 426 to 713 in the 1994-95 school year. Original estimates assumed that the Green Hill Institution would close. Green Hill enrollment is estimated to be 155 students both years of the biennium. Estimates for other institutions are also revised.

2. STAFF MIX ADJUSTMENT - Staff mix refers to the experience and education of certificated instructional staff in each school district. Salary increments are paid for increased education and experience. This item revises assumptions made in the 1993-95 Appropriations Act based on actual 1993-94 school year data.

**Superintendent of Public Instruction
Education of Highly Capable Students**
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	8,983	0	8,983
1994 Supplemental Budget			
1. Enrollment Adjustment	-44	0	-44
Total Supplemental Items	-44	0	-44
1993-95 REVISED APPROPRIATION	8,939	0	8,939

Comments:

1. ENROLLMENT ADJUSTMENT - Estimated K-12 enrollment is reduced in the Office of Financial Management's December 1993 forecast. Because funding for highly capable students is based on total K-12 enrollment, state funding is reduced proportionately.

**Superintendent of Public Instruction
Transitional Bilingual Instruction**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	46,940	0	46,940
1994 Supplemental Budget			
1. Enrollment Adjustment	<u>117</u>	<u>0</u>	<u>117</u>
Total Supplemental Items	117	0	117
1993-95 REVISED APPROPRIATION	47,057	0	47,057

Comments:

1. ENROLLMENT ADJUSTMENT - Estimated bilingual enrollments are revised from 36,029 to 36,306 in 1993-94 and from 41,195 to 41,001 in 1994-95.

**Superintendent of Public Instruction
Learning Assistance Program (LAP)**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	108,456	0	108,456
1994 Supplemental Budget			
1. Enrollment Adjustment	<u>-543</u>	<u>0</u>	<u>-543</u>
Total Supplemental Items	-543	0	-543
1993-95 REVISED APPROPRIATION	107,913	0	107,913

Comments:

1. ENROLLMENT ADJUSTMENT - Workload in this program is based on the percentage of students scoring in the lowest quartile on the 4th and 8th grade tests multiplied by enrollment in the appropriate grades. The Office of Financial Management's December 1993 K-12 enrollment forecast reduces estimates of K-12 enrollments for both years of the 1993-95 Biennium, thereby reducing eligible students. In addition, actual 1993-94 test scores are incorporated.

**Superintendent of Public Instruction
Block Grants**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	47,832	0	47,832
1994 Supplemental Budget			
1. Enrollment Adjustment	-245	0	-245
Total Supplemental Items	-245	0	-245
1993-95 REVISED APPROPRIATION	47,587	0	47,587

Comments:

1. ENROLLMENT ADJUSTMENT - Block grant funds are allocated on a per student basis. Since estimated K-12 enrollments are reduced for both years of the biennium based on the Office of Financial Management's December 1993 forecast, there is a negative effect on this budget.

**Superintendent of Public Instruction
Education Reform
(Dollars in Thousands)**

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	57,990	0	57,990
1994 Supplemental Budget			
1. Added Grants for School-to-Work	750	0	750
2. Expanded Assistance for Reform	500	0	500
3. Student Learning Improvement Grants	16,934	0	16,934
Total Supplemental Items	18,184	0	18,184
1993-95 REVISED APPROPRIATION	76,174	0	76,174

Comments:

1. ADDED GRANTS FOR SCHOOL-TO-WORK - Grants for School-to-Work programs, provided as part of the 1993 education reform legislation, were awarded to 28 schools; 50 applicants were not approved for lack of funding. The next round of awards will reduce the number of unfunded programs.
2. EXPANDED ASSISTANCE FOR REFORM - Enhancement is provided to the current information and consultative assistance provided by the Center for the Improvement of Student Learning to the 296 school districts and 1,900 buildings seeking to implement the programs resulting from the 1993 education reform legislation.
3. STUDENT LEARNING IMPROVEMENT GRANTS - 1993 education reform legislation provided for student learning improvement grants of no fewer than three days and not more than five days beginning in the 1994-95 school year and five days for 1995-96 and 1996-97. The original 1993-95 budget provided three days. Chapter 245, Laws of 1994 (ESHB 2850) amends the 1993 legislation and specifies that up to four days will be provided for each of the three school years.

**Superintendent of Public Instruction
Common School Construction**

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	0	0
1994 Supplemental Budget			
1. General Fund in Lieu of Bonds	<u>15,250</u>	<u>0</u>	<u>15,250</u>
Total Supplemental Items	15,250	0	15,250
1993-95 REVISED APPROPRIATION	15,250	0	15,250

Comments:

1. GENERAL FUND IN LIEU OF BONDS - The latest Department of Natural Resources forecast of timber revenue reduces the common school construction trust fund by \$52.3 million. A one-time General Fund appropriation of \$15.3 million is provided to fund part of the shortfall. The use of general fund cash rather than bonds reduces future debt service payments. The remainder of the shortfall is made up in the capital budget through use of G.O. bonds.

Higher Education

1995-97 Budget Reductions

The Supplemental Budget directs institutions of higher education to prepare for efficiency reductions to be implemented next biennium. The planned reduction amounts are 2.4 percent of the 1993-95 general fund appropriation at the four-year institutions and 2.0 percent of the 1993-95 general fund appropriation at the community and technical colleges. These measures are anticipated to save \$39 million General Fund-State that will be directed toward higher education compensation increases in 1995-97.

Distinguished Professorships and Graduate Fellowships

The 1994 supplemental operating budget provides \$3.4 million to create endowments for 10 distinguished professors and 36 graduate fellows at the four-year institutions of higher education. This one-time expenditure of public funds will be matched with private funds to create ongoing trusts. Interest earnings from the endowment will fund grant awards for recipients.

Community and Technical College Equipment

One-time funding of \$1.0 million General Fund-State is provided for instructional equipment purchases at the community and technical colleges. Colleges will match the state funding with an equal amount of funds from private or other non-college sources.

New Community College District

A new community college district was created by chapter 217, Laws of 1994 (2SHB 2210), to address educational access needs in North King and South Snohomish counties. Funding of \$225,000 is provided for planning and operational development of the new community college, Cascadia, which will be collocated with the UW Bothell Branch campus.

Community College Faculty Salary Increments

A total of \$1.1 million General Fund-State is provided to the State Board for Community and Technical Colleges for full-time faculty salary increments.

Technical College Assessment

Additional funding of \$300,000 General Fund-State is provided to include technical colleges in assessment of student outcomes.

Christa McAuliffe Educator's Award

The Washington Award for Excellence, also known as the Christa McAuliffe Educator's Award, was modified by chapter 279, Laws of 1994 (SB 6074), in order to address future program funding shortfalls. The current shortfalls and the cost of implementing the measure are met through an additional general fund appropriation of \$362,000.

Health Benefit Savings

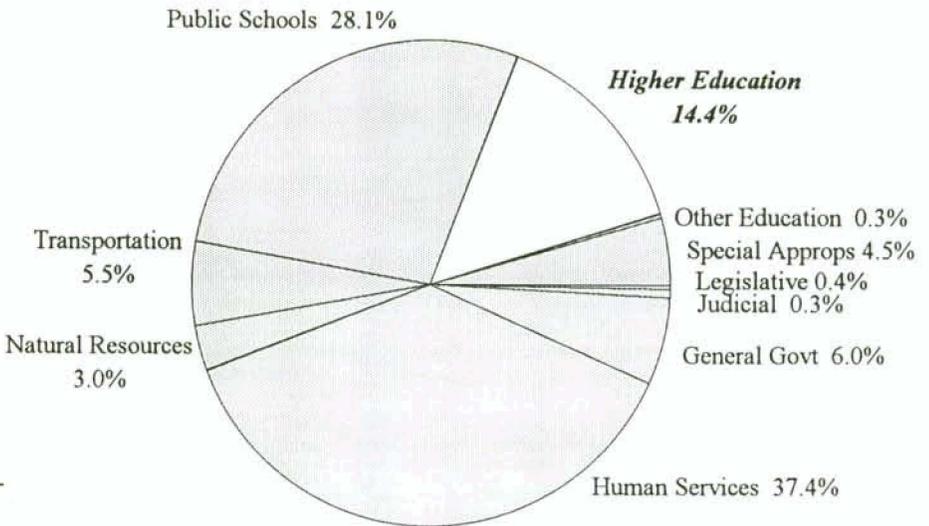
The cost of providing health insurance to higher education employees is reduced by \$12.1 million General Fund-State. The lower costs are the result of reduced medical inflation and utilization which has created a surplus in the public employees' insurance account. The budget uses this surplus to lower higher education employee health benefit premiums to \$305.32 per month. This rate will result in a continuation of existing health benefits for higher education employees, with no managed competition in the current biennium.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

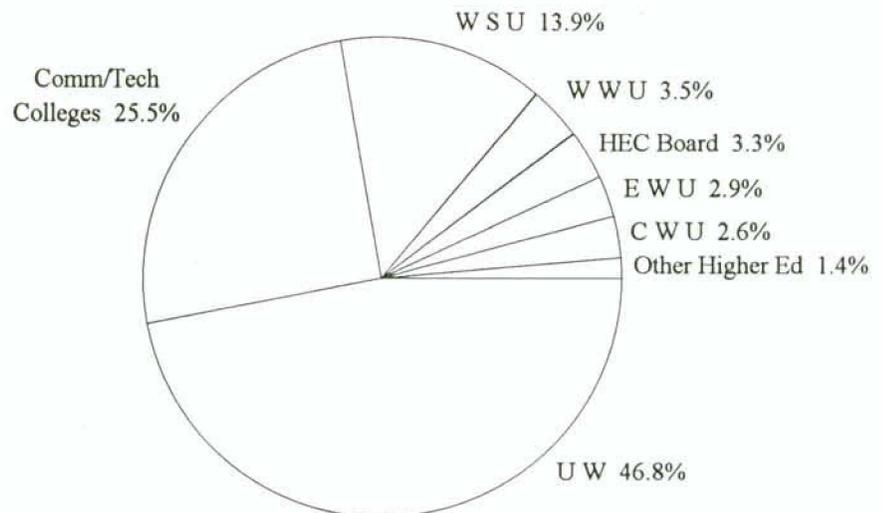
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Univ of Washington	2,024,576
Community/Tech Colleges	1,102,330
Washington State Univ	599,772
Western Washington Univ	152,939
Higher Ed Coord Board	143,698
Eastern Washington Univ	125,515
Central Washington Univ	113,374
Other Higher Education	60,852
Higher Education	4,323,056



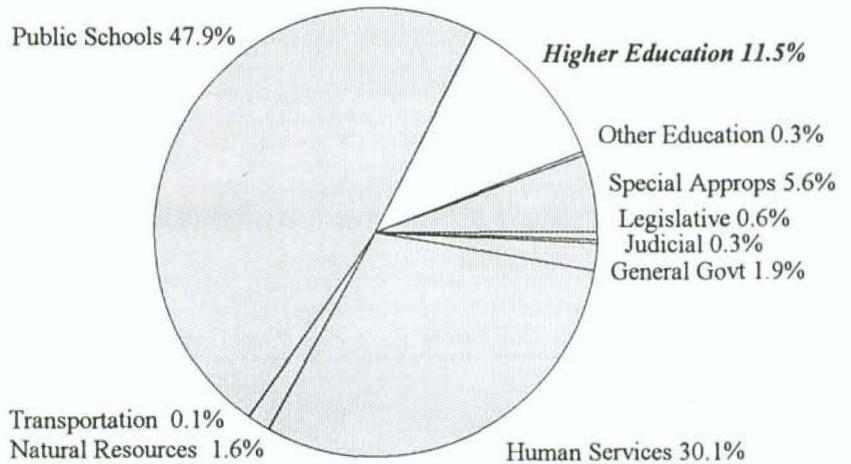
Higher Education

Washington State 1993-95 Operating Budget

General Fund - State

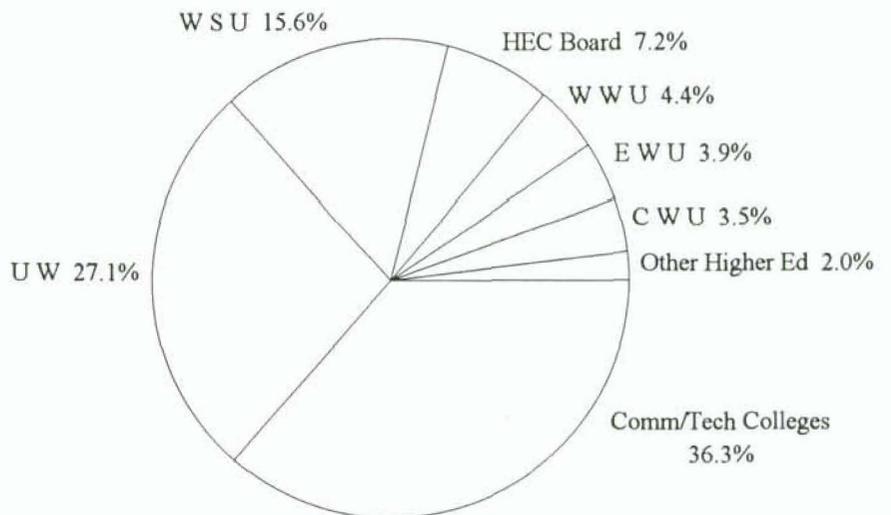
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

Community/Tech Colleges	674,899
Univ of Washington	504,130
Washington State Univ	290,554
Higher Ed Coord Board	133,926
Western Washington Univ	81,088
Eastern Washington Univ	72,252
Central Washington Univ	66,003
Other Higher Education	37,816
Higher Education	1,860,668



Higher Education

Higher Education

FTE Enrollment History

By Academic Year

	Actual Enrollment						Budgeted	
	1988	1989	1990	1991	1992	1993	1994	1995
Community & Technical Colleges *	84,304	84,392	85,896	86,015	89,787	104,145	107,670	110,386
Four Year Schools	69,562	70,314	71,075	72,566	73,071	73,699	74,884	75,676
University of Washington	29,493	29,679	29,623	30,123	30,723	31,210	31,104	31,290
Washington State University	16,035	16,025	16,590	16,777	16,452	16,685	17,243	17,385
Central Washington University	6,015	6,018	6,221	6,429	6,312	6,588	6,666	6,810
Eastern Washington University	6,872	6,924	7,214	7,417	7,360	7,533	7,429	7,573
The Evergreen State College	2,790	3,018	2,988	3,089	3,203	3,236	3,226	3,258
Western Washington University	8,357	8,650	8,439	8,731	9,021	9,139	9,216	9,360
Higher Ed Coordinating Board					7	50	50	50
Total Higher Education	153,866	154,706	156,971	158,581	162,865	178,586	182,604	186,112

NOTES:

* Enrollments for the Technical Colleges were merged into the Community College System beginning in 1993.

Data Sources:

*Actual enrollment data from OFM Higher Education Enrollment Statistics and Projections 1993-95;
Budgeted data from chapter 6, Laws of 1994, 1st sp.s. (ESSB 6244), section 601.*

Community & Technical College System

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	676,763	427,431	1,104,194
1994 Supplemental Budget			
1. Fire Protection Contracts	79	0	79
2. TC Assessment	300	0	300
3. Equipment Matching Funds	1,000	0	1,000
4. Health Benefits Savings	-4,755	0	-4,755
5. New Community College District	225	0	225
6. Faculty Increment Funding	1,140	0	1,140
7. Olympic College 2+2	147	0	147
Total Supplemental Items	-1,864	0	-1,864
1993-95 REVISED APPROPRIATION	674,899	427,431	1,102,330

Comments:

1. FIRE PROTECTION CONTRACTS - Funding is provided for fire protection contract costs for Bellingham, Whatcom, Walla Walla, and South Puget Sound community and technical colleges.
2. TC ASSESSMENT - Additional funding is provided to the State Board for Community and Technical Colleges so that technical colleges may participate in assessment of student outcomes.
3. EQUIPMENT MATCHING FUNDS - One-time funding is provided for instructional equipment. The community and technical colleges will match this funding with non-state contributions.
4. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.
5. NEW COMMUNITY COLLEGE DISTRICT - Provides funding for the initial operating expenses of Cascadia Community College, created by chapter 217, Laws of 1994 (2SHB 2210).
6. FACULTY INCREMENT FUNDING - Funding is provided to address community and technical college faculty increments for FY 95. This amount represents 1 percent of the community and technical college faculty salary base and will be distributed to institutions under the State Board guidelines. The prohibition against using vacancies savings and turnover for increments is removed.
7. OLYMPIC COLLEGE 2+2 - Funding is provided to accelerate the upper divisional course offerings at Olympic Peninsula College which are provided by the UW Tacoma Branch and Western Washington University.

University of Washington
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	507,618	1,519,896	2,027,514
1994 Supplemental Budget			
1. State Toxicology Lab	0	145	145
2. Dept of Environmental Health	0	405	405
3. Oil Spill Account Seagrant Program	0	-136	-136
4. Burke Museum	25	0	25
5. Health Benefits Savings	-3,513	0	-3,513
6. Governor Veto	0	136	136
Total Supplemental Items	-3,488	550	-2,938
1993-95 REVISED APPROPRIATION	504,130	1,520,446	2,024,576

Comments:

1. STATE TOXICOLOGY LAB - Funding is provided for the increasing costs of testing and providing expert witness testimony. These funds support an additional toxicologist and supplies (Death Investigation Account). Continuation of funding into 1995-97 is dependent on sustainable revenue to the Death Investigation Account. The Death Investigation Council is instructed to provide a plan for the implementation of a fee schedule for services provided by the State Toxicology Lab.
2. DEPT OF ENVIRONMENTAL HEALTH - Funds are provided for the one-time lease and moving costs (\$295,000) and for 2.0 FTE staff years and equipment to implement an increase for the biomonitoring lab which was authorized in 1992 (\$110,430) (Medical Aid and Accident Funds). The department receives no state general funds.
3. OIL SPILL ACCOUNT SEAGRANT PROGRAM - Due to a revenue shortfall in the Oil Spill Administration Account, funding is reduced based on priorities of the Marine Oversight Board.
4. BURKE MUSEUM - The amount of \$25,000 is provided for the Burke Museum for meeting obligations created by the federal Native American Graves Protection and Repatriation Act of 1991, and for assistance in preparing rare Oligocene period whale fossils found on the Olympic Peninsula.
5. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.
6. GOVERNOR VETO - The Governor vetoed a \$136,000 reduction in the appropriation from the Oil Spill Administration Account for the University's oil spill education program.

Washington State University

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	292,545	309,218	601,763
1994 Supplemental Budget			
1. Health Benefits Savings	-1,991	0	-1,991
Total Supplemental Items	-1,991	0	-1,991
1993-95 REVISED APPROPRIATION	290,554	309,218	599,772

Comments:

1. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

Eastern Washington University
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	72,813	53,263	126,076
1994 Supplemental Budget			
1. Health Benefits Savings	-561	0	-561
Total Supplemental Items	-561	0	-561
1993-95 REVISED APPROPRIATION	72,252	53,263	125,515

Comments:

1. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

Central Washington University

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	66,482	47,361	113,843
1994 Supplemental Budget			
1. Retrospective Rating Refund	0	10	10
2. Health Benefits Savings	-479	0	-479
Total Supplemental Items	-479	10	-469
1993-95 REVISED APPROPRIATION	66,003	47,371	113,374

Comments:

1. RETROSPECTIVE RATING REFUND - Provides appropriation authority to spend industrial insurance premium refunds payable from the Department of Labor and Industries to the University. The refunds will be used for hazardous waste management. (Industrial Insurance Premium Refund Account)

2. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

The Evergreen State College

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	37,207	22,882	60,089
1994 Supplemental Budget			
1. Health Benefits Savings	<u>-308</u>	<u>0</u>	<u>-308</u>
Total Supplemental Items	-308	0	-308
1993-95 REVISED APPROPRIATION	36,899	22,882	59,781

Comments:

1. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

Western Washington University

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	81,618	71,851	153,469
1994 Supplemental Budget			
1. Health Benefits Savings	-530	0	-530
Total Supplemental Items	-530	0	-530
1993-95 REVISED APPROPRIATION	81,088	71,851	152,939

Comments:

1. HEALTH BENEFITS SAVINGS - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

Higher Education Coordinating Board

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	130,333	9,772	140,105
1994 Supplemental Budget			
1. Christa McAuliffe Educator's Award	362	0	362
2. Program Administration Reduction	-140	0	-140
3. Distinguished Professorships	2,500	0	2,500
4. Graduate Fellowships	900	0	900
5. Health Benefits Savings	-29	0	-29
Total Supplemental Items	3,593	0	3,593
1993-95 REVISED APPROPRIATION	133,926	9,772	143,698

Comments:

1. **CHRISTA MCAULIFFE EDUCATOR'S AWARD** - The amount of \$301,000 is provided to address a shortfall in the Christa McAuliffe Educator's Award for Excellence Program. Insufficient funds were provided in 1993 to meet the growth in a statutorily required increase in award amounts and a statutorily established increase in the number of award recipients. The passage of chapter 279, Laws of 1994 (SB 6074), will result in several changes in the structure of the awards which will slow the growth in program costs. However, those changes will require an additional \$61,000 of funding in the current biennium as the changes are implemented.
2. **PROGRAM ADMINISTRATION REDUCTION** - Program administration support in the Policy Coordination and Financial Aid programs is reduced.
3. **DISTINGUISHED PROFESSORSHIPS** - Provides \$2.5 million for ten distinguished professorships: three at UW; three at WSU; and one each at EWU, CWU, WWU, and TESC. As of June 30, 1995, any funds that have not been designated as matching funds as allocated may be used by any institution that has otherwise fully utilized the professorships allocated to it. The Board will determine rules under which unmatched allocations will be awarded.
4. **GRADUATE FELLOWSHIPS** - Provides \$900,000 for 36 graduate fellowships: ten at UW; ten at WSU; and four each at EWU, CWU, WWU, and TESC. As of June 30, 1995, any funds that have not been designated as matching funds as allocated may be used by any four-year institution under rules established by the Higher Education Coordinating Board.
5. **HEALTH BENEFITS SAVINGS** - The funding for health benefits for higher education employees is reduced as part of a statewide reduction in health benefit costs. For additional information regarding the statewide reduction, see the comments for employee benefits in the special appropriations section.

Governor's Vetoes:

The Governor vetoed section 610(5)(a), which authorizes \$249,000 of current financial aid funding to be used for post-secondary education resources centers under the early intervention scholarship program.

Joint Center for Higher Education

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	711	154	865
1994 Supplemental Budget			
1. Additional Operating Support	<u>206</u>	<u>0</u>	<u>206</u>
Total Supplemental Items	206	0	206
1993-95 REVISED APPROPRIATION	917	154	1,071

Comments:

1. ADDITIONAL OPERATING SUPPORT - Funds are provided for operation and maintenance of the Spokane Intercollegiate Research and Technology Institute (SIRTI) building that will come on line in July 1994. One time funding of \$30,000 is provided to complete the purchase of telecommunications and other equipment.

Other Education

Compact for Education

In the original 1993-95 biennial budget, funding was eliminated for Washington State's dues in the Education Commission of the States (ECS). Because existing law requires prior notification before any state can withdraw from the compact, funding for current biennium dues are restored in the Supplemental Budget. Budget bill proviso language, however, requires the Governor to give notice of withdrawal from the compact by June 30, 1994, and repeals the compact for education statute.

Higher Education Personnel Board Funding

Consistent with chapter 281, Laws of 1993 (ESHB 2054), funding for the Higher Education Personnel Board (HEPB) is merged with the Department of Personnel.

Prison Library Facilities

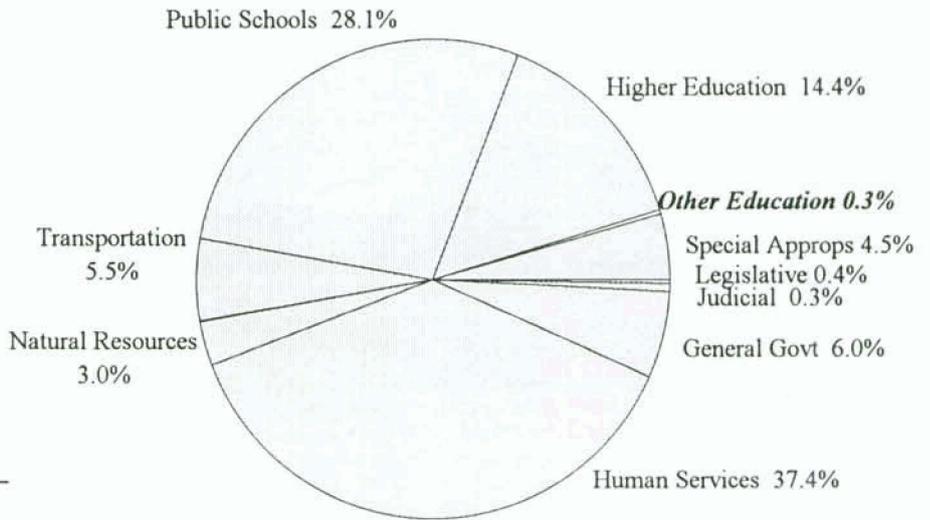
The Department of Corrections is scheduled to open a new facility at Airway Heights in November 1994. Funding of \$210,000 is provided to establish a state library branch at the new prison.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

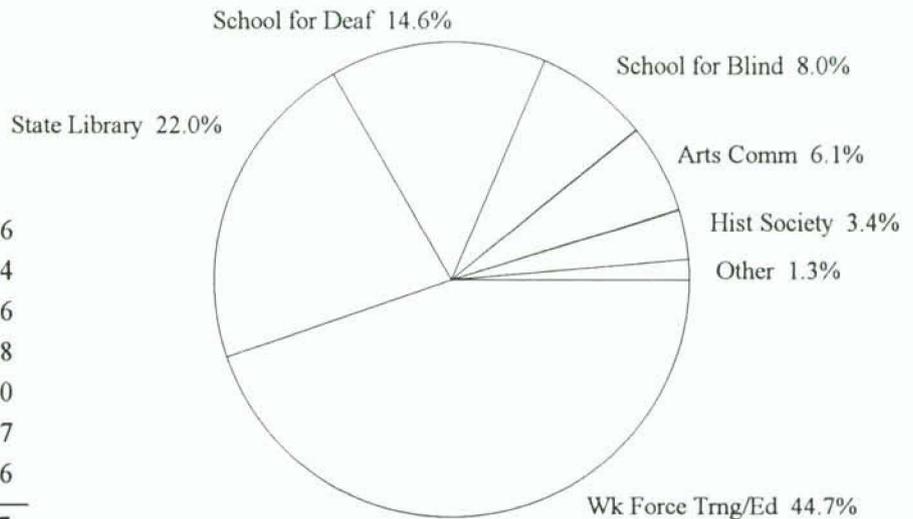
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
<i>Other Education</i>	<i>86,387</i>
Special Appropriations	1,348,012
Statewide Total	29,927,096



Washington State

Work Force Trng & Ed	38,596
State Library	19,014
School for the Deaf	12,606
School for the Blind	6,888
Arts Commission	5,230
State Historical Society	2,967
Other	1,086
<i>Other Education</i>	<i>86,387</i>



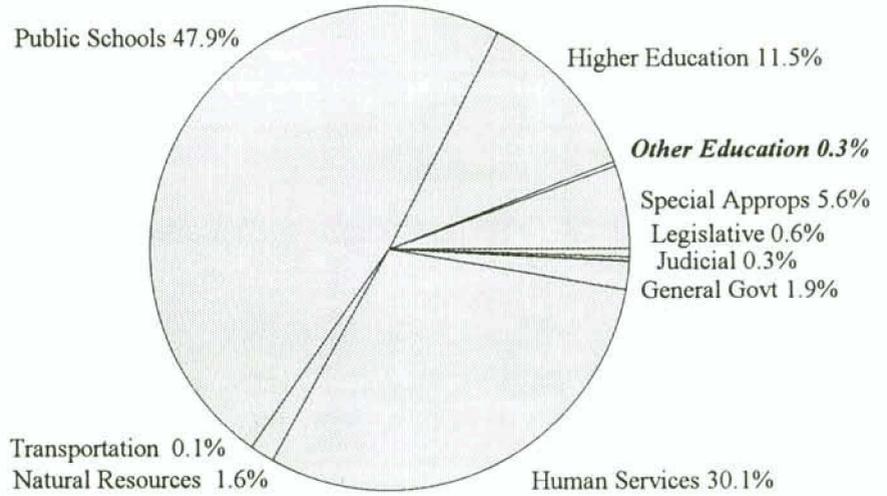
Other Education

Washington State 1993-95 Operating Budget

General Fund - State

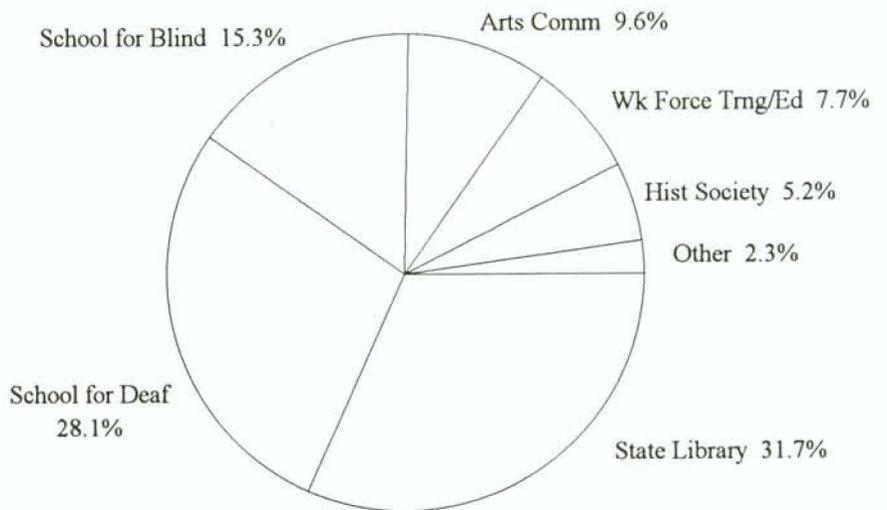
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Legislative	101,321
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Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
Special Appropriations	913,917
Statewide Total	16,205,370



Washington State

State Library	14,172
School for the Deaf	12,557
School for the Blind	6,855
Arts Commission	4,296
Work Force Trng & Ed	3,447
State Historical Society	2,325
Other	1,010
Other Education	44,662



Other Education

Compact for Education
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	0	0
1994 Supplemental Budget			
1. ECS Dues	<u>119</u>	<u>0</u>	<u>119</u>
Total Supplemental Items	119	0	119
1993-95 REVISED APPROPRIATION	119	0	119

Comments:

1. ECS DUES - Provides for required annual dues to the Education Commission of the States (ECS) under the terms of RCW 28A.695 (Compact for Education). Article VIII states "...any party State may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing State has given notice in writing of the withdrawal to the Governors of all other party States. No withdrawal shall affect any liability already incurred by or chargeable to a party State prior to the time of such withdrawal." The legislative budget restores funding for the current biennium, but also requires the Governor to give notice of withdrawal from the compact by June 30, 1994, and repeals the compact for education statute.

Work Force Training & Education Coordinating Board

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	3,517	35,149	38,666
1994 Supplemental Budget			
1. Efficiency Initiatives	-70	0	-70
Total Supplemental Items	-70	0	-70
1993-95 REVISED APPROPRIATION	3,447	35,149	38,596

Comments:

1. EFFICIENCY INITIATIVES - Reduces funding from the General Fund-State by 2 percent.

State Library
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	14,062	4,842	18,904
1994 Supplemental Budget			
1. Airway Heights Library Branch	210	0	210
2. Administrative Support Reduction	-52	0	-52
3. Fircrest School Branch Reduction	-48	0	-48
Total Supplemental Items	110	0	110
1993-95 REVISED APPROPRIATION	14,172	4,842	19,014

Comments:

1. AIRWAY HEIGHTS LIBRARY BRANCH - The Department of Corrections is scheduled to open a new facility at Airway Heights in November 1994. These funds establish a library branch at the new prison.
2. ADMINISTRATIVE SUPPORT REDUCTION - Administrative support services are reduced.
3. FIRCREST SCHOOL BRANCH REDUCTION - Fircrest School library branch funding is reduced. The State Library will continue providing reduced services at the Fircrest branch through the main library.

Washington State Arts Commission

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	4,274	934	5,208
1994 Supplemental Budget			
1. Administrative Reduction	-28	0	-28
2. Arts Preservation	50	0	50
Total Supplemental Items	22	0	22
1993-95 REVISED APPROPRIATION	4,296	934	5,230

Comments:

1. ADMINISTRATIVE REDUCTION - The Arts Commission's administrative program is reduced by a net \$28,000.
2. ARTS PRESERVATION - Funding is provided to support the Commission's arts preservation efforts. Services supported include: condition assessment and repair; and preservation of the State's arts investment.

Washington State Historical Society

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	2,321	642	2,963
1994 Supplemental Budget			
1. General Reductions	-42	0	-42
2. Facility and Services Adjustments	21	0	21
3. Early Hire of Facilities Supervisor	25	0	25
Total Supplemental Items	4	0	4
1993-95 REVISED APPROPRIATION	2,325	642	2,967

Comments:

1. GENERAL REDUCTIONS - The reductions are a combination of: late implementation of computer connections between Olympia and Tacoma; a salary reduction; reduction of supplies and travel; and elimination of funding for history programming.
2. FACILITY AND SERVICES ADJUSTMENTS - This addition corrects the billing discrepancy related to the Facility and Services charges.
3. EARLY HIRE OF FACILITIES SUPERVISOR - Funds will be used to hire a facilities supervisor for the new museum which is under construction. Facilities supervisor will be on-site during the last six months of the 1993-95 Biennium.

Eastern Washington State Historical Society

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	873	76	949
1994 Supplemental Budget			
1. Energy Expenditures	18	0	18
Total Supplemental Items	18	0	18
1993-95 REVISED APPROPRIATION	891	76	967

Comments:

1. ENERGY EXPENDITURES - Funding is provided to cover increased energy costs associated with the retrofitted environmental system installed in the museum during the previous biennium.

State School for the Deaf

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	12,566	40	12,606
1994 Supplemental Budget			
1. Retrospective Rating Adjustment	0	9	9
2. Equipment Reduction	-9	0	-9
Total Supplemental Items	-9	9	0
1993-95 REVISED APPROPRIATION	12,557	49	12,606

Comments:

1. RETROSPECTIVE RATING ADJUSTMENT - The retrospective rating refund of \$9,000 from the Industrial Insurance Premium Refund Account may be used to offset a General Fund-State reduction for equipment.
2. EQUIPMENT REDUCTION - The General Fund-State equipment budget is reduced by \$9,000. However, a refund of \$9,000 received by the school may be used to offset the reduction.

State School for the Blind

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	6,862	26	6,888
1994 Supplemental Budget			
1. Reduce Equipment	-7	0	-7
2. Retrospective Rate Refund	<u>0</u>	<u>7</u>	<u>7</u>
Total Supplemental Items	-7	7	0
1993-95 REVISED APPROPRIATION	6,855	33	6,888

Comments:

1. REDUCE EQUIPMENT - The General Fund-State equipment budget is reduced by \$7,000. However, the \$7,000 refund received by the school may be used to offset the reduction.
2. RETROSPECTIVE RATE REFUND - The \$7,000 refund from the Industrial Insurance Premium Refund Account received by the school may be used to offset an equivalent reduction in the equipment budget.

Higher Education Personnel Board

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	0	1,898	1,898
1994 Supplemental Budget			
1. Move HEPB to DOP	0	-1,898	-1,898
Total Supplemental Items	0	-1,898	-1,898
1993-95 REVISED APPROPRIATION	0	0	0

Comments:

1. MOVE HEPB TO DOP - Last session legislation was enacted that merged the HEPB with the Department of Personnel (DOP). This item reflects that change. (Higher Education Personnel Service Account)

Special Appropriations

Debt Service Savings

The Supplemental Budget reduces current biennium appropriations for bond retirement and interest by \$29.2 million General Fund-State. These savings result from recent favorable interest rates that have allowed the refinancing of outstanding debt and the acquisition of new debt at lower than anticipated costs. In the 1995-97 biennium, these savings will be continued and supplemented with an additional \$3.4 million in General Fund-State savings which will result from replacing bonds with cash in the trust land transfer program. This program provides funds to the Common School Construction Fund through purchases of environmentally sensitive lands.

Health Benefit Savings

The cost of providing health insurance to state employees is reduced by \$14 million General Fund-State. The lower costs are the result of reduced medical inflation and utilization which has created a surplus in the public employees' insurance account. The budget uses this surplus to lower state employee health benefit premiums to \$305.32 per month. This rate will result in a continuation of existing health benefits for state employees, with no managed competition in the current biennium.

Health Benefit Equity for Retired K-12 and State Employees

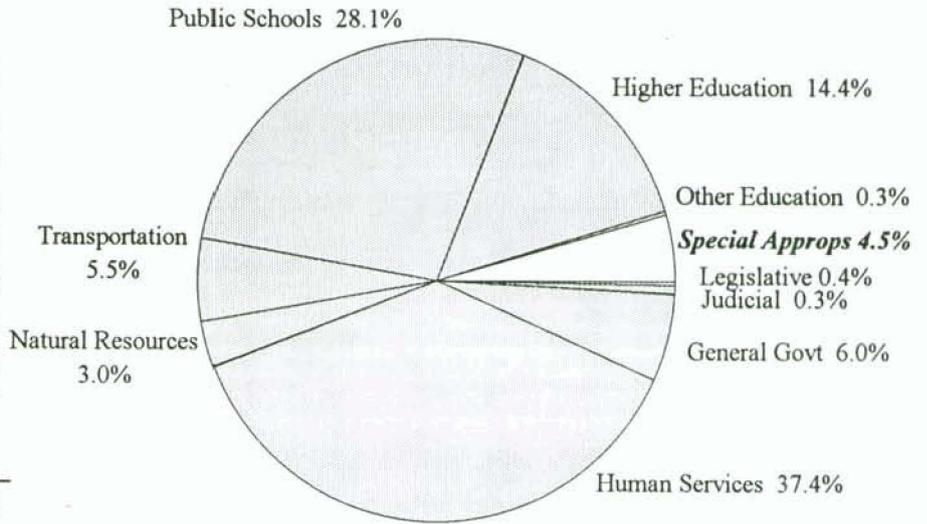
The Supplemental Budget reflects the enactment of chapter 153, Laws of 1994 (SB 6605), which reconfigures the existing public employee risk pools, resulting in greater equity between state retirees and K-12 retirees. K-12 retirees under age 65 will join state retirees under age 65 in the larger state employee risk pool, effective January 1, 1995. Their premiums will be subsidized through pooling with younger and generally healthier employees. K-12 and state Medicare-eligible retirees will be placed in a separate risk pool, and their subsidy will be increased. The Health Care Authority is also directed to increase the existing subsidy for K-12 retirees prior to the reconfiguration of the risk pools in the supplemental budget.

Washington State 1993-95 Operating Budget

Total Budgeted Funds

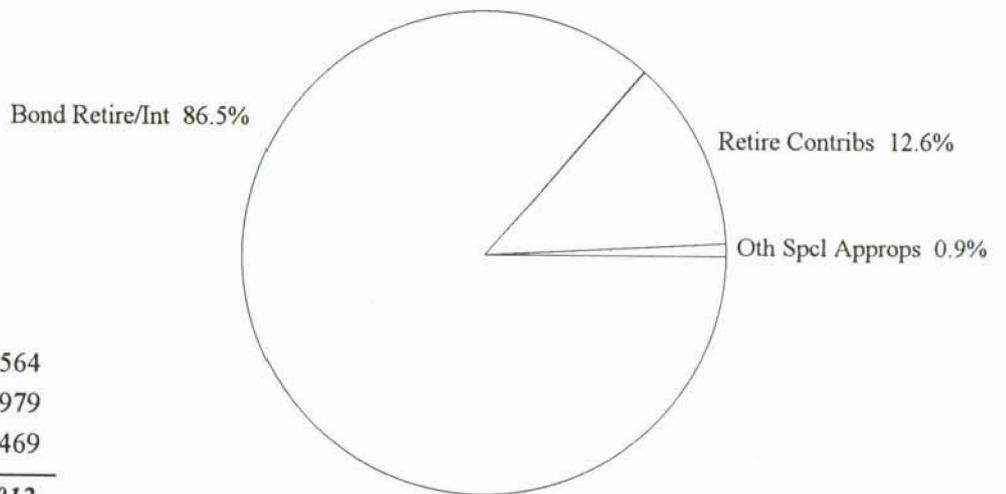
(Dollars in Thousands)

Legislative	108,358
Judicial	103,365
General Government	1,798,367
Human Services	11,199,948
Natural Resources	906,953
Transportation	1,639,958
Public Schools	8,412,692
Higher Education	4,323,056
Other Education	86,387
<i>Special Appropriations</i>	<i>1,348,012</i>
Statewide Total	29,927,096



Washington State

Bond Retirement/Interest	1,165,564
Retirement Contributions	169,979
Other Special Approps	12,469
<i>Special Appropriations</i>	<i>1,348,012</i>



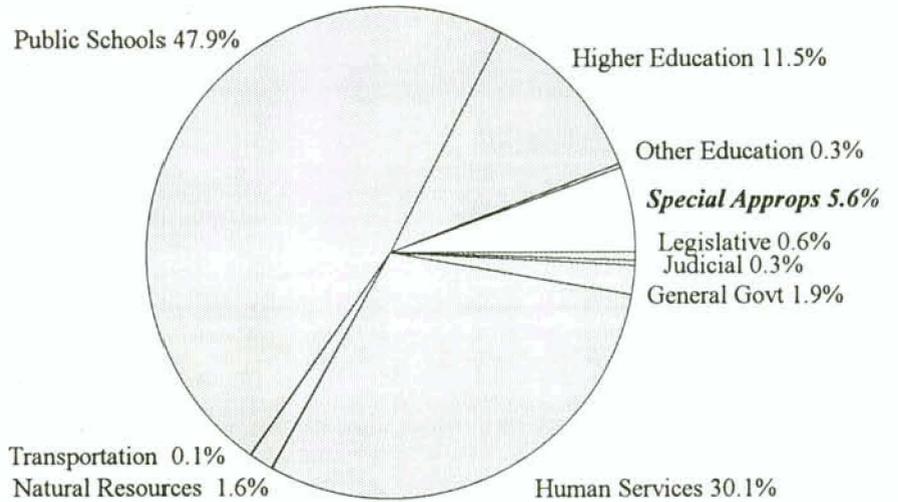
Special Appropriations

Washington State 1993-95 Operating Budget

General Fund - State

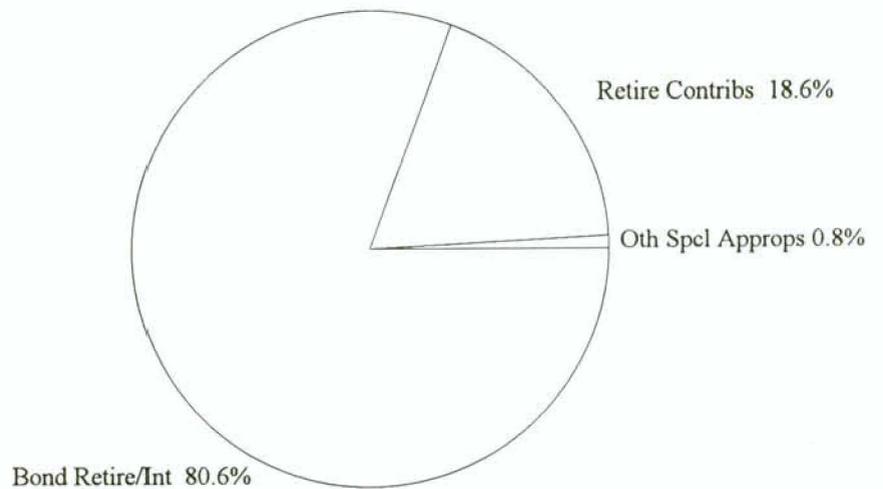
(Dollars in Thousands)

Legislative	101,321
Judicial	55,359
General Government	308,861
Human Services	4,882,843
Natural Resources	263,032
Transportation	18,065
Public Schools	7,756,642
Higher Education	1,860,668
Other Education	44,662
<i>Special Appropriations</i>	<i>913,917</i>
Statewide Total	16,205,370



Washington State

Bond Retirement/Interest	736,358
Retirement Contributions	169,979
Other Special Approps	7,580
<i>Special Appropriations</i>	<i>913,917</i>



Special Appropriations

Special Appropriations to the Governor

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	13,194	11,387	24,581
1994 Supplemental Budget			
1. Reduce Emergency Travel Pool	-3,090	0	-3,090
2. Regulatory Reform	200	0	200
3. Reprogram Mainframe Computers	656	3,273	3,929
Total Supplemental Items	-2,234	3,273	1,039
1993-95 REVISED APPROPRIATION	10,960	14,660	25,620

Comments:

1. REDUCE EMERGENCY TRAVEL POOL - The 1993-95 appropriations bill included funds for allocation to agencies that could not reasonably sustain the travel cuts made in the legislative budget. After assessing the need for this appropriation and making one allocation, the balance is being taken as a reduction.
2. REGULATORY REFORM - Funds are provided to allocate to state agencies for costs associated with implementing chapter 249, Laws of 1994 (E2SHB 2510 -- regulatory reform).
3. REPROGRAM MAINFRAME COMPUTERS - Funds are provided to reprogram mainframe computers in various agencies in which software programs and operating systems are out-of-date or no longer supported by the vendors. This funding has been consolidated in Special Appropriations for allocation to state agencies upon approval of the agency spending plan.

Bond Retirement & Interest

(Dollars in Thousands)

	GF-S	Other	Total
1993-95 ORIGINAL APPROPRIATION	765,533	424,248	1,189,781
1994 Supplemental Budget			
1. Debt Service Savings	-29,175	-654	-29,829
2. Technical Changes	0	5,612	5,612
Total Supplemental Items	-29,175	4,958	-24,217
1993-95 REVISED APPROPRIATION	736,358	429,206	1,165,564

Comments:

1. DEBT SERVICE SAVINGS - Since the 1993-95 debt service budget was calculated, interest rates have dropped significantly. Current debt service estimates assume interest rates on state bonds sold over the next year will be at or below 5.5 percent. In addition, successful bond refinancings have further reduced debt service costs in the 1993-95 Biennium. (Other Funds: State Building Bond Redemption 1967 Account)
2. TECHNICAL CHANGES - Technical changes are required to align appropriation authority with refunding actions and necessary bond sale expenses.

Belated Claims
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	0	0	0
1994 Supplemental Budget			
1. 1993-95 Belated Claims Estimate	<u>0</u>	<u>971</u>	<u>971</u>
Total Supplemental Items	0	971	971
1993-95 REVISED APPROPRIATION	0	971	971

Comments:

1. 1993-95 BELATED CLAIMS ESTIMATE - Appropriations are made from various dedicated funds and accounts to reimburse the General Fund for belated claims paid in prior fiscal periods.

Sundry Claims
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	1,950	0	1,950
1994 Supplemental Budget			
1. Wildlife Damage Claims	0	69	69
2. Self-defense Claims	36	0	36
Total Supplemental Items	36	69	105
1993-95 REVISED APPROPRIATION	1,986	69	2,055

Comments:

1. WILDLIFE DAMAGE CLAIMS - Funds are provided to pay for damage to crops by deer and elk. (Wildlife Account)
2. SELF-DEFENSE CLAIMS - Four claims have been recommended by the Division of Risk Management for reimbursement of the defendants' legal costs in criminal prosecutions in which acquittal was made on the basis of self defense. Reimbursement is made pursuant to RCW 9A.16.110.

State Employee Compensation Adjustments

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	4,093	6,292	10,385
1994 Supplemental Budget			
1. Health Benefits Reduction	<u>-14,009</u>	<u>-17,103</u>	<u>-31,112</u>
Total Supplemental Items	-14,009	-17,103	-31,112
1993-95 REVISED APPROPRIATION	-9,916	-10,811	-20,727

Comments:

1. HEALTH BENEFITS REDUCTION - The funding for health benefits for state employees is reduced because estimated medical inflation has changed from 13.5 percent to 8.5 percent. Health benefits funding is further reduced by using \$40 million of an existing \$51 million surplus to lower rates. Of the remaining surplus, \$4.2 million is used to pay the increased costs resulting from delaying managed competition until next biennium.

Agency Loans
(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
1993-95 ORIGINAL APPROPRIATION	7,380	0	7,380
1994 Supplemental Budget			
1. Eliminate Loan to Convention Center	-2,830	0	-2,830
Total Supplemental Items	-2,830	0	-2,830
1993-95 REVISED APPROPRIATION	4,550	0	4,550

Comments:

1. ELIMINATE LOAN TO CONVENTION CENTER - Increased revenue from the hotel/motel tax allows the state to eliminate its General Fund loan to the State Convention and Trade Center for the 1993-95 Biennium.

Capital Budget

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1994 Supplemental Capital Budget Legislative Overview

NEW APPROPRIATIONS

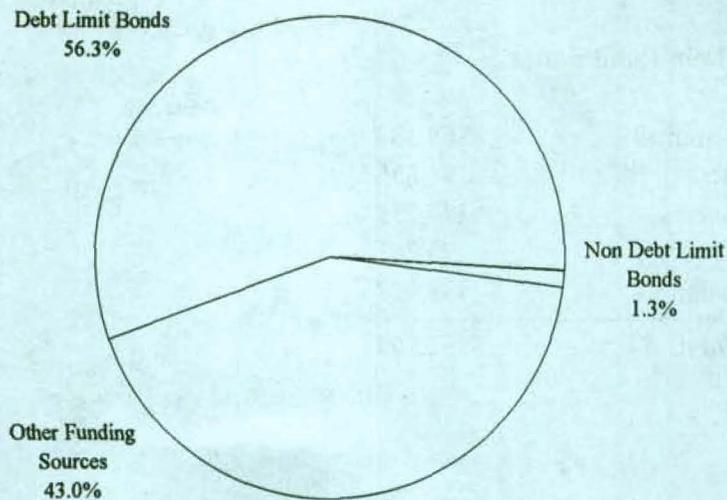
The 1994 supplemental capital budget reduces the amount of new appropriations made in the 1993-95 capital budget from \$1,713.4 million to \$1,691.4 million for a net reduction of \$22.1 million. The amount of general fund supported bonds increases by \$17.3 million while other funding sources are reduced by \$39.4 million. The increase in general fund supported bonds is composed of numerous reductions which are offset by an increase of \$37.0 million to support common school construction. This funding is necessary due to a downturn in the common school timber revenue forecast which fell by a total of \$52.3 million in the period between the passage of the original 1993-95 capital budget and the 1994 supplemental capital budget. The supplemental capital budget appropriation of \$37.0 million, combined with a general fund supplemental operating budget appropriation of \$15.3 million, replaced the lost timber revenues for school construction. (See also chapter 6, Laws of 1994, 1st sp.s. (ESSB 6244), section 516.)

REAPPROPRIATIONS

The supplemental capital budget made numerous adjustments to update the 1993-95 reappropriations. Reappropriation adjustments fall into two categories: technical adjustments to reflect updated data on unspent funds remaining from previous appropriations; and policy reductions that reflect a decision to eliminate or reduce the funds available for an existing project. The 1994 supplemental capital budget made policy reductions to reappropriations totaling \$5.1 million including \$1.2 million in general fund supported bonds. These 1994 policy reappropriation reductions are in addition to the \$33.0 million in policy reappropriation reductions enacted during the 1993 session.

FUNDING SOURCES

	<u>1993-95 Budget</u>	<u>1994 Supplemental</u>	<u>1993-95 Total</u>
New Appropriations:			
General Fund Debt Limit Bonds	\$935,562,564	\$17,346,595	\$952,909,159
Non Debt Limit Bonds	21,500,000	0	21,500,000
Other Funding Sources	756,366,690	(39,412,149)	716,954,541
Total	<u>\$1,713,429,254</u>	<u>(\$22,065,554)</u>	<u>\$1,691,363,700</u>
Reappropriations - Policy Reductions:			
General Fund Debt Limit Bonds	(\$33,020,513)	(\$1,245,000)	(\$34,265,513)
Non Debt Limit Bonds	0	0	0
Other Funding Sources	0	(3,833,327)	(3,833,327)
Total	<u>(\$33,020,513)</u>	<u>(\$5,078,327)</u>	<u>(\$38,098,840)</u>
Effective Total:			
General Fund Debt Limit Bonds	\$902,542,051	\$16,101,595	\$918,643,646
Non Debt Limit Bonds	21,500,000	0	21,500,000
Other Funding Sources	756,366,690	(43,245,476)	713,121,214
Total	<u>\$1,680,408,741</u>	<u>(\$27,143,881)</u>	<u>\$1,653,264,860</u>



	Amount	Percentage
Debt Limit Bonds	\$952,909,159	56.3%
Non Debt Limit Bonds	21,500,000	1.3%
Other Funding Sources	716,954,541	42.4%
Total	\$1,691,363,700	100.0%

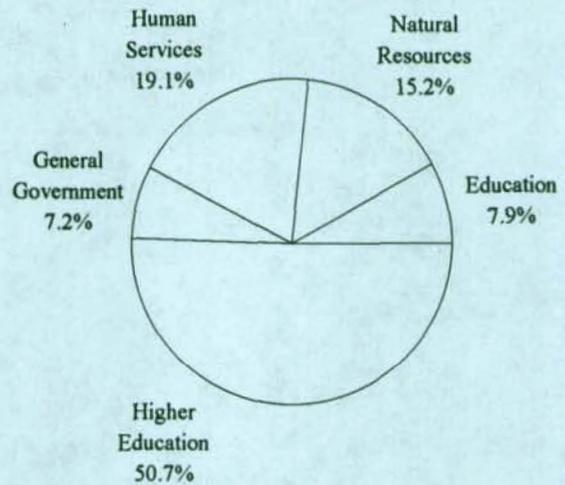
FUNCTIONAL AREAS

The supplemental capital budget was divided among the following functional areas of state government. It should be noted that there is a shift of \$20.7 million in appropriation authority for the Bothell Branch Campus from the University of Washington to the Office of Financial Management. This shift causes the apparent large increase in General Government capital funding. In reality, those funds are still earmarked for Higher Education.

	1993-95 Budget	1994 Supplemental	1993-95 Total
New Appropriations:			
General Government	\$71,674,548	\$19,391,046	\$91,065,594
Human Services	298,661,682	(2,085,419)	296,576,263
Natural Resources	485,857,578	(14,344,980)	471,512,598
Education	271,405,203	(15,265,200)	256,140,003
Higher Education	585,830,243	(9,761,001)	576,069,242
Total	<u>\$1,713,429,254</u>	<u>(\$22,065,554)</u>	<u>\$1,691,363,700</u>

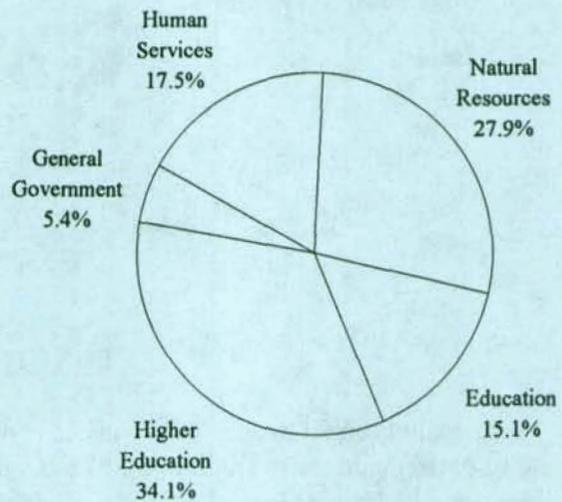
Debt Limit Bonds

General Government	\$68,133
Human Services	181,835
Natural Resources	144,733
Education	75,261
Higher Education	482,947
Statewide Total	\$952,909



Total New Appropriations

General Government	\$91,066
Human Services	296,576
Natural Resources	471,513
Education	256,140
Higher Education	576,069
Statewide Total	\$1,691,364



STATUTORY CITATIONS

The supplemental capital budget passed as SSB 6243 and became chapter 308, Laws of 1994. No additional bond authorization legislation was necessary to support the supplemental appropriations.

The legislature also passed ESHB 2237 (chapter 219, Laws of 1994) which continues the Legislature's ongoing efforts to improve the capital budget process and management of state facilities. For more information on ESHB 2237, see the 1994 Final Legislative Report.

1994 Supplemental Capital Budget -- SSB 6243
New Projects & Reprioritizations

	Governor		Legislature		Difference	
	State Bonds	Other Funds	State Bonds	Other Funds	State Bonds	Other Funds
GENERAL GOVERNMENT						
Office of Financial Management						
New Higher Education Site (from UW)	23,000,000	0	20,710,000	0	-2,290,000	0
Department of General Administration						
Tumwater Land Acquisition	-334,954	0	-334,954	0	0	0
Capital Campus Preservation	0	0	-2,818,000	2,818,000	-2,818,000	2,818,000
Legislative Bldg Preservation	0	0	-304,000	304,000	-304,000	304,000
Temple of Justice Preservation	0	0	-147,000	147,000	-147,000	147,000
Office Bldg 2 Preservation	0	0	-250,000	250,000	-250,000	250,000
Employ Security Bldg Preservation	0	0	-74,000	74,000	-74,000	74,000
Lacey Light Industrial Park Acquisition	-1,100,000	0	-1,034,000	0	66,000	0
Facility Collocation (Spokane, Tacoma, Pt Angeles)	0	0	115,000	0	115,000	0
Total	-1,434,954	0	-4,846,954	3,593,000	-3,412,000	3,593,000
Military Department						
Statewide Preservation	-52,000	0	-52,000	0	0	0
Yakima Armory Predesign	52,000	0	52,000	0	0	0
Total	0	0	0	0	0	0
Court of Appeals						
Vault Enlargement	0	0	-65,000	0	-65,000	0
TOTAL GENERAL GOVERNMENT	21,565,046	0	15,798,046	3,593,000	-5,767,000	3,593,000
HUMAN SERVICES						
Department of Community Development						
Housing Assistance - Developmental Disabilities	0	0	3,000,000	1,000,000	3,000,000	1,000,000
Housing Assistance - Youth Shelters	0	0	1,000,000	1,000,000	1,000,000	1,000,000
Total	0	0	4,000,000	2,000,000	4,000,000	2,000,000
Department of Social and Health Services						
Eastern WA Psychiatric Triage Unit	0	0	1,000,000	0	1,000,000	0
Western State Hospital Security Improvements	0	0	400,000	0	400,000	0
Maple Lane: Fire Safety/Sewer Improvements	470,000	0	470,000	0	0	0
Maple Lane: 64 Bed Level One Security Facility	785,600	0	785,600	0	0	0
Naselle Youth Camp	0	0	282,000	0	282,000	0
DJR Master Plan Development (1)	200,000	0	0	0	-200,000	0
Total	1,455,600	0	2,937,600	0	1,482,000	0
Department of Health						
Laboratory Expansion Phase II	-12,470,951	0	-12,470,951	0	0	0
Ground Water Monitoring Pilot Project	0	0	0	2,060,000	0	2,060,000
Total	-12,470,951	0	-12,470,951	2,060,000	0	2,060,000
Department of Veterans' Affairs						
Roosevelt Hall: Sprinkler Installation	0	70,000	0	70,000	0	0
Retsil Laundry Room Improvements	0	120,000	0	90,000	0	-30,000
Soldiers Home HVAC	0	0	837,057	-837,057	837,057	-837,057
Veterans Home HVAC	0	0	1,246,611	-1,246,611	1,246,611	-1,246,611
Retsil Heating System (2)	250,000	0	250,000	0	0	0
Total	250,000	190,000	2,333,668	-1,923,668	2,083,668	-2,113,668

(1) Note: The appropriation for the master plan was included in the operating budget (SSB 6244).

(2) Note: SSB 6243 appropriated \$700,000 of which \$450,000 is a reauthorization of a lapsed appropriation.

1994 Supplemental Capital Budget -- SSB 6243
New Projects & Reprioritizations

	Governor		Legislature		Difference	
	State Bonds	Other Funds	State Bonds	Other Funds	State Bonds	Other Funds
Department of Corrections						
Monroe Correctional Center Savings	0	0	-1,262,068	0	-1,262,068	0
Yakima Pre-Release Remodel	240,000	0	240,000	0	0	0
Total	240,000	0	-1,022,068	0	-1,262,068	0
TOTAL HUMAN SERVICES	-10,525,351	190,000	-4,221,751	2,136,332	6,303,600	1,946,332
NATURAL RESOURCES						
Department of Ecology						
Water Pollution Control Facility Loans	0	-8,508,980	0	-8,508,980	0	0
State Parks						
Trustland Transfer Program: Fund Switch (3)	0	0	-15,000,000	0	-15,000,000	0
Iron Horse Trail Acquisition	0	0	70,000	0	70,000	0
Total	0	0	-14,930,000	0	-14,930,000	0
Interagency Committee for Outdoor Recreation						
Mt. Spokane Trail Development, Federal Funds	0	100,000	0	125,000	0	25,000
Department of Fisheries						
Fish Rearing Pond Sites	0	300,000	0	300,000	0	0
Department of Wildlife						
Warm Water Fish Facility	0	0	-608,000	38,000	-608,000	38,000
Regional Office Construction	0	0	38,000	-38,000	38,000	-38,000
Mt St Helens Rearing Ponds (from DOT)	0	0	370,000	0	370,000	0
Fishing Access Area Development	0	-761,000	0	-761,000	0	0
Total	0	-761,000	-200,000	-761,000	-200,000	0
Department of Transportation						
Mt St Helens Rearing Ponds (to Wildlife)	0	0	-370,000	0	-370,000	0
Department of Natural Resources						
Watershed Restoration Partnership Program (transfer of funds & creation of program, see operating budget for appropriation)	0	0	0	10,000,000	0	10,000,000
TOTAL NATURAL RESOURCES	0	-8,869,980	-15,500,000	1,155,020	-15,500,000	10,025,000
EDUCATION						
State Board of Education						
Common School Construction: Fund Switch (4)	15,250,000	-15,250,000	37,000,000	-52,300,000	21,750,000	-37,050,000
Washington State Historical Society						
Boiler Replacement	25,800	0	14,000	0	-11,800	0
Eastern Washington State Historical Society						
Cheney Cowles Museum: Emergency Repairs	20,800	0	20,800	0	0	0
TOTAL EDUCATION	15,296,600	-15,250,000	37,034,800	-52,300,000	21,738,200	-37,050,000

(3) Note: \$15.0 million in general fund money was included in the operating budget (SSB 6244) to replace this amount.

(4) Note: \$15.3 million in general fund money was included in the operating budget (SSB 6244). When combined with the \$37.0 million in the capital budget, the full \$52.3 million was restored for school construction.

1994 Supplemental Capital Budget -- SSB 6243
New Projects & Reprioritizations

	Governor		Legislature		Difference	
	State Bonds	Other Funds	State Bonds	Other Funds	State Bonds	Other Funds
HIGHER EDUCATION						
University of Washington						
Branch Campus (to OFM)	-23,000,000	0	-23,000,000	0	0	0
Bothell Branch Campus	0	0	0	2,290,000	0	2,290,000
Parrington Hall Renovation	0	0	0	3,513,499	0	3,513,499
Total	-23,000,000	0	-23,000,000	5,803,499	0	5,803,499
Washington State University						
Veterinary Teaching Hospital Construction	8,950,500	0	7,110,500	0	-1,840,000	0
Central Washington University						
Animal Research Facility Lawsuit	0	200,000	0	200,000	0	0
Hertz Hall Emergency Repairs	125,000	0	125,000	0	0	0
Total	125,000	200,000	125,000	200,000	0	0
TOTAL HIGHER EDUCATION	-13,924,500	200,000	-15,764,500	6,003,499	-1,840,000	5,803,499

New Appropriations:						
Statewide Total	12,411,795	-23,729,980	17,346,595	-39,412,149	4,934,800	-15,682,169
Total All Funds	-11,318,185		-22,065,554		-10,747,369	

REAPPROPRIATION POLICY ADJUSTMENTS

Department of General Administration						
Highway License Building	0	0	-1,050,000	0	-1,050,000	0
Energy Office						
Energy Partnerships Reappropriation	0	-2,000,000	0	-2,000,000	0	0
State Parks and Recreation Commission						
Ocean Beach Access	0	0	0	-286,195	0	-286,195
Westhaven Facility Repair	0	0	-70,000	0	-70,000	0
Total	0	0	-70,000	-286,195	-70,000	-286,195
Department of Wildlife						
Grandy Creek Hatchery	-4,000,000	0	0	0	4,000,000	0
University of Washington						
Denny Hall Renovation	0	0	0	-1,547,132	0	-1,547,132
Central Washington University						
Barge Hall Remodel	-125,000	0	-125,000	0	0	0

Reappropriations:						
Statewide Total	-4,125,000	-2,000,000	-1,245,000	-3,833,327	2,880,000	-1,833,327
Total All Funds	-6,125,000		-5,078,327		1,046,673	

New Appropriations and Reappropriations:						
Statewide Total	8,286,795	-25,729,980	16,101,595	-43,245,476	7,814,800	-17,515,496
Total All Funds	-17,443,185		-27,143,881		-9,700,696	

1994 Supplemental Capital Budget

Legislative Additions and Changes to Governor Lowry's Capital Budget Request

INTRODUCTION

The project descriptions provided below are intended to be used in conjunction with the descriptions provided with the Governor Gardner 1993-95 proposed Capital Plan, the Governor Lowry 1994 Supplemental Capital Budget and the 1993 Legislative Budget Notes. This section describes projects which were added to the Governor Lowry proposed 1994 supplemental capital budget. It also describes significant legislative modifications to the Governor's request or to the original 1993-95 capital budget which were not part of the Governor's request.

This section does not reference items in the Governor's request which were not funded or which were reduced in scope but not materially changed in nature. Neither does it reference projects which differ from the Governor's request, or the original budget, solely in the source of funding. To signify the 1993-95 projects which were altered by the supplemental budget, the word *amended* has been added to the project title.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Office of Financial Management

New Higher Education Site (amended)

Section 1

	Reapprop	Approp
1993-95 Original Appropriation State Building Construction Account	\$0	\$4,500,000
1994 Supplemental Change State Building Construction Account	0	20,710,000
Total	\$0	\$25,210,000

Description: To purchase land, design, and construct a new collocated community college and University of Washington branch campus.

New Provisos: Funds are earmarked for design and construction of the facility. The location of the property for the collocated campus shall be determined by the higher education coordinating board. The higher education coordinating board shall acquire a site contingent upon the completion of a satisfactory site selection environmental impact statement, the acquisition of necessary environmental permits, and fiscal approval by the office of financial management. An option on an alternative site may be acquired if it becomes apparent that the preferred site cannot meet the described contingencies.

Comments: The funds provided represent an increase of \$20,710,000 above the original amount provided in the 1993-95 capital budget. These funds were transferred from the appropriation made to the University of Washington for the development of the Bothell Branch campus. This transfer and consolidation of funds is consistent with the legislature's stated desire to develop a collocated higher education campus. (See page 268.)

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Office of Financial Management

Capital Budget System Improvements (amended)

Section 2

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$100,000	\$300,000
1994 Supplemental Change	0	0
Total	\$100,000	\$300,000

Description: To improve budget monitoring and space inventory systems.

New Provisos: OFM shall develop standards for inclusion in the capital budget instructions which shall: (1) identify the allowable expenses for construction management, administration, support, overhead, and other staffing costs associated with capital projects; (2) identify allowable expenses for state employee or contracted staff work other than those identified in subsection (1); and (3) identify staffing expenses which are inappropriate for charge against capital project funding sources. By February 10, 1995, OFM shall report to the appropriate legislative committees on the amount of staffing expenses and number of full-time-equivalent employees estimated to be funded by capital appropriations during the 1993-95 biennium.

Comments: The original 1993-95 capital budget appropriations were provided for the capital project review requirement under section 1015 of the capital budget and for the capital project monitoring system required by chapter 358, Laws of 1991 (SHB 2140). Additional reforms to the capital budget development process are outlined in chapter 219, Laws of 1994 (ESHB 2237) and the proviso in this section.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Watershed Restoration Partnership Program

Watershed Restoration Partnership Program

Section 3

	Reapprop	Approp
State General Fund	\$0	\$5,000,000
Wildlife Fund	0	500,000
Aquatic Lands Enhancement Account	0	2,500,000
Water Quality Account	0	2,000,000
Total	\$0	\$10,000,000

Description: For watershed and fish and wildlife habitat restoration

Provisos: (1) The appropriations in this section shall be deposited in the watershed restoration account which is hereby created in the state treasury. The purposes of the account are to: a) restore and protect watersheds to benefit fish stocks in critical or depressed condition as determined by the department of fish and wildlife; b) avoid additional federal regulation of potentially endangered species; c) provide a mechanism to accept federal funds for watershed restoration; d) conduct watershed restoration and protection primarily on state lands in coordination with other efforts; e) demonstrate the state's commitment to watershed restoration while seeking additional federal funding; and f) expedite the expenditure of funds on a scientific basis for fish stock recovery and, to that end, contracted services and other techniques for providing accelerated local construction services should be utilized.

(2) Except as provided in (4) these funds are solely for capital projects jointly selected by the department of natural resources and the department of fish and wildlife. Funds may be spent for directly associated costs of planning, design and engineering. Projects funded from this account shall conform to priorities for fish stock recovery developed through watershed analysis conducted by the department of natural resources and the department of fish and wildlife's salmon and steelhead stock inventory. Funds shall not be used for ongoing operational costs.

(3) Subject to the provisions of section (2) above, at least \$2,000,000 shall be allocated for local initiative grants for environmental and forest restoration projects (Jobs For The Environment Program).

(4) A report shall be provided to the appropriate committees of the legislature by January 1, 1995 on any expenditures made from this appropriation and a plan for future use of the moneys provided in this section. The plan shall include a prioritized list of watersheds and future watershed projects. The plan

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Watershed Restoration Partnership Program (Continued)

shall also consider future funding needs, the availability of federal funding, the integration and coordination of existing watershed and protection programs, and the possibility of submitting a referendum to the voters of the state to provide future state funding.

(5) All projects shall be consistent with any development regulations or comprehensive plans adopted under the growth management act for the project areas. No funds shall be expended to acquire land through condemnation.

Comment:

The effect of the appropriations in this section is to transfer \$10 million from the fund sources shown into the Watershed Restoration Account. Section 313 of the 1994 Supplemental Operating Budget (ESSB 6244) appropriates the \$10 million from the Watershed Restoration Account to the Department of Natural Resources to implement the watershed restoration program. The capital budget creates the account and establishes the purposes of the program.

The intent for the \$2 million for the Jobs In The Environment Program was to replace the \$2 million reduction in the operating budget for the program.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of General Administration

Highway-Licenses Building Renovation (amended)

Section 4

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$18,000,000	\$0
1994 Supplemental Change		
State Building Construction Account	(1,050,000)	0
Total	\$16,950,000	\$0

Description: To complete the construction to renovate the Highway-Licenses Building on the capitol campus.

Existing Proviso: The appropriation shall not be expended until the capital project review requirements of section 1015 of the 1993-95 capital budget are met.

Comments: The 1994 supplemental budget reduction reflects cost savings realized through construction management controls implemented by the Office of Financial Management in response to the project review requirements outlined in section 1015 of the 1993-95 capital budget.

The original 1991-93 capital budget appropriation for this project (chapter 14, Section 7(11), Laws of 1991, 1st sp.s.) required the Department of General Administration to assess a space rental charge to occupants of the Highway-Licenses Building to pay the debt service costs of the renovation. The 1994 Supplemental Transportation Budget (chapter 303, Section 12, Laws of 1994) prohibits the department from assessing such a charge until the Legislature adopts a space rental charge plan. Section 19 of ESHB 2237 (chapter 219, Laws of 1994) adopts such a plan by requiring the Department of General Administration to charge agencies for the debt service costs of buildings newly constructed or substantially renovated after July 1, 1992. Under the provisions of chapter 219, Laws of 1994 (ESHB 2237), the occupants of the Highway-Licenses Building will be assessed debt service costs beginning in the 1995-97 biennium.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of General Administration

Collocation and Consolidation of State Facilities (amended)

Section 6

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$105,000	\$300,000
1994 Supplemental Change		
State Building Construction Account	0	115,000
Total	\$105,000	\$415,000

Description: To identify the current locations of major concentrations of state facilities and determine where state facilities can be collocated and consolidated.

New Provisos: (4) \$40,000 of this appropriation is provided solely for planning, negotiation, and development of collocated state facilities in Spokane, Tacoma, and Port Angeles.

(5) \$75,000 of this appropriation is provided to identify areas of the state with potential for efficiencies from collocation and consolidation of state facilities and to prepare implementation plans.

Comments: \$115,000 was added to the 1993-95 State Building Construction Account appropriation to accommodate the additional requirements added in the 1994 supplemental budget. In addition, \$171,000 was provided to the department from the Facilities and Services Revolving Fund in the 1994 Supplemental Operating Budget (chapter 6, section 135(9), Laws of 1994) for ongoing collocation planning staff. The proviso in the operating budget was vetoed by the Governor. The veto message indicates that the operating funds may be released upon presentation of adequate justification to the Office of Financial Management.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of General Administration

Northern State Multiservice Center (amended)

Section 10

	Reapprop	Approp
1993-95 Original Appropriation CEP&RI Account	\$0	\$872,000
1994 Supplemental Change	0	0
Total	\$0	\$872,000

Description: For critical life/safety and preservation projects.

New Provisos: The department, in consultation with the local community and the office of financial management, shall develop a plan for the disposal of the property at the Northern State multiservice-service center and report on the plan to the fiscal committees of the legislature by December 1, 1994. In developing the plan, the department shall solicit proposals to exchange use or ownership of the facility or portions of the facility for environmental cleanup or demolition services or other consideration. The department shall also consider, in consultation with the correctional industries board of directors, the feasibility of using correctional industries for environmental cleanup and demolition.

Comments: The original 1993-95 capital budget contained an appropriation of \$872,000 to mitigate hazardous conditions and maintain infrastructure at the site. The 1994 supplemental budget requires the development of a disposal plan for the campus, with the intention that a viable disposal option be presented to the Legislature for consideration during the 1995 session. While the appropriation may be used for the disposal plan, it is the intent of the Legislature that the plan be developed within existing agency resources to the extent possible.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Community Development

Housing Assistance Program (amended)

Section 18

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$22,000,000	\$34,000,000
CEP&RI Account	0	2,000,000
1994 Supplemental Change		
State Building Construction Account	0	4,000,000
CEP&RI Account	0	2,000,000
Total	\$22,000,000	\$42,000,000

Description: For grants and loans for the development of low income housing.

New Provisos: (1) \$3,000,000 of the State Building Construction Account and \$3,000,000 of the CEP&RI Account is provided for the development of 395 housing units for persons eligible for services from the division of developmental disabilities in the department of social and health services. The housing assistance program shall implement this initiative in coordination with the plan for increased efficiency in community residential services developed in accordance with the 1994 supplemental operating budget.

(2) \$1,000,000 from the CEP&RI Account and \$1,000,000 of the State Building Construction Account is provided solely to promote the development of shelters for youth. The housing assistance program shall convene an advisory group to plan and develop guidelines for the implementation of this initiative. A match may be required which may include cash, land value, or donated labor and supplies as a condition of receipt of a grant from this appropriation. When selecting proposals for this program, criteria may be established on the administrative and financial capability of an organization, including the ability to provide for the ongoing operating costs of the shelter. It is the intent of the legislature that this appropriation represents a one-time appropriation for youth shelters.

Comments: The original 1993-95 capital budget provided \$2 million from the CEP&RI Account for 120 housing units for the developmentally disabled. The purpose of the \$4 million increase in funding for developmentally disabled community housing is to permit future operating budget savings through more efficient residential service configurations.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Community Development

Housing Assistance Program (amended) -- (continued)

The \$2 million in new funding for youth shelters is intended for facility construction, renovation, or acquisition, as well as directly related project planning, management, and financing costs.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Social and Health Services

Eastern Washington Psychiatric Triage Unit

Section 22

	Reapprop	Approp
State Building Construction Account	\$0	\$1,000,000

Description: To develop secure beds in Spokane county for persons in need of emergency short-term evaluation, treatment, and stabilization as a result of a psychiatric crisis.

Provisos: The department shall assure that: (1) Funding for the project shall be contingent upon a plan approved by the department of social and health services and upon an agreement by the participating regional support networks to reduce their utilization of eastern state hospital by at least 30 beds early in the 1995-97 biennium; and (2) the state's investment shall be promptly repaid if the facility is ever converted to a use other than psychiatric care for publicly assisted individuals.

Comments: Availability of the triage unit is expected to result in \$2.1 million of state general fund operating budget savings to Eastern State Hospital during the 1995-97 biennium.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Social and Health Services

Western State Hospital

Section 23

	<u>Reapprop</u>	<u>Approp</u>
State Building Construction Account	\$0	\$400,000

Description: To improve security of the mentally ill offender unit.

New Provisos: none

Comments: This project was identified as an emergent need after the submission of the Governor's 1994 supplemental budget to the Legislature. Funds are provided for a new security entrance, improved fencing, door locks, window screening, and other security improvements.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Social and Health Services

Naselle Youth Camp

Section 26

	Reapprop	Approp
State Building Construction Account	\$0	\$282,000

Description: To rehabilitate and repair Eagle Lodge.

Provisos: none

Comments: The department had originally planned to demolish the old Eagle Lodge due to safety and structural considerations. Funds are provided to bring the facility to standards which will allow occupancy. The rehabilitated facility is in addition to a new replacement facility funded in the original 1993-95 capital budget.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Health

Groundwater Monitoring Pilot Project

Section 30

	<u>Reapprop</u>	<u>Approp</u>
Local Toxics Control Account	\$0	\$2,060,000

Description: To test public drinking water systems for organic and inorganic chemicals.

Provisos: (1) The appropriation is provided solely to implement Substitute House Bill 2616 (chapter 252, Laws of 1994).

(2) The local toxics control account shall be reimbursed by June 30, 1995, by fees sufficient to cover the cost of the program in accordance with the provisions of Substitute House Bill 2616 and RCW 43.20B.020.

Comments: none

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Corrections

Monroe Correctional Center Savings (amended)

Section 42

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$9,742,000	\$17,767,557
1994 Supplemental Change		
State Building Construction Account	0	(1,262,068)
Total	\$9,742,000	\$16,505,489

Description: For statewide repairs and improvements to correctional facilities.

New Provisos: (1) \$753,000 is provided for correctional industry storage and yard projects at the Washington State Reformatory.

(2) \$727,000 is provided for conversion of program space at Cedar Creek Corrections Center, completion of an intake-discharge unit and motor pool at the Clallam Bay Corrections Center, and conversion of the Eleanor-Chase House into a work-release facility.

Comments: The department experienced savings of \$2,741,618 on a correctional industries facility at the Monroe Reformatory. A portion of the savings was applied to the projects described in the proviso and the remainder is eliminated from the appropriation.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Ecology

Referendum 38 Water Supply Facilitates (amended)

Section 45

	Reapprop	Approp
1993-95 Original Appropriation LIRA, Water Supply Facilities	\$11,300,000	\$0
1994 Supplemental Change	0	0
Total	\$11,300,000	\$0

Description: To develop water supply and water conservation projects.

New Provisos: \$2,500,000 of the state and local improvements revolving account is provided solely for funding the state's cost share in the water conservation demonstration project - Yakima river re-regulating reservoir.

Comments: No new funds are provided for the project referenced in the proviso. A portion of the previously authorized reappropriation is earmarked for the project.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Ecology

Centennial Clean Water Fund: Water Quality Account (amended)

Section 46

	Reapprop	Approp
1993-95 Original Appropriations Water Quality Account	\$87,820,000	\$63,899,000
1994 Supplemental Change Water Quality Account	(13,670,915)	0
Total	\$74,149,085	\$63,899,000

Description: For financial assistance to local governments to address water quality problems.

New Provisos: For fiscal year 1995, the department shall give priority consideration in the distribution of funds from the ten percent discretionary category to those eligible projects which assist local governments in establishing on-site septic system technical assistance programs to inform owners of the benefits of proper operation and maintenance of such systems. No part of such sums provided for septic system technical assistance maybe used by a local government to support inspection of systems or for the enforcement of regulatory requirements regarding on-site septic systems.

Comments: In the context of the proviso, eligible projects is meant to signify projects approved through the existing application process. It is not intended that a new application process be established to meet the conditions of the proviso.

The reappropriation reduction is a technical change which reflects the actual amount of unspent funds available for reappropriation from the 1991-93 biennium.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

State Parks and Recreation Commission

Iron Horse Trail Acquisition

Section 55

	Reapprop	Approp
State Building Construction Account	\$0	\$70,000

Description: To provide matching funds for a grant from the federal intermodal surface transportation efficiency act.

Provisos: none

Comments: The state funds for this project were transferred from the Westhaven comfort station project, section 48. While \$266,233 was removed from section 48, \$196,233 represents a correction to the reappropriation amount due to expenditures made late in the 1991-93 biennium.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

State Parks & Recreation Commission, Dept of Wildlife, Dept of Natural Resources

Special Land Purchases and Common School Construction (amended)

Section 56

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$0	\$45,798,000
Aquatic Lands Account	0	4,554,000
1994 Supplemental Change		
State Building Construction Account	0	(15,000,000)
Total	\$0	\$35,352,000

Description: To purchase Common School Trust lands for the benefit of the common schools and for the acquisition of habitat and recreation land.

New Provisos: \$12,424,000 of the total appropriation is provided to the state parks and recreation commission. These funds and \$15,000,000 of the state general fund appropriated to the state parks and recreation commission in the supplemental operating budget (chapter 6, Laws 1994, 1st sp.s, ESSB 6244) are provided to acquire trust lands that have been identified as appropriate for state park use.

The state parks and recreation commission shall provide a \$250,000 matching grant to a local government to acquire property including the Robe Gorge Tunnel Trail for use as a park if such local government agrees to assume all obligation to maintain the property as a park. This authority is provided in lieu of acquisition of the property listed in section 459 (1)(a)(ix), chapter 22, Laws of 1993, 1st sp.s.

The state parks and recreation commission, the state wildlife commission, and the commissioner of public lands shall consider operational costs and impacts of acquiring the authorized trust lands. Efforts shall be made to minimize the operational impacts through public-private partnerships, interlocal agreements or other mechanisms, provided that the aggregate ratio of revenues to the common school construction fund is maintained. Application to the board of natural resources for transfer of these properties from trustland status shall be made based on these considerations. On December 31, 1994, the state treasurer shall transfer remaining unencumbered funds from this appropriation to the common school construction fund and the appropriation in this section shall be reduced by an equivalent amount.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

State Parks & Recreation Commission, Dept of Wildlife, Dept of Natural Resources (Continued)

The board of natural resources shall develop a process for identifying trust lands suitable for transfer from trust status to other state or local public ownership for the benefit of the common schools.

Comments:

The \$15 million reduction of state bonds in the supplemental capital budget is replaced by a \$15 million general fund appropriation in the supplemental operating budget.

The grant to a local government for the acquisition of the Robe Gorge Trail is not a project within the trustland transfer program and does not involve the purchase or transfer of trustlands. The grant replaces a previously authorized trust land transfer to state parks. The timber value on the previously authorized property will still be credited to the common school construction fund; therefore, there is no change from the original assumption concerning revenues for school construction.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Wildlife

Grandy Creek Hatchery (amended)

	Reapprop	Section 70 Approp
1993-95 Original Appropriation State Building Construction Account	\$4,500,000	\$0
1994 Supplemental Change	0	0
Total	\$4,500,000	\$0

Description: For planning and construction of the hatchery.

New Provisos: No additional funds may be spent until the department has completed the study required under section 508, chapter 22, Laws of 1993, 1st sp.s. Furthermore, expenditures made from this appropriation shall be for a facility which is operated in conformance with the department's genetic stocking model, wild salmonid policy, and steelhead management plan.

Comments: The amount of funds available for the project remains unchanged from the original 1993-95 capital budget. The study referred to under chapter 22, Section 508, Laws of 1993, 1st sp.s. is the study of the consolidation of fish hatcheries related to the merger of the departments of Fisheries and Wildlife.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Wildlife

Warm Water Fish Facility (amended)

Section 71

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$0	\$1,870,000
1994 Supplemental Change		
State Building Construction Account	0	(608,000)
Wildlife Account - State	0	38,000
Total	\$0	\$1,300,000

Description: For purchase and development of property in eastern or central Washington by the Department of Wildlife.

New Provisos: (1) The department shall give highest priority to purchasing the Gloyd Seeps Fish Hatchery. However, if it is not economically feasible to do so, the department may purchase and develop alternative property in the eastern or central Washington area.

(2) The appropriation from the wildlife-state account is provided solely for a joint venture for a warm water fish facility on the Hanford Reservation.

Comments: The title of the project is changed from Gloyd Seeps Hatchery to a warm water fish facility. This change is to allow the department to build a facility at another site if the Gloyd Seeps site is not feasible. The amount is reduced to reflect a lower appraisal on the value of the Gloyd Seeps site. The facility at Hanford is a new project that will be jointly developed by the department and Westinghouse Corporation.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Department of Wildlife

Mount St. Helens Fish Rearing Ponds (amended)

Section 72

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$370,000	\$0
1994 Supplemental Change		
State Building Construction Account	(370,000)	370,000
Total	\$0	\$370,000

Description: Mount St. Helens Recovery Program, replacement of fish rearing ponds.

New Provisos: none

Comments: This project is for replacement of fish rearing ponds which were lost due to the construction of the Toutle River retention dam. Funding was previously appropriated to the Department of Transportation for this project under the Mount St. Helens Recovery Program. A reappropriation of \$370,000 to the Department of Transportation is eliminated and those funds are transferred to the Department of Wildlife to complete the project.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

State Board of Education

Common School Construction (amended)

Section 74

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$0	\$4,821,000
Common School Construction Fund	0	233,179,000
1994 Supplemental Change		
State Building Construction Account	0	37,000,000
Common School Construction Fund	0	(52,300,000)
Total	\$0	\$222,700,000

Description: State matching funds for the construction and modernization of school facilities.

New Provisos: Not more than \$106,000,000 from this appropriation and the appropriation for common school construction in the supplemental operating budget (ESSB 6244, chapter 6, Laws of 1994, 1st sp.s.) combined may be obligated in fiscal year 1994 for school district project design and construction.

Comments: A reference to the general fund state appropriation made in the supplemental operating budget is added to the condition which limits the amount of funds which may be spent in the first year of the biennium.

The original 1993-95 capital budget provided \$238,000,000 for school construction, including \$233,179,000 from the Common School Construction Fund (timber revenues) and \$4,821,000 from the State Building Construction Account (general fund bonds). Since the passage of the 1993-95 capital budget the common school timber revenue forecast declined by \$52,300,000. The original biennial appropriation level is sustained by the addition of \$37,000,000 from the State Building Construction Account in this section and \$15,250,000 from the State General Fund in section 516 of the operating budget (ESSB 6244, chapter 6, Laws of 1994, 1st sp.s.).

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

University of Washington

Parrington Hall (amended)

Section 75

	Reapprop	Approp
1993-95 Original Appropriation UW Building Account	\$1,675,000	\$0
1994 Supplemental Change UW Building Account	(28,874)	3,513,499
Total	\$1,646,126	\$3,513,499

Description: For exterior and seismic repair of Parrington Hall.

New Provisos: No money shall be spent until the project has met the OFM review requirement in section 1015 of the 1993-95 biennial capital budget.

Comments: The supplemental appropriation is for newly recognized costs to meet earthquake standards. The additional \$3.5 million comes from two sources: \$1.5 million from Denny Hall exterior repair (section 76); and \$1.9 million from the UW Building Account fund balance.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

University of Washington

Denny Hall (amended)

Section 76

	Reapprop	Approp
1993-95 Original Appropriation UW Building Account	\$1,550,000	\$0
1994 Supplemental Change UW Building Account	(1,547,132)	0
Total	\$2,868	\$0

Description: Exterior repairs to Denny Hall.

New Provisos: none

Comments: A structural review of Denny Hall indicates that a major seismic retrofit is necessary and will cost well beyond the original appropriation. The project is postponed until the university develops a new scope of work for Denny Hall. The unused funds are transferred to Parrington Hall.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

University of Washington

Tacoma Branch Campus (amended)

Section 77

	Reapprop	Approp
1993-95 Original Appropriation State Building Construction Account	\$8,741,680	\$53,983,320
1994 Supplemental Change State Building Construction Account	0	(23,000,000)
Total	\$8,741,680	\$30,983,320

Description: For acquisition, design, and construction of the Tacoma branch campus.

New Provisos: none

Comments: This project originally contained funding for both the Bothell and Tacoma branches. Following the decision to collocate the Bothell branch campus with the new community college serving north King and South Snohomish counties, funding for the construction of the Bothell branch campus is transferred to the Office of Financial Management for the development of a collocated higher education campus. See page 243. The title of this project is changed accordingly.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

University of Washington

Bothell Branch Campus

Section 78

	Reapprop	Approp
University of Washington Building Account	\$0	\$2,290,000

Description: For expenses incurred at the Wellington Hills site.

Provisos:

- (1) No money from this appropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board.
- (2) The purpose of this appropriation is to provide expenditure authority for previously incurred expenses.

Comments: The original 1993-95 appropriation for the Bothell branch campus was \$23 million. Of that amount \$20,710,000 is transferred to OFM for the development of the new collocated campus. The remainder of the amount is provided here to fund expenses previously incurred by the University of Washington at Wellington Hills.

1994 Supplemental Capital Budget
Legislative Additions & Changes to Governor Lowry's Capital Budget Request

Washington State University

Veterinary Teaching Hospital Construction (amended)

Section 79

	Reapprop	Approp
1993-95 Original Appropriation		
State Building Construction Account	\$32,310	\$0
Higher Ed Reimbursable Const Account	24,947,571	0
1994 Supplemental Change		
State Building Construction Account	0	7,110,500
Total	\$24,979,881	\$7,110,500

Description: To construct, equip, and furnish a new teaching hospital for the department of veterinary medicine and surgery.

New Provisos: none

Comments: The university underestimated or failed to include the full cost of equipment in the original budget request for the hospital. The additional funds provided are sufficient only for equipment to be installed during construction and those items which require a long lead time for acquisition.

The purpose of the supplemental appropriation is to allow the building to open on schedule recognizing that additional equipment may be requested by the University for consideration and competition during the next budget process.

Transportation Budget

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Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

AGENCY SUMMARY
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Orig 93-95</u>	<u>94 Supp</u>	<u>Rev 93-95</u>
State Patrol	227,416	-539	226,877
Dept of Licensing	133,980	12,345	146,325
Dept of Transportation	2,698,277	55,060	2,753,337
Leg Transp Committee	2,644	-53	2,591
LEAP Committee	410	0	410
Board of Pilotage Commissioners	218	0	218
WA Traffic Safety Commission	3,357	0	3,357
County Road Admin Bd	87,924	-22	87,902
Transp Improvement Bd	211,822	-10	211,812
Marine Employees' Commission	373	0	373
Transportation Commission	1,637	-33	1,604
Air Transportation Commission	534	0	534
Dept of Agriculture	418	0	418
Statewide Total	<u>3,369,010</u>	<u>66,748</u>	<u>3,435,758</u>

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

AGENCY SUMMARY
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Orig 93-95</u>	<u>94 Supp</u>	<u>Rev 93-95</u>
State Patrol			
Field Operations Bureau	147,622	0	147,622
Investigative Services Bureau	5,815	123	5,938
Support Services Bureau	61,964	1,261	63,225
Capital	12,015	-1,923	10,092
Total State Patrol	<u>227,416</u>	<u>-539</u>	<u>226,877</u>

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

AGENCY SUMMARY
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Orig 93-95</u>	<u>94 Supp</u>	<u>Rev 93-95</u>
Dept of Licensing			
Management & Support Services	10,458	-876	9,582
Information Systems	15,518	13,626	29,144
Vehicle Services	50,298	-716	49,582
Driver Services	57,625	311	57,936
Capital	81	0	81
Total Dept of Licensing	<u>133,980</u>	<u>12,345</u>	<u>146,325</u>

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

AGENCY SUMMARY
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Orig 93-95</u>	<u>94 Supp</u>	<u>Rev 93-95</u>
Dept of Transportation			
A - Non-Interstate Preserv - Cap	300,837	-17,314	283,523
B - Interstate Hwy Constructn - Cap	535,245	-5,000	530,245
C - Non-Interstate Hwy Constr - Cap	431,069	111,500	542,569
D - Highway Management & Facilities	52,580	-1,168	51,412
D - Plant Construction & Supv - Cap	19,328	1,479	20,807
F - Aeronautics	3,888	2,000	5,888
G - Community Econ Revitalizn - Cap	5,020	5,000	10,020
H - Non-Interstate Bridge - Capital	117,027	3,000	120,027
M - Highway Maintenance	243,382	-536	242,846
R - Sales & Services to Others	10,660	0	10,660
R - County/City Programs - Capital	54,526	0	54,526
S - Transportation Management	54,586	1,019	55,605
T - Transit Research	126,830	-1,782	125,048
T - Transit Research - Capital	2,100	0	2,100
U - Charges from Other Agencies	32,124	0	32,124
W - Marine Transportation - Capital	268,883	-39,861	229,022
X - Marine Transportation	237,559	0	237,559
Z - Local Programs - Operating	11,347	-1,469	9,878
Z - Local Programs - Capital	191,286	-1,808	189,478
Total Dept of Transportation	2,698,277	55,060	2,753,337

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

VERSION COMPARISON
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
State Patrol	-637	-3,001	-539
Dept of Licensing	18,305	12,345	12,345
Dept of Transportation	-79,331	54,503	55,060
Leg Transp Committee	0	-53	-53
WA Traffic Safety Commission	2,800	-312	0
County Road Admin Bd	-50	-22	-22
Transp Improvement Bd	-10	-10	-10
Transportation Commission	-33	-33	-33
Statewide Total	-58,956	63,417	66,748

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

VERSION COMPARISON
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
State Patrol			
Field Operations Bureau	-832	-2,013	0
Investigative Services Bureau	274	-626	123
Support Services Bureau	-429	1,561	1,261
Capital	350	-1,923	-1,923
Total State Patrol	<u>-637</u>	<u>-3,001</u>	<u>-539</u>

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

VERSION COMPARISON
(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
Dept of Licensing			
Management & Support Services	-753	-876	-876
Information Systems	19,280	13,626	13,626
Vehicle Services	-357	-716	-716
Driver Services	135	311	311
Total Dept of Licensing	18,305	12,345	12,345

Washington State Transportation Budget
1994 Supplemental Budget - ESSB 6084 (Ch. 303, L. 94)

VERSION COMPARISON

(Dollars in Thousands)

	Total Appropriated Funds		
	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
Dept of Transportation			
A - Non-Interstate Preserv - Cap	-23,114	-17,314	-17,314
B - Interstate Hwy Constructn - Cap	-10,000	-5,000	-5,000
C - Non-Interstate Hwy Constr - Cap	-3,500	111,500	111,500
D - Highway Management & Facilities	-268	-1,168	-1,168
D - Plant Construction & Supv - Cap	-21	1,479	1,479
F - Aeronautics	2,000	2,000	2,000
G - Community Econ Revitalizn - Cap	0	5,000	5,000
H - Non-Interstate Bridge - Capital	0	3,000	3,000
M - Highway Maintenance	-1,236	-536	-536
S - Transportation Management	-331	1,019	1,019
T - Transit Research	-3,282	-1,782	-1,782
U - Charges from Other Agencies	1,290	-557	0
W - Marine Transportation - Capital	-39,861	-39,861	-39,861
Z - Local Programs - Operating	0	-1,469	-1,469
Z - Local Programs - Capital	-1,008	-1,808	-1,808
Total Dept of Transportation	-79,331	54,503	55,060

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
LABORATORY OF ORGANIC CHEMISTRY
RESEARCH REPORT NO. 100

Transportation Budget -- Agency Detail

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Washington Traffic Safety Commission

Total Appropriated Funds

(Dollars in Thousands)

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	3,357	3,357	3,357
1994 Supplemental Budget			
1. Second Year Agency Funding	2,812	0	0
2. Capture Disbanded DWI Savings	-12	-12	0
3. Transfer DWI Task Forces to WSP	0	-300	0
Total Supplemental Items	2,800	-312	0
1993-95 REVISED APPROPRIATION	6,157	3,045	3,357

Comments:

1. **SECOND YEAR AGENCY FUNDING** - With the exception of DWI task forces, no funding was provided to the commission for FY 95 in the original 1993-95 transportation budget. A budget proviso that abolished the agency on July 1, 1994, and directed the Governor to develop a plan for transferring the commission's responsibilities to another transportation agency was vetoed. The Governor's budget provides full funding for FY 95. (Highway Safety Fund-Federal, Highway Safety Fund-State)

GOV REC: \$2.8 M -- includes \$2.6 M federal and \$0.2 M state

STC REC: \$0 -- All WTSC responsibilities and funding are assumed by the State Patrol subject to passage of SB 6523

HTC REC: \$0 -- All WTSC responsibilities and funding are assumed by the State Patrol subject to passage of SB 6523

LEG FINAL: \$0 -- All WTSC responsibilities and funding are assumed by the State Patrol subject to passage of SB 6523 (SB 6523 died in House Rules; however, the bill in its entirety was hung onto ESHB 2676, Boards and Commissions, which passed the legislature)

ENACTED: \$0 -- The Governor vetoed the sections in ESHB 2676 pertaining to the WTSC and related language in the transportation budget. The veto message stated the Governor's intention that the following second year traffic safety funding appropriated to the State Patrol be made available to the WTSC: \$216,000 highway safety fund-state and \$2,596,000 highway safety fund-federal. Sixteen FTEs were authorized for FY 95 in conjunction with these appropriations. The WTSC and OFM are directed by the Governor to work with the legislature to identify alternatives for placement of traffic safety activities and to address any substantive concerns regarding WTSC service delivery approaches and staffing levels.

Patrol subject to passage of SB 6523

HTC REC: (\$0.3 M) -- second year funding assumed by State

Patrol subject to passage of SB 6523

LEG FINAL: (\$0.3 M) -- second year funding assumed by State

Patrol subject to passage of SB 6523

ENACTED: \$0 -- The \$0.3 M reduction in the WTSC budget and the corresponding increase to the State Patrol budget were vetoed.

2. **CAPTURE DISBANDED DWI SAVINGS** - It is anticipated one or more local driving while intoxicated (DWI) task forces will be disbanded due to previous reductions in DWI funding. This item captures the first-year savings that will occur as a result.

(Transportation Fund)

GOV REC: (\$0.012 M)

STC REC: (\$0.012 M)

HTC REC: (\$0.012 M)

LEG FINAL: (\$0.012 M)

ENACTED: \$0 -- The Governor's veto restored the original 1993-95 appropriation of \$600,000 for the DWI task forces in the WTSC budget. The veto message directs the WTSC to place \$12,000 of this appropriation in reserve status.

3. **TRANSFER DWI TASK FORCES TO WSP** - All WTSC responsibilities and funding are assumed by the State Patrol subject to passage of SB 6523. The DWI task forces were the only program funded for FY 95 in the original 1993-95 transportation budget. \$300,000 was provided for each year of the biennium.

(Transportation Fund)

STC REC: (\$0.3 M) -- second year funding assumed by State

County Road Administration Board
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	87,924	87,924	87,924
1994 Supplemental Budget			
1. Travel/Equipment Purchases Reduced	<u>-50</u>	<u>-22</u>	<u>-22</u>
Total Supplemental Items	-50	-22	-22
1993-95 REVISED APPROPRIATION	87,874	87,902	87,902

Comments:

1. TRAVEL/EQUIPMENT PURCHASES REDUCED - As part of the 2 percent budget cuts, the Governor's budget reduces appropriations for in-state and out-of-state travel and equipment upgrades. (Motor Vehicle Fund-State, Rural Arterial Trust Account-State, County Arterial Trust Account-State)
 - GOV REC: (\$0.05 M) -- Includes reductions of \$0.01 M for travel and \$0.04 M for equipment upgrades
 - STC REC: (\$0.02 M) -- Restores Governor cuts for in-state travel, van purchase, and monitor replacement
 - HTC REC: (\$0.02 M) -- Restores Governor cuts for in-state travel, van purchase, and monitor replacement
 - LEG FINAL: (\$0.02 M) -- Restores Governor cuts for in-state travel, van purchase, and monitor replacement

Transportation Improvement Board
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	211,822	211,822	211,822
1994 Supplemental Budget			
1. Board Travel Expenses Reduced	-10	-10	-10
2. UATA Increase from Loan	0	5,000	5,000
3. TIA Decrease from Loan	0	-5,000	-5,000
Total Supplemental Items	-10	-10	-10
1993-95 REVISED APPROPRIATION	211,812	211,812	211,812

Comments:

1. BOARD TRAVEL EXPENSES REDUCED - As part of the 2 percent budget cuts, the Governor's budget reduces appropriations for travel. To meet this recommendation, the Board may have to adjust its schedule of board meetings. (Urban Arterial Trust Account-State)
GOV REC: (\$0.01 M)
STC REC: (\$0.01 M)
HTC REC: (\$0.01 M)
LEG FINAL: (\$0.01 M)
2. UATA INCREASE FROM LOAN - A loan of up to \$5 million from the Transportation Improvement Account is provided to the Urban Arterial Trust Account (UATA). The UATA appropriation is increased by \$5 million to take care of a cash flow problem in the 1993-95 biennium due to increased short-term bond debt from recent bond refinancing and the loss of interest income. The loan must be repaid by July 1, 1996.
STC REC: \$5.0 M
HTC REC: \$5.0 M
LEG FINAL: \$5.0 M
3. TIA DECREASE FROM LOAN - A loan of up to \$5 million from the Transportation Improvement Account (TIA) is provided to the Urban Arterial Trust Account. The TIA appropriation is reduced by \$5 million to keep the account in balance. The loan must be repaid by July 1, 1996.
STC REC: (\$5.0 M)
HTC REC: (\$5.0 M)
LEG FINAL: (\$5.0 M)

**Washington State Patrol
Field Operations Bureau
Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	147,622	147,622	147,622
1994 Supplemental Budget			
1. Breath Test Equipment	685	685	0
2. L&I Rate Increase	102	102	0
3. Reduce Pursuit Vehicle Replacement	-1,100	-1,200	0
4. Reduce Cadet Training Staff	-249	-249	0
5. CVE Staffing Reduction	-270	-270	0
6. Transfer Cadet Reduction to SSB	0	249	0
7. Eliminate Safety Education Officer	0	-1,330	0
Total Supplemental Items	-832	-2,013	0
1993-95 REVISED APPROPRIATION	146,790	145,609	147,622

Comments:

1. BREATH TEST EQUIPMENT - Funding is provided for the lease purchase of 170 new alcohol breath test devices, a breath test data collection system, and 380 preliminary breath test units used by law enforcement in the field. Legislation was passed during the 1993 session assessing an additional \$125 fee to a person who is convicted as a result of a driving while under the influence (DWI) arrest. Seventy-five dollars of the fee is deposited to the State Patrol Highway Account to be used solely for funding the State Patrol breath test program. A budget proviso limits the commitment of funds to actual revenues received by the State Patrol as a result of the breath test fee. (State Patrol Highway Account)

GOV REC: \$0.7 M
STC REC: \$0.7 M
HTC REC: \$0.7 M
LEG FINAL: \$0.7 M
ENACTED: \$0

2. L&I RATE INCREASE - Recent Department of Labor and Industries rate increases are in excess of current budget amounts. (State Patrol Highway Account)

GOV REC: \$0.1 M
STC REC: \$0.1 M
HTC REC: \$0.1 M
LEG FINAL: \$0.1 M
ENACTED: \$0

3. REDUCE PURSUIT VEHICLE REPLACEMENT - The plan to increase the pursuit vehicle replacement mileage standard from 75,000 to 100,000 miles has resulted in reducing the number of new vehicles needed by 55. (State Patrol Highway Account-State) Only commissioned officers and commercial vehicle enforcement officers involved directly and primarily in traffic enforcement will be assigned vehicles by the WSP.

GOV REC: (\$1.1 M)
STC REC: (\$1.1 M)
HTC REC: (\$1.2 M)
LEG FINAL: (\$1.2 M)
ENACTED: \$0

4. REDUCE CADET TRAINING STAFF - A reduction in the number of officers being hired and trained this biennium will enable the elimination of one trooper from the Applicant Testing Unit and one lieutenant and one trooper instructor from the training section. (State

Patrol Highway Account-State)

GOV REC: (\$0.2 M)
STC REC: (\$0.2 M)
HTC REC: (\$0.2 M)
LEG FINAL: (\$0.2 M)
ENACTED: \$0

5. CVE STAFFING REDUCTION - The State Patrol's commercial vehicle enforcement (CVE) program is reduced by 2.5 FTE staff years. (State Patrol Highway Account-State)

GOV REC: (\$0.3 M)
STC REC: (\$0.3 M)
HTC REC: (\$0.3 M)
LEG FINAL: (\$0.3 M)
ENACTED: \$0

6. TRANSFER CADET REDUCTION TO SSB - Corrects Cadet Training Staff Reduction, item 4, by making reduction in Support Services Bureau instead of Field Operations Bureau.

STC REC: \$0.2 M
HTC REC: \$0.2 M
LEG FINAL: \$0.2 M
ENACTED: \$0

7. ELIMINATE SAFETY EDUCATION OFFICER - Eliminates Safety Education Officer (SEO) Program as of July 1, 1994.

HTC REC: (\$1.3 M)
ENACTED: \$0

LEGISLATIVE ASSUMPTIONS FOR 1994 WSP FIELD OPERATIONS BUDGET:

- 1) The WSP shall conduct a study of current management programs and levels of staffing for management positions. A detailed study plan is to be presented to the LTC by May 1, 1994, and study findings and recommendations for modifications to the management structure by September 30, 1994.
- 2) There shall be no cadet classes during the 1993-95 biennium.
- 3) The chief of the WSP shall maintain the current field force level of 700 troopers and sergeants through management reductions.

These legislative budget assumptions also were included in the Transportation budget as provisos and were vetoed by Governor Lowry.

**Washington State Patrol
Investigative Services Bureau
Total Appropriated Funds
(Dollars in Thousands)**

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	5,815	5,815	5,815
1994 Supplemental Budget			
1. Crime Labs	0	-900	0
2. Additional ACCESS Users	356	356	178
3. Additional DNA/Microanalysis Staff	32	32	2
4. Eliminate ACCESS Graveyard Shift	-114	-114	-57
5. Fund Shift: SPHA replaces MVF	0	0	0
Total Supplemental Items	274	-626	123
1993-95 REVISED APPROPRIATION	6,089	5,189	5,938

Comments:

1. **CRIME LABS** - In the 1993-95 Legislative session, the Transportation Budget assumed approximately 20 percent, or \$1.8 million dollars, of the total \$9.0 million budget for the Crime Labs from Transportation funds. The remaining \$7.2 million was appropriated from other funds in the General Fund Budget. This item reduces the transportation share of Crime Lab funding for FY 95. The Omnibus Supplemental Budget contains \$200,000 of Transportation Fund monies for the Crime Labs for FY 95.
 HTC REC: (\$0.9 M)
 LEG FINAL: (\$0.9 M)
 ENACTED: \$0; GOVERNOR VETO. Governor Lowry vetoed the State Patrol Highway Account appropriation which included reductions to Crime Lab activities.
2. **ADDITIONAL ACCESS USERS** - Ninety new users are scheduled to be added to ACCESS (A Central Computerized Enforcement Service System) during the 1993-95 Biennium. ACCESS is a unified data communications system that interconnects all state and local law enforcement agencies in the state. (Motor Vehicle Fund and Transportation Account).
 GOV REC: \$0.4 M
 STC REC: \$0.4 M
 HTC REC: \$0.4 M
 LEG FINAL: \$0.4 M
 ENACTED: \$0.2 M; GOVERNOR VETO. Governor Lowry vetoed the State Patrol Highway Account appropriation, which was to provide one-half the funding for additional ACCESS users. The remaining one-half of funding, 0.2 M from the Transportation Fund, was left intact by Governor Lowry.
3. **ADDITIONAL DNA/MICROANALYSIS STAFF** - This item provides for three additional forensic scientists. Two forensic scientists are added to improve the response time for analysis (paint, shreds of clothing, hair, fibers, etc.) of evidence. An additional forensic scientist in the Spokane Crime Laboratory is needed to perform ballistics analysis. (Other Funds: Motor Vehicle Fund and Transportation Account)
 GOV REC: \$32 K
 STC REC: \$32 K
 HTC REC: \$32 K
 LEG FINAL: \$32 K
 ENACTED: \$2 K; GOVERNOR VETO. Governor Lowry vetoed the State Patrol Highway Account appropriation which included funding for additional DNA/Microanalysis Staff.
4. **ELIMINATE ACCESS GRAVEYARD SHIFT** - The consolidation of ACCESS (A Central Computerized Enforcement Service System) into the Data Center will enable the termination of the graveyard shift, resulting in two positions for ACCESS being eliminated. ACCESS is a unified data communications system that interconnects all state and local law enforcement agencies in the state. (State Patrol Highway Account-State)
 GOV REC: (\$0.1 M)
 STC REC: (\$0.1 M)
 HTC REC: (\$0.1 M)
 LEG FINAL: (\$0.1 M)
 ENACTED: (\$0.1 M); GOVERNOR VETO. The Governor vetoed the State Patrol Highway Account appropriation which provided for one-half the savings to be realized from eliminating the ACCESS graveyard shift.
5. **FUND SHIFT: SPHA REPLACES MVF** - Supplants available State Patrol Highway Account monies for Motor Vehicle Fund monies appropriated to Investigative Services Bureau in the 1993-95 Transportation Budget.
 STC REC: \$0; (\$4.6 M) MVF; \$4.6 M SPHA
 HTC REC: \$0; (\$4.6 M) MVF; \$4.6 M SPHA
 LEG FINAL: \$0; (\$4.6 M) MVF; \$4.6 M SPHA
 ENACTED: \$0; GOVERNOR VETO. Governor Lowry vetoed the shift of funding from the Motor Vehicle Fund to the State Patrol Highway Account for certain WSP ISB functions.

**Washington State Patrol
Support Services Bureau
Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	61,964	61,964	61,964
1994 Supplemental Budget			
1. GA Risk Mgt/Revolving Fund Charges	400	0	0
2. L&I Rate Increase	18	18	18
3. Facilities and Services Adjustment	23	0	0
4. Goods and Services/Equipment	-478	-478	-478
5. Communications Consolidation	-234	-234	-234
6. Reduce Overhead Position	-158	-158	-158
7. Transfer Cadet Reduction to SSB	0	-249	-249
8. Transfer WTSC functions to WSP	0	3,112	2,812
9. Eliminate Inspection Unit	0	-250	-250
10. Reduce Academy Staff	0	-100	-100
11. Reduce Property Management Staff	0	-100	-100
Total Supplemental Items	-429	1,561	1,261
1993-95 REVISED APPROPRIATION	61,535	63,525	63,225

Comments:

- GA RISK MGT/REVOLVING FUND CHARGES** - Funding is provided for the premiums for risk management services and other revolving fund activities.
 GOV REC: \$0.4 M
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0

staff and facility costs to be accomplished through the consolidation.
 (State Patrol Highway Account-State)
 GOV REC: (\$0.2 M)
 STC REC: (\$0.2 M)
 HTC REC: (\$0.2 M)
 LEG FINAL: (\$0.2 M)
- L&I RATE INCREASE** - Funding is provided to reflect an adjustment in the allocation of L&I Rate charges among agencies. (State Patrol Highway Account)
 GOV REC: \$18 K
 STC REC: \$18 K
 HTC REC: \$18 K
 LEG FINAL: \$18 K
- FACILITIES AND SERVICES ADJUSTMENT** - Funding is provided to reflect an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: State Patrol Highway Account)
 GOV REC: \$23 K
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0
- GOODS AND SERVICES/EQUIPMENT** - This budget reduction calls for across-the-board cuts in goods and services for the Support Services Bureau and the Office of the Chief and in equipment purchases for the Electronic Services Section. (State Patrol Highway Account-State)
 GOV REC: (\$0.5 M)
 STC REC: (\$0.5 M)
 HTC REC: (\$0.5 M)
 LEG FINAL: (\$0.5 M)
- COMMUNICATIONS CONSOLIDATION** - The Olympia Communications Center is being consolidated into the Tacoma Communications Center. This budget reduction realizes the savings in
- REDUCE OVERHEAD POSITION** - This item eliminates an accountant position. (State Patrol Highway Account-State)
 GOV REC: (\$0.2 M)
 STC REC: (\$0.2 M)
 HTC REC: (\$0.2 M)
 LEG FINAL: (\$0.2 M)
- TRANSFER CADET REDUCTION TO SSB** - Corrects Cadet Training staff Reduction by making reduction in Support Services Bureau instead of Field Operations Bureau.
 GOV REC: \$0
 STC REC: (\$0.2 M)
 HTC REC: (\$0.2 M)
 LEG FINAL: (\$0.2 M)
- TRANSFER WTSC FUNCTIONS TO WSP** - Provides for implementation of SB 6523, which transfers the functions of the Washington Traffic Safety Commission to the Washington State Patrol on July 1, 1994. It is the intent of the Legislature that this function be placed in the Office of the Chief.
 STC REC: \$3.1 M
 HTC REC: \$3.1 M
 LEG FINAL: \$3.1 M
 ENACTED: \$2.8 M; GOVERNOR VETO. Governor Lowry vetoed the transfer of 300 K for DWI Task Forces from WTSC to WSP. Governor veto message stated that the \$2.8 M will be made available to WTSC so that it may continue to operate as an independent commission.
- ELIMINATE INSPECTION UNIT** - Eliminates Inspection Unit as of July 1, 1994.

**Washington State Patrol
Support Services Bureau**

HTC REC: (\$0.3 M)
LEG FINAL: (\$0.3 M)

10. REDUCE ACADEMY STAFF - Reduces Academy Staff by 2 FTEs as of July 1, 1994.

HTC REC: (\$0.1 M)
LEG FINAL: (\$0.1 M)

11. REDUCE PROPERTY MANAGEMENT STAFF - Reduces the Property Management Section by 2 FTEs as of July 1, 1994. The FTEs shall be reduced from the Fiscal and Budget Services Section.

HTC REC: (\$0.1 M)
LEG FINAL: (\$0.1 M)

**Department of Licensing
Management and Support Services**

Total Appropriated Funds

(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	10,458	10,458	10,458
1994 Supplemental Budget			
1. Overhead Funding Adjustment	-750	-750	-750
2. Highway/Licenses Building Rent	100	0	0
3. Replace Parking Program Funding	7	0	0
4. Facilities and Services Adjustment	16	0	0
5. Other Overhead Reductions	-59	-59	-59
6. Reduce Mail Staff & Transfer to CMS	-63	-63	-63
7. Equipment/Travel/Goods & Services*	-4	-4	-4
Total Supplemental Items	-753	-876	-876
1993-95 REVISED APPROPRIATION	9,705	9,582	9,582

Comments:

1. OVERHEAD FUNDING ADJUSTMENT - The agency has developed a model that determines the appropriate fund distribution to support programs and ensures that these programs are not subsidized by inappropriate fund sources. This proposal represents the results of the model based on the 1993-95 final budget. Only a portion of the adjustment was enacted in the 1993-95 budget bills. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$0.75 M)
STC REC: (\$0.75 M)
HTC REC: (\$0.75 M)
LEG FINAL: (\$0.75 M)

2. HIGHWAY/LICENSES BUILDING RENT - Renovation of the Highway/Licenses Building will be completed during FY 94 with the Department taking occupancy during FY 95. This proposal reflects funding required to pay the space use charges that will be incurred when the Department resumes occupancy. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts). Section 12 of the 1994 Supplemental Transportation Budget states, "Notwithstanding section 7 (11) (a), chapter 14, Laws of 1991 sp. sess., the department of licensing shall not be assessed a space use charge for the highway-licenses building until there is a statutorily adopted space use charge or debt service plan by the legislature."

GOV REC: \$0.1 M
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0

3. REPLACE PARKING PROGRAM FUNDING - Legislation passed during the 1993 session expanded the state parking program to include facilities located off of the capital campus grounds in Thurston County. This legislation contains a provision that all parking rental income collected from the rental of parking space at state-owned or leased property shall be deposited in the State Capitol Vehicle Parking Account. The Department of Licensing currently occupies two off-campus sites in Olympia and utilizes parking fee revenues to offset lease costs at those locations. This proposal is for replacement funding to cover the loss of revenue from parking rental. (Other Funds: Transportation Fund, Uniform Commercial Code,

Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$7 K
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0

4. FACILITIES AND SERVICES ADJUSTMENT - Funding is provided for an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$16 K
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0

5. OTHER OVERHEAD REDUCTIONS - Overhead and support positions will be reduced, including: computer positions that assist staff with office applications; clerical support in the Director's office and in the Uniform Commercial Code program; and a Professional Licensing Manager and an Administrative Assistant in the Assistant Director's Office. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$59 K)
STC REC: (\$59 K)
HTC REC: (\$59 K)
LEG FINAL: (\$59 K)

6. REDUCE MAIL STAFF & TRANSFER TO CMS - This item eliminates the outgoing mail function, which will now be handled by the Consolidated Mail Service. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$63 K)
STC REC: (\$63 K)
HTC REC: (\$63 K)
LEG FINAL: (\$63 K)

7. EQUIPMENT/TRAVEL/GOODS & SERVICES* - Items include: reduced attendance at association meetings, elimination of the West Seattle Driver License Exam Office counter replacement, elimination of

Department of Licensing Management and Support Services

travel and services to prisons and citizen "55 Alive" elderly safety awareness program, less frequent software upgrades, reduced inventory, fewer publications, elimination of free forms for use by tow truck operators, and other miscellaneous reductions in equipment, travel, and training activities. Savings from discontinuing the use of certified mail and eliminating car dealer place of business regulation requires legislation. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$4 K)

STC REC: (\$4 K)

HTC REC: (\$4 K)

LEG FINAL: (\$4 K)

**Department of Licensing
Information Systems
Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	15,518	15,518	15,518
1994 Supplemental Budget			
1. LAMP	17,607	12,000	12,000
2. Overhead Funding Adjustment	1,935	1,935	1,935
3. Highway/Licenses Building Rent	31	0	0
4. Replace Parking Program Funding	13	0	0
5. Facilities and Services Adjustment	3	0	0
6. Other Overhead Reductions	-109	-109	-109
7. LAMP Reductions	-200	-200	-200
Total Supplemental Items	19,280	13,626	13,626
1993-95 REVISED APPROPRIATION	34,798	29,144	29,144

Comments:

1. LAMP - The Department has undertaken the Licensing Application Migration Project (LAMP) to modernize the information systems and technology platforms used to administer driver licensing, titling, and registration laws. The agency is working towards an integrated and flexible headquarters system placed on a capable information technology platform. Funding is proposed to continue implementation of the project. (Motor Vehicle Fund and Highway Safety Fund). Funding provided by the Legislature for FY 95 costs was significantly lower than the Governor recommended amount of \$17.6 M. The \$12.0 M reflects a revised schedule adopted by the LAMP Executive Steering Committee. Revisions to the appropriation and project schedule are due to longer period of time needed to complete the Drivers System, and the resequencing of the Vehicles System prior to the Vessels System.

GOV REC: \$17.6 M
 STC REC: \$12.0 M
 HTC REC: \$12.0 M
 LEG FINAL: \$12.0 M

LEGISLATIVE BUDGET PROVISOS:

Project Schedule:

The LAMP Project shall modify its schedule in accordance with the funding provided and the workplan alternative, Scenario A, dated February 9, 1994, as transmitted by the Office of Financial Management.

Steering Committee:

The LAMP Steering Committee shall meet no less than bi-monthly. In addition to existing membership, the LAMP Project Director, the LAMP Quality Assurance Consultant, the LAMP Contractor's Project Manager, and a representative of the Washington State Patrol shall be ex officio members of the LAMP Steering Committee.

Quality Assurance Reports:

The LAMP quality assurance consultant shall provide the LAMP Steering Committee with bi-monthly reports on the status of the LAMP project. The bi-monthly reports shall be on alternate months from the bi-monthly reports provided by the department of information services.

LAMP Operations:

The Department of Licensing, the Washington State Patrol and the Department of Information Services shall report to the steering

committee and the LTC by September 1, 1994 on the costs and benefits associated with the operations of the LAMP system at the Washington State Patrol Data Center.

Strategic Initiatives Study:

The Department of Licensing shall develop a comprehensive strategic plan that incorporates the LAMP project, the new capital budget program, the reclassification of licensing personnel and future organizational changes. By May 1, 1994, DOL shall provide LTC and OFM with a workplan for the development of a strategic initiatives plan. By September 1, 1994, DOL shall provide LTC and OFM with a strategic initiatives plan that profiles how and when the DOL intends to implement the changes necessary to achieve the benefits associated with the strategic initiatives funded by the Legislature. The strategic initiatives plan shall include at a minimum the following elements: a) implementation schedule; b) analysis of alternatives; c) employee education and communication strategies regarding plan implementation; d) an analysis of costs, benefits, and full time equivalents; and e) a recommendation for a preferred alternative.

2. OVERHEAD FUNDING ADJUSTMENT - The agency has developed a model that determines the appropriate fund distribution to support programs and ensures that these programs are not subsidized by inappropriate fund sources. This proposal represents the results of the model based on the 1993-95 final budget. Only a portion of the adjustment was enacted in the 1993-95 budget bills. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$1.9 M
 STC REC: \$1.9 M
 HTC REC: \$1.9 M
 LEG FINAL: \$1.9 M

3. HIGHWAY/LICENSES BUILDING RENT - Renovation of the Highway/Licenses Building will be completed during FY 94 with the Department taking occupancy during FY 95. This proposal reflects funding required to pay the space use charges that will be incurred when the Department resumes occupancy. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$31 K

Department of Licensing Information Systems

STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0

4. REPLACE PARKING PROGRAM FUNDING - Legislation passed during the 1993 session expanded the state parking program to include facilities located off of the Capital Campus grounds in Thurston County. This legislation contains a provision that all parking rental income collected from the rental of parking space at state-owned or leased property shall be deposited in the State Capitol Vehicle Parking Account. The Department of Licensing currently occupies two off-campus sites in Olympia and utilizes parking fee revenues to offset lease costs at those locations. This proposal is for replacement funding to cover the loss of revenue from parking rental. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)
 - GOV REC: \$13 K
 - STC REC: \$0
 - HTC REC: \$0
 - LEG FINAL: \$0

5. FACILITIES AND SERVICES ADJUSTMENT - Funding is provided for an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)
 - GOV REC: \$3 K
 - STC REC: \$0
 - HTC REC: \$0
 - LEG FINAL: \$0

6. OTHER OVERHEAD REDUCTIONS - Overhead and support positions will be reduced, including: computer positions that assist staff with office applications; clerical support in the Director's office and in the Uniform Commercial Code program; and a Professional Licensing Manager and an Administrative Assistant in the Assistant Director's Office. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)
 - GOV REC: (\$0.1 M)
 - STC REC: (\$0.1 M)
 - HTC REC: (\$0.1 M)
 - LEG FINAL: (\$0.1 M)

7. LAMP REDUCTIONS - This item reduces training, travel, personal service contracts, and equipment related to the Licensing Application Migration Project. (Highway Safety Fund-State and Motor Vehicle Fund-State)
 - GOV REC: (\$0.2 M)
 - STC REC: (\$0.2 M)
 - HTC REC: (\$0.2 M)
 - LEG FINAL: (\$0.2 M)

**Department of Licensing
Vehicle Services
Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	50,298	50,298	50,298
1994 Supplemental Budget			
1. Highway/Licenses Building Rent	316	0	0
2. Replace Parking Program Funding	3	0	0
3. Facilities and Services Adjustment	40	0	0
4. Reduce Vehicle Services Staff	-370	-370	-370
5. Fund Shift: DOLSA replaces MVF-S	0	0	0
6. Equipment/Travel/Goods & Services*	-346	-346	-346
Total Supplemental Items	-357	-716	-716
1993-95 REVISED APPROPRIATION	49,941	49,582	49,582

Comments:

- HIGHWAY/LICENSES BUILDING RENT** - Renovation of the Highway/Licenses Building will be completed during FY 94 with the Department taking occupancy during FY 95. This proposal reflects funding required to pay the space use charges that will be incurred when the Department resumes occupancy. (Other Funds: Transportation Fund, Uniform Commercial Code Account, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$0.3 M
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0
- REPLACE PARKING PROGRAM FUNDING** - Legislation passed during the 1993 session expanded the state parking program to include facilities located off of the capital campus grounds in Thurston County. This legislation contains a provision that all parking rental income collected from the rental of parking space at state-owned or leased property shall be deposited in the State Capitol Vehicle Parking Account. The Department of Licensing currently occupies two off-campus sites in Olympia and utilizes parking fee revenues to offset lease costs at those locations. This proposal is for replacement funding to cover the loss of revenue from parking rental. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$3 K
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0
- FACILITIES AND SERVICES ADJUSTMENT** - Funding is provided for an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: \$40 K
STC REC: \$0
HTC REC: \$0
LEG FINAL: \$0
- REDUCE VEHICLE SERVICES STAFF** - This item eliminates administrative, support, and professional staff in the Vehicle Services Division. (Motor Vehicle Fund)
- FUND SHIFT: DOLSA REPLACES MVF-S** - Shifts funding of the Vehicle Field System (VFS), CAAP, from the Motor Vehicle Fund to the Department of Licensing Services Account.

STC REC: \$0; (\$3.5 M MVF); \$3.5 M DOLSA
HTC REC: \$0; (\$3.5 M MVF); \$3.5 M DOLSA
LEG FINAL: \$0; (\$3.5 M MVF); \$3.5 M DOLSA
- EQUIPMENT/TRAVEL/GOODS & SERVICES*** - Items include: reduced attendance at association meetings, elimination of the West Seattle Driver License Exam Office counter replacement, elimination of travel and services to prisons and citizen "55 Alive" elderly safety awareness program, less frequent software upgrades, reduced inventory, fewer publications, elimination of free forms for use by tow truck operators, and other miscellaneous reductions in equipment, travel, and training activities. Savings from discontinuing the use of certified mail and eliminating car dealer place of business regulation requires legislation. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$0.3 M)
STC REC: (\$0.3 M)
HTC REC: (\$0.3 M)
LEG FINAL: (\$0.3 M)

**Department of Licensing
Driver Services
Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	57,625	57,625	57,625
1994 Supplemental Budget			
1. Ignored Traffic Tickets (SHB 1741)	250	250	250
2. Highway/Licenses Building Rent	319	0	0
3. Licensing Services Office Leases	315	315	315
4. Facilities and Services Adjustment	37	0	0
5. Privatize Motorcycle Training*	-657	0	0
6. Eliminate Motorcycle Training TF \$\$	0	-125	-125
7. Fund Shift: Replace TF with HSF	0	0	0
8. Equipment/Travel/Goods & Services*	-129	-129	-129
Total Supplemental Items	135	311	311
1993-95 REVISED APPROPRIATION	57,760	57,936	57,936

Comments:

1. **IGNORED TRAFFIC TICKETS (SHB 1741)** - Substitute House Bill 1741 (Chapter 501, Laws of 1993) was passed during the 1993 Legislative Session. This legislation requires the Department to suspend the driving privilege of a person who has failed to respond to a notice of traffic infraction, failed to appear at a hearing, violated a written promise to appear in court, or failed to comply with the terms of the notice or citations. Estimated ongoing costs to support the provisions of this law are \$250,200 per biennium for postage and data processing to produce the orders. The enabling clause of the transportation budget prohibited the expenditure of any transportation related funds for the implementation of any bill which did not go through either of the transportation committees. This clause was vetoed to allow the Department to operate this program with existing funds until a supplemental budget could be considered. (Highway Safety Fund)
 GOV REC: \$0.3 M
 STC REC: \$0.3 M
 HTC REC: \$0.3 M
 LEG FINAL: \$0.3 M
2. **HIGHWAY/LICENSES BUILDING RENT** - Renovation of the Highway/Licenses Building will be completed during FY 94 with the Department taking occupancy during FY 95. This proposal reflects funding required to pay the space use charges that will be incurred when the Department resumes occupancy. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)
 GOV REC: \$0.3 M
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0
3. **LICENSING SERVICES OFFICE LEASES** - Additional funding is provided for increases in lease rates at various locations. (Highway Safety Account)
 GOV REC: \$0.3 M
 STC REC: \$0.3 M
 HTC REC: \$0.3 M
 LEG FINAL: \$0.3 M
4. **FACILITIES AND SERVICES ADJUSTMENT** - Funding is provided for an adjustment in the allocation of facilities and services charges among agencies. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)
 GOV REC: \$37 K
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0
5. **PRIVATIZE MOTORCYCLE TRAINING*** - This proposal will eliminate the state subsidy for students over the age of 18 to participate in certified motorcycle training programs. The state mandates that only persons under 18 receive motorcycle training before a motorcycle license is issued. The elimination of the subsidy will permit the current motorcycle endorsement fee to be reduced from \$14 to \$6. (Motorcycle Safety Education Account and Transportation Fund)
 GOV REC: (\$0.7 M)
 STC REC: \$0; Restores motorcycle training to 1993-95 Transportation Budget level.
 HTC REC: \$0; Restores motorcycle training to 1993-95 Transportation Budget level.
 LEG FINAL: \$0
6. **ELIMINATE MOTORCYCLE TRAINING TF \$\$** - Eliminates the Transportation Fund subsidy of the Motorcycle Training Program, which will make the program fully fee supported.
 STC REC: (\$0.1 M)
 HTC REC: (\$0.1 M)
 LEG FINAL: (\$0.1 M)
7. **FUND SHIFT: REPLACE TF WITH HSF** - Shifts the funding of certain Drivers Services activities from the Transportation Fund to the Highway Safety Fund. Transportation Fund monies were provided to the Driver Services Division in the 1993-95 Transportation Budget when all Public Safety Education Account monies were transferred to the General Fund budget.
 STC REC: \$0; (\$2.4 M) TF; \$2.4 M HSF
 HTC REC: \$0; (\$2.4 M) TF; \$2.4 M HSF
 LEG FINAL: \$0; (\$2.4 M) TF; \$2.4 M HSF

Department of Licensing Driver Services

8. EQUIPMENT/TRAVEL/GOODS & SERVICES* - Items include: reduced attendance at association meetings, elimination of the West Seattle Driver License Exam Office counter replacement, elimination of travel and services to prisons and citizen "55 Alive" elderly safety awareness program, less frequent software upgrades, reduced inventory, fewer publications, elimination of free forms for use by tow truck operators, and other miscellaneous reductions in equipment, travel, and training activities. Savings from discontinuing the use of certified mail and eliminating car dealer place of business regulation requires legislation. (Other Funds: Transportation Fund, Uniform Commercial Code, Master License Account, Motor Vehicle Fund, and other professional licensing accounts)

GOV REC: (\$0.1 M)
STC REC: (\$0.1 M)
HTC REC: (\$0.1 M)
LEG FINAL: (\$0.1 M)

Legislative Transportation Committee
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	2,644	2,644	2,644
1994 Supplemental Budget			
1. 2 Percent Budget Reduction	<u>0</u>	<u>-53</u>	<u>-53</u>
Total Supplemental Items	0	-53	-53
1993-95 REVISED APPROPRIATION	2,644	2,591	2,591

Comments:

1. 2 PERCENT BUDGET REDUCTION - The Legislative Transportation Committee takes a voluntary 2 percent budget cut to free up Motor Vehicle Fund revenue for highway projects.
STC REC: (\$0.05 M)
HTC REC: (\$0.05 M)
LEG FINAL: (\$0.05 M)

Transportation Commission
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	1,637	1,637	1,637
1994 Supplemental Budget			
1. Contract Services & Travel Reduced	-15	-15	-15
2. Reduce Innovations Unit Services	-18	-18	-18
Total Supplemental Items	-33	-33	-33
1993-95 REVISED APPROPRIATION	1,604	1,604	1,604

Comments:

1. CONTRACT SERVICES & TRAVEL REDUCED - As part of the 2 percent budget cuts, the Governor's budget reduces appropriations for travel by the administrator and commission members and for personal service contracts. (Transportation Fund-State)

GOV REC: (\$0.015 M)
STC REC: (\$0.015 M)
HTC REC: (\$0.015 M)
LEG FINAL: (\$0.015 M)

2. REDUCE INNOVATIONS UNIT SERVICES - As part of the 2 percent budget cuts, the Governor's budget reduces the contract with the University of Washington Transportation Center (TRAC) for the Innovations Unit for FY 95. This will delay completion of several current research projects until next biennium. (Transportation Fund-State)

GOV REC: (\$0.018 M)
STC REC: (\$0.018 M)
HTC REC: (\$0.018 M)
LEG FINAL: (\$0.018 M)

Department of Transportation
Program A - Non-Interstate Preservation - Capital

Total Appropriated Funds

(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	300,837	300,837	300,837
1994 Supplemental Budget			
1. Emergent/Emergency Bond Authority*	-15,500	-15,500	-15,500
2. Revenue Shortfall	-7,614	-1,814	-1,814
Total Supplemental Items	-23,114	-17,314	-17,314
1993-95 REVISED APPROPRIATION	277,723	283,523	283,523

Comments:

1. EMERGENT/EMERGENCY BOND AUTHORITY* - Agency request legislation will amend the current statute authorizing \$25 million in bond sales for emergent/emergency projects. To implement the bill a portion of the current appropriation authority needs to be shifted from Program A Preservation into Program C Capacity Improvements. This is a net zero impact to the Department. (Motor Vehicle Fund-State)
 - GOV REC: (\$15.5 M)
 - STC REC: (\$15.5 M)
 - HTC REC: (\$15.5 M)
 - LEG FINAL: (\$15.5 M)

2. REVENUE SHORTFALL - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, several construction projects that preserve the structural, safety, and operational integrity of the non-interstate highway system will be delayed until next biennium. (Motor Vehicle Fund-State)
 - GOV REC: (\$7.6 M)
 - STC REC: (\$1.8 M) - Restored \$5.8 M of Governor cut
 - HTC REC: (\$1.8 M)
 - LEG FINAL: (\$1.8 M)

Department of Transportation
Program B - Interstate Highway Construction - Capital
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	535,245	535,245	535,245
1994 Supplemental Budget			
1. HOV Lane Construction Delayed	<u>-10,000</u>	<u>-5,000</u>	<u>-5,000</u>
Total Supplemental Items	-10,000	-5,000	-5,000
1993-95 REVISED APPROPRIATION	525,245	530,245	530,245

Comments:

1. HOV LANE CONSTRUCTION DELAYED - Expenditures for the NE 195th to 164th SW high occupancy vehicle (HOV) project can be reduced for two reasons: (1) Federal Demonstration Project funds are now available to replace state funds; and (2) The project start date has been delayed three months. (Motor Vehicle Fund-State)
GOV REC: (\$10.0 M)
STC REC: (\$5.0 M)
HTC REC: (\$5.0 M)
LEG FINAL: (\$5.0 M)

Department of Transportation
Program C - Major Non-Interstate Highway Construction - Capital
Total Appropriated Funds
(Dollars in Thousands)

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	431,069	431,069	431,069
1994 Supplemental Budget			
1. Special C Reductions	-19,000	-19,000	-19,000
2. Emergent/Emergency Bond Authority*	15,500	15,500	15,500
3. Appropriation Shift To Balance MVF	0	0	0
4. Cat C Projects Under Construction	0	8,000	8,000
5. Acceleration of HOV's in 93-95	0	8,500	8,500
6. New 1993-95 Projects-to Ad	0	35,500	35,500
7. New PE/ROW-Reg. Cat C	0	27,100	27,100
8. New Construction Starts-HOV's	0	22,900	22,900
9. Priv.- Local Appro.for TIB Projects	0	11,000	11,000
10. STC Fund Shift	0	0	0
11. Addtl PE&ROW-House	0	2,000	2,000
12. HTC Fund Shift	0	0	0
13. \$93.9 M GF-S Approp.	0	0	0
14. House Floor Fund Shift	0	0	0
Total Supplemental Items	-3,500	111,500	111,500
1993-95 REVISED APPROPRIATION	427,569	542,569	542,569

Comments:

- SPECIAL C REDUCTIONS** - Expenditures for the First Avenue South Bridge and State Route 18 are slower than expected.
GOV REC: (\$19.0 M)
STC REC: (\$19.0 M)
HTC REC: (\$19.0 M)
LEG FINAL: (\$19.0 M)
- EMERGENT/EMERGENCY BOND AUTHORITY*** - Agency request legislation will amend the current statute authorizing \$25 million in bond sales for emergent/emergency projects. To implement the bill, a portion of the current appropriation authority needs to be shifted from Program A Preservation into Program C Capacity Improvements. This is a net zero impact to the Department. (Motor Vehicle Fund-State)
GOV REC: \$15.5 M
STC REC: \$15.5 M
HTC REC: \$15.5 M
LEG FINAL: \$15.5 M
- ACCELERATION OF HOV'S IN 93-95** - \$8.5 million of expenditures anticipated for 1995-97 have been accelerated in the 1993-95 biennium for the 84th Ave. So. to So. Grady Way HOV project.
STC REC: \$8.5 M
HTC REC: \$8.5 M
LEG FINAL: \$8.5 M
- NEW 1993-95 PROJECTS-TO AD** - With additional revenue, the department has identified \$35.5 M in new construction starts for 1993-95.
STC REC: \$35.5 M
HTC REC: \$35.5 M
LEG FINAL: \$35.5 M
- NEW PE/ROW-REG. CAT C** - With additional revenue, the department has identified \$27.1 M in additional PE/ROW work for the 1993-95 Regular Category C program.
STC REC: \$27.1 M
HTC REC: \$27.1 M
LEG FINAL: \$27.1 M
- NEW CONSTRUCTION STARTS-HOV'S** - With additional revenue, the department has identified \$22.9 M of new construction starts for HOV projects in 1993-95.
STC REC: \$22.9 M
HTC REC: \$22.9 M
LEG FINAL: \$22.9 M
- APPROPRIATION SHIFT TO BALANCE MVF** - In order to balance expenditures to available revenues, appropriation authority is shifted from the Motor Vehicle Fund into the Transportation Fund. This is a net zero impact to the Capacity Improvement Program. (Motor Vehicle Fund-State, Transportation Fund-State)
GOV REC: MVF (\$9.5 M); TF \$9.5 M
STC REC: MVF (\$9.5 M); TF \$9.5 M
HTC REC: MVF (\$9.5 M); TF \$9.5 M
LEG FINAL: MVF (\$9.5 M); TF \$9.5 M
- CAT C PROJECTS UNDER CONSTRUCTION** - The 1993 base budget contained \$125.4 M for construction work that would go to ad in the spring and/or early summer of 1993. \$12.5 M was for preliminary engineering. Cost increases of \$8.0 M have occurred for those projects under construction. This item is reflected in section 18, subsection 5, of the 1994 transportation budget, ESSB 6084.
STC REC: \$8.0 M
HTC REC: \$8.0 M
LEG FINAL: \$8.0 M
- PRIV.- LOCAL APPRO.FOR TIB PROJECTS** - The department needs appropriation authority for those projects that are performed by

Department of Transportation
Program C - Major Non-Interstate Highway Construction - Capital

the Department of Transportation, but funded by grants from the Transportation Improvement Board.

STC REC: \$11.0 M
 HTC REC: \$11.0 M
 LEG FINAL: \$11.0 M

10. STC FUND SHIFT - Based upon a \$95 million transfer from the General Fund to the Transportation Fund in the Senate version of the omnibus budget, a fund shift is required in order to balance the budget.
 - STC REC: \$54.4 M TF-S; (\$54.4 M) MVF-S
 - HTC REC: \$54.4 M TF-S; (\$54.4 M) MVF-S
 - LEG FINAL: \$54.4 M TF-S; (\$54.4 M) MVF-S
11. ADDTL PE&ROW-HOUSE - The House Transportation Committee added funds for enhanced preliminary engineering and right-of-way on category C projects.
 - HTC REC: \$2.0 M
 - LEG FINAL: \$2.0 M
12. HTC FUND SHIFT - A fund shift is required in order to ensure adequate funds are available in the transportation fund-state to cover appropriations made from that source for new category C initiatives.
 - HTC REC: (\$30.0 M) MVF-S; \$30.0 M TF-S
 - LEG FINAL: (\$30.0 M) MVF-S; \$30.0 M TF-S
13. \$93.9 M GF-S APPROP. - The House floor version of the transportation budget includes a general fund-state appropriation. Although the House supported using \$95.0 M of the general fund, to "pay back" the loan made in 1993, only \$93.9 M of that amount is shown here. The remaining \$1.075 M was used in the general fund budget to shift the appropriation for the McNeil Island ferry from the transportation fund to the general fund. The amount of \$93.9 M is actually appropriated within other Category C items within this budget to complete projects promised as part of the 1990 transportation revenue package.
 - HSE FLR: \$93.9 M GF-S
 - LEG FINAL: \$93.9 M GF-S
14. HOUSE FLOOR FUND SHIFT - With the appropriation of general fund-state dollars additional adjustments were required between the transportation and motor vehicle funds in order to balance the budget.
 - HSE FLR: \$118.3 M MVF-S; (\$118.3 M) TF-S
 - LEG FINAL: \$118.3 M MVF-S; (\$118.3 M) TF-S

Department of Transportation
Program D - Highway Management & Facilities
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	52,580	52,580	52,580
1994 Supplemental Budget			
1. Revenue Shortfall	-268	-268	-268
2. Bellingham Fire	0	250	250
3. Overhead Study Adjustment	0	-1,200	-1,200
4. Design Visualization	0	50	50
Total Supplemental Items	-268	-1,168	-1,168
1993-95 REVISED APPROPRIATION	52,312	51,412	51,412

Comments:

1. REVENUE SHORTFALL - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, expenditures for program management, construction, project development, design, bridge, architecture, and real estate services are reduced. (Motor Vehicle Fund-State)
 - GOV REC: (\$0.3 M)
 - STC REC: (\$0.3 M)
 - HTC REC: (\$0.3 M)
 - LEG FINAL: (\$0.3 M)
2. BELLINGHAM FIRE - The request is for demolition, cleanup, and emergency leased shop and office space as a result of the Bellingham fire at the area headquarters facility in January, 1994.
 - STC REC: \$0.25 M (Also see program D-capital for \$1.5 M construction)
 - HTC REC: \$0.25 M
 - LEG FINAL: \$0.25 M
3. OVERHEAD STUDY ADJUSTMENT - During the 1991-93 biennium, a construction overhead study was completed to determine a reorganization of administrative costs for construction support. Based on actual costs to date, the department requests overhead adjustments between program D and program S. The net effect is zero.
 - STC REC: (\$1.2 M) -- see program S for a like increase
 - HTC REC: (\$1.2 M)
 - LEG FINAL: (\$1.2 M)
4. DESIGN VISUALIZATION - The department has initiated efforts to develop visual technologies to assist engineers as they present project proposals to the public.
 - HTC REC: \$0.05 M
 - LEG FINAL: \$0.05 M

Department of Transportation
Program D - Plant Construction & Supervision - Capital
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	19,328	19,328	19,328
1994 Supplemental Budget			
1. Revenue Shortfall	-21	-21	-21
2. Bellingham Fire	0	1,500	1,500
Total Supplemental Items	-21	1,479	1,479
1993-95 REVISED APPROPRIATION	19,307	20,807	20,807

Comments:

1. REVENUE SHORTFALL - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, expenditures for the acquisition, development, construction, or upgrading of real property, buildings, and installed equipment are reduced. (Motor Vehicle Fund-State)

GOV REC: (\$0.02 M)
STC REC: (\$0.02 M)
HTC REC: (\$0.02 M)
LEG FINAL: (\$0.02 M)

2. BELLINGHAM FIRE - In January, 1994 the Bellingham area maintenance facility was devastated by a fire. The Department is requesting an appropriation of \$1.5 M to accelerate construction of a new area headquarters, estimated to be complete by February, 1995. (Transp. Cap. Facilities Acct.)

STC REC: \$1.5 M (also see program D-operating for additional request of \$250,000)
HTC REC: \$1.5 M
LEG FINAL: \$1.5 M

Department of Transportation
Program F - Aeronautics
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	3,888	3,888	3,888
1994 Supplemental Budget			
1. Quillayute Airport Timber Sale	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total Supplemental Items	2,000	2,000	2,000
1993-95 REVISED APPROPRIATION	5,888	5,888	5,888

Comments:

1. QUILLAYUTE AIRPORT TIMBER SALE - Timber at the Quillayute State Airport has reached full maturity and is valued at approximately \$2 million dollars. The local residents have asked WSDOT to sell the timber to help the local economy. Under the terms of the airport property transfer from the federal government to the state, this money must be used only for aviation purposes. The funds received from the sale will be used to support the maintenance of all state airports and provide local airport aid grants throughout the state. (Aeronautics Account-State)

GOV REC: \$2.0 M
STC REC: \$2.0 M
HTC REC: \$2.0 M
LEG FINAL: \$2.0 M

Department of Transportation
Program G - Community Economic Revitalization - Capital
Total Appropriated Funds
(Dollars in Thousands)

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	5,020	5,020	5,020
1994 Supplemental Budget			
1. Shift Fund Source	0	0	0
2. Racetrack Funding-New Rev.	0	5,000	5,000
Total Supplemental Items	0	5,000	5,000
1993-95 REVISED APPROPRIATION	5,020	10,020	10,020

Comments:

1. SHIFT FUND SOURCE - The Community Economic Revitalization Board (CERB) has had difficulty going to the bond market since their funding needs are relatively small. HB 2593 provides for additional uses of an existing highway bond authorization which will be used to support CERB activities. Once motor vehicle bonds are sold, the portion for CERB will be transferred. CERB will subsequently reimburse the motor vehicle fund. This item moves the CERB appropriation from the Economic Development Account-Bond fund source to the Economic Development Account-State fund source.

STC REC: Econ. Dev. Acct.-bonds (\$5.0 M); Econ. Dev. Acct.-State \$5.0 M
HTC REC: Econ. Dev. Acct.-bonds (\$5.0 M); Econ. Dev. Acct.-State \$5.0 M
LEG FINAL: Econ. Dev. Acct.-bonds (\$5.0 M); Econ. Dev. Acct.-State \$5.0 M

2. RACETRACK FUNDING-NEW REV. - With additional revenue transferred from the MVF, the Community Economic Revitalization Board (CERB) can participate in the infrastructure development of a new state race track.

STC REC: \$5.0 M
HTC REC: \$5.0 M
LEG FINAL: \$5.0 M

ENACTED: Although the Governor left the \$5 M appropriation intact, he struck subsection 2 of the budget bill that specified the use of the appropriation. In his veto message he wrote: "With this veto, the \$5 million appropriation remains for use on CERB approved projects. If and when a race track location is approved by the Horse Racing Commission, the horse racing track project can compete for transportation infrastructure funding along with other projects through the regular CERB process."

Department of Transportation
Program H - Non-Interstate Bridge Program - Capital
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	117,027	117,027	117,027
1994 Supplemental Budget			
1. Increased Seismic Retrofit	0	3,000	3,000
2. Seismic Retrofit-2 Cent Gas Tax	0	0	0
Total Supplemental Items	0	3,000	3,000
1993-95 REVISED APPROPRIATION	117,027	120,027	120,027

Comments:

1. INCREASED SEISMIC RETROFIT - With additional revenues, the department will be able to accelerate seismic retrofit work.
STC REC: \$3.0 M
HTC REC: \$3.0 M
LEG FINAL: \$3.0 M

2. SEISMIC RETROFIT-2 CENT GAS TAX - SB 6553 would provide an increase in the motor vehicle fuel tax of 2 cents. With an effective date of January 1, 1995, approximately \$21.4 million would be generated for the remainder of the 1993-95 biennium. Two thirds of this amount (\$14.4 M) would be for program H-bridges within the DOT budget, and one-third (\$7.0 M) would be for the Transportation Improvement Board.
STC REC: \$0; subject to passage of SB 6553
HTC REC: \$0
LEG FINAL: \$0

**Department of Transportation
Program M - Highway Maintenance**

Total Appropriated Funds

(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	243,382	243,382	243,382
1994 Supplemental Budget			
1. Revenue Shortfall	-1,236	-1,236	-1,236
2. Workforce Safety Program	0	2,700	2,700
3. Snow and Ice Reduction	0	-2,000	-2,000
Total Supplemental Items	-1,236	-536	-536
1993-95 REVISED APPROPRIATION	242,146	242,846	242,846

Comments:

1. REVENUE SHORTFALL - In this WSDOT program, expenditures for vegetation management, snow and ice removal, and maintenance of highways and structures are reduced. (Motor Vehicle Fund-State)

GOV REC: (\$1.2 M)
 STC REC: (\$1.2 M)
 HTC REC: (\$1.2 M)
 LEG FINAL: (\$1.2 M)

2. WORKFORCE SAFETY PROGRAM - The Department would like to increase funding for enhanced work safety efforts. The request is for equipment only.

STC REC: \$2.7 M
 HTC REC: \$2.7 M
 LEG FINAL: \$2.7 M

3. SNOW AND ICE REDUCTION - In order to balance the budget a reduction in the snow and ice program is required.

HTC REC: (\$2.0 M)
 LEG FINAL: (\$2.0 M)

Department of Transportation
Program S - Transportation Management
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	54,586	54,586	54,586
1994 Supplemental Budget			
1. Public/Private Initiatives	150	300	300
2. Revenue Shortfall	-481	-481	-481
3. Overhead Study Adjustment	0	1,200	1,200
4. Fund Adjustment	0	0	0
Total Supplemental Items	-331	1,019	1,019
1993-95 REVISED APPROPRIATION	54,255	55,605	55,605

Comments:

1. PUBLIC/PRIVATE INITIATIVES - The 1993-95 appropriation does not adequately reflect estimated costs to implement the new Public/Private Initiatives program (Chapter 370, Laws of 1993). Expertise from the Attorney General's office is needed to negotiate transportation franchise agreements and research other legal issues. In addition, the budget did not include funds for the advertisements necessary to attract national and international industries to invest in our transportation system. (Transportation Fund-State)

GOV REC: \$0.15 M
STC REC: \$0.15 M
HTC REC: \$0.30 M
LEG FINAL: \$0.30 M

2. REVENUE SHORTFALL - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, expenditures for executive management, financial management, and personnel support are reduced. (Motor Vehicle Fund-State)

GOV REC: (\$0.5 M)
STC REC: (\$0.5 M)
HTC REC: (\$0.5 M)
LEG FINAL: (\$0.5 M)

3. OVERHEAD STUDY ADJUSTMENT - During the 1991-93 biennium a construction overhead study was completed to determine a reallocation of administrative costs related to construction programs. Based on actual costs to date, the department requests an adjustment between programs D and S. The net effect is zero.

STC REC: \$1.2 M (also see program D-operating)
HTC REC: \$1.2 M
LEG FINAL: \$1.2 M

4. FUND ADJUSTMENT - The 1993 legislature provided \$526,000 for the newly created public/private initiatives program. This appropriation was inadvertently made from the motor vehicle fund-state rather than the transportation fund-state. This fund adjustment corrects that error.

HTC REC: (\$0.5 M) MVF-S; \$0.5 M TF-S
LEG FINAL: (\$0.5 M) MVF-S; \$0.5 M TF-S

**Department of Transportation
Program T - Transit Research & Intermodal Planning**

**Total Appropriated Funds
(Dollars in Thousands)**

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	126,830	126,830	126,830
1994 Supplemental Budget			
1. Public Transportation Grant Program	-2,537	-2,537	-2,537
2. Revenue Shortfall	-745	-745	-745
3. Regional Transit Authority	0	800	800
4. Regional Transit Authority	0	700	700
Total Supplemental Items	-3,282	-1,782	-1,782
1993-95 REVISED APPROPRIATION	123,548	125,048	125,048

Comments:

- 1. PUBLIC TRANSPORTATION GRANT PROGRAM** - Revenues deposited in the Central Puget Sound Public Transportation Account are awarded on a competitive basis for capital projects within the central Puget Sound area. Eligible public transportation projects include multimodal facilities, park and ride lots, and high occupancy vehicle (HOV) lane extensions. Revenue forecasts after the 1993 session show a decline in available revenues to the fund. As a result, the current appropriation must be reduced. This reduction defers 12 percent of the projects selected for funding in the current biennium until 1995-97. (Central Puget Sound Public Transportation Account-State)

 - GOV REC: (\$2.5 M)
 - STC REC: (\$2.5 M)
 - HTC REC: (\$2.5 M)
 - LEG FINAL: (\$2.5 M)
- 2. REVENUE SHORTFALL** - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, transportation planning, research, and administrative expenditures are reduced. (Motor Vehicle Fund-State)

 - GOV REC: (\$0.7 M)
 - STC REC: (\$0.7 M)
 - HTC REC: (\$0.7 M)
 - LEG FINAL: (\$0.7 M)
- 3. REGIONAL TRANSIT AUTHORITY** - Additional revenue from the High Capacity Transportation Account is provided for the Central Puget Sound Regional Transit Authority for matching funds for Federal rapid transit and commuter rail funding programs and for RTA costs required by RCW 81.104.140 (election costs). These funds are not subject to the distribution process specified for HCT funds and do not require local match.

 - HTC REC: \$0.8 M
 - LEG FINAL: \$0.8 M
- 4. REGIONAL TRANSIT AUTHORITY** - Additional revenue from the Transportation Account is provided for the Central Puget Sound Regional Transit Authority for matching funds for Federal rapid transit and commuter rail funding programs and for RTA costs required by RCW 81.104.140 (election costs).

 - HTC REC: \$0.7 M
 - LEG FINAL: \$0.7 M

Department of Transportation
Program U - Charges from Other Agencies
Total Appropriated Funds
(Dollars in Thousands)

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	32,124	32,124	32,124
1994 Supplemental Budget			
1. OMWBE	62	62	0
2. Self Insurance Premium	874	0	0
3. General Administration Charges	354	0	0
4. Gen. Admin.-Procurement Office	0	-569	0
5. Gen. Admin-Facilities and Services	0	0	0
6. Addtl Janitorial Services	0	200	0
7. SB 6252-Government Liability	0	-250	0
Total Supplemental Items	1,290	-557	0
1993-95 REVISED APPROPRIATION	33,414	31,567	32,124

Comments:

1. OMWBE - Funding for the Office of Minority and Women's Business Enterprises (OMWBE) charges is increased to match the actual billings for the 1993-95 biennium. (Motor Vehicle Fund-State)
 GOV REC: \$0.06 M
 STC REC: \$0.06 M
 HTC REC: \$0.06 M
 LEG FINAL: \$0.06 M
 ENACTED: The Governor vetoed the line item appropriations for program U, effectively collapsing all charges into a single appropriation. The veto restores the base 1993 funding level which excluded the \$62,000 in this item for OMWBE. Nevertheless, in the Governor's veto message he indicated the single appropriation should allow sufficient flexibility to fund OMWBE's budget request.

2. SELF INSURANCE PREMIUM - The 1993-95 biennium appropriation did not include sufficient funds to cover WSDOT's self-insurance premium and related administrative costs. (Motor Vehicle Fund-State)
 GOV REC: \$0.9 M
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0
 ENACTED: The Governor vetoed the line item appropriations for program U, effectively restoring the 1993 base budget. This item was not contained in the 1993 base budget. The Governor stated in his veto message: "...the single line item format allows DOT to meet minimum obligations to the Department of General Administration facilities and service costs..." Since this is not a request for facilities and services, it appears that the Governor did not intend DOT to fund this item.

3. GENERAL ADMINISTRATION CHARGES - Increased appropriation is provided to cover in-coming mail and facilities and services charges. (Motor Vehicle Fund-State)
 GOV REC: \$0.4 M
 STC REC: \$0
 HTC REC: \$0
 LEG FINAL: \$0
 ENACTED: Since the Governor vetoed the line item appropriations, it is difficult to assess whether or not he intends for DOT to pay this item. This item was originally submitted in Governor Lowry's supplemental budget under the title "General Administration Charges." In his veto message, the Governor did state: "...the single line item format allows DOT to meet minimum obligations for the Department of General Administration facilities and services costs..." Thus, it appears the Governor may intend to have this item funded.

4. GEN. ADMIN.-PROCUREMENT OFFICE - The office of state procurement within the Department of General Administration (GA) has changed the methodology they use for charging agencies for procurement services. The new methodology charges a percentage fee to the vendor on selected state contracts, which the vendor then remits to GA. Each program within the DOT that uses state contracts (i.e. for the purchase of vehicles, fuel, paper, etc.) will have to pay the additional vendor charge. These additional fees have the effect of increasing the cost of purchased goods. The effect on all state agencies using state contracts is essentially a program cut since they must absorb the increased costs for purchasing goods associated with the new fee. The lump sum appropriation for procurement services is no longer applicable since the individual programs within DOT will be responsible for paying the fees to GA. DOT estimates a program impact of between \$2 to \$4 M.
 GOV REC: included under item labelled "General Administration Charges"
 STC REC: (\$0.6 M)
 HTC REC: (\$0.6 M)
 LEG FINAL: (\$0.6 M)
 ENACTED: When the governor vetoed the line item appropriations, he effectively restored the base 1993 funding levels. Included in the 1993 base was \$569,000 for procurement services. Since passage of the 1993 base budget, GA has changed the methodology they use for charging for procurement and this budgeted amount is no longer needed. Presumably, the Governor assumes these monies will be used for other purposes.

5. GEN. ADMIN-FACILITIES AND SERVICES - The Department of General Administration (GA) charges all state agencies for a variety of services including janitorial work, minor repairs, ventilation system work, etc. The 1993 legislature reduced GA's requested appropriation by \$183,000. GA will bill DOT this additional amount even though DOT will not have appropriation authority to pay it. The effect of this is DOT will "book" an "accounts payable" which they will pay GA once they receive new appropriation authority.
 GOV REC: included in item labelled "General Administration Charges"
 STC REC: \$0

Department of Transportation Program U - Charges from Other Agencies

HTC REC: \$0

LEG FINAL: \$0

ENACTED: Since the Governor vetoed the line item appropriations, it is unclear which specific charges he intends to be funded. However, in his veto message, he states: "...the single line item format allows DOT to meet minimum obligations for the Department of General administration facilities and services costs..." Since the Governor included this item in his original supplemental budget submittal under the title "General Administration Charges" it may be that he intends this item to be funded.

6. ADDTL JANITORIAL SERVICES - The Department of General Administration (GA) provides custodial services to DOT on a contractual basis. The current facilities and services appropriation contains funding for two custodians. Since there are over 800 employees working at DOT's headquarters, it is impossible to keep the facility clean with only two custodians.

GOV REC: \$0.5 M contained within item labelled "General Administration Charges"

STC REC: \$0.2 M

HTC REC: \$0.2 M

LEG FINAL: \$0.2 M

ENACTED: In his veto message, the Governor stated: "This reduction in the total amount provided means the agency cannot pay the charges for basic custodial and utility services." Thus, it appears the Governor intends this item to be unfunded.

7. SB 6252-GOVERNMENT LIABILITY - This bill would limit tort liability of state agencies and local governments relative to their public facilities.

STC REC: (\$0.25 M)

HTC REC: (\$0.25 M)

LEG FINAL: (\$0.25 M)

ENACTED: \$0 SB 6252 did not pass the legislature.

Department of Transportation
Program W - Marine Transportation - Capital
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	268,883	268,883	268,883
1994 Supplemental Budget			
1. Jumbo Ferry Construction Delay	-39,861	-39,861	-39,861
Total Supplemental Items	-39,861	-39,861	-39,861
1993-95 REVISED APPROPRIATION	229,022	229,022	229,022

Comments:

1. JUMBO FERRY CONSTRUCTION DELAY - The schedule for construction of the three new jumbo ferry vessels has been revised. Expenditures in the current biennium can be reduced because a delay in the construction start date occurred when the bid specifications had to be redrawn. Completion of the first ferry is now estimated for 1996.
(Puget Sound Capital Construction Account - State)
GOV REC: (\$39.9 M)
STC REC: (\$39.9 M)
HTC REC: (\$39.9 M)
LEG FINAL: (\$39.9 M)

**Department of Transportation
Program Z - Local Programs - Operating
Total Appropriated Funds
(Dollars in Thousands)**

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	11,347	11,347	11,347
1994 Supplemental Budget			
1. Special Studies	0	700	700
2. Reduce Trsfr Relief Acct.	0	-2,169	-2,169
Total Supplemental Items	0	-1,469	-1,469
1993-95 REVISED APPROPRIATION	11,347	9,878	9,878

Comments:

1. SPECIAL STUDIES - A portion of the dedicated fuel tax distribution to cities and counties is set aside for special studies that mutually benefit cities, counties, and the state. The state contribution is about 70 percent of the total. There are two proposed studies for consideration in the supplemental budget.

The first study would address the statutory and procedural barriers within each jurisdiction that prevent a multi-jurisdictional approach to environmental mitigation. The study would identify potential mitigation projects that might be more appropriate to address on a comprehensive regional basis rather than a project by project basis. The study will assess whether or not a regional approach is achievable; and, if it is, shall identify candidate regional projects. Estimates of cost allocations between participating jurisdictions will be made, including recommendations on appropriate funding sources. The study will further identify those resources that could be shared between jurisdictions, including, but not limited to, hazardous waste sites, gravel pit sites, "bioremediation farms", wetland banks, pesticide storage facilities and other transportation related activities that require environmental monitoring, mitigation, or protection. The study is to be completed no later than December 1, 1994, at a cost of \$300,000 (motor vehicle fund-state).

The second study will implement the requirements set forth in section 9 of SHB 1928. The purpose of the study is to evaluate the relationship between state transportation facilities and local comprehensive plans. The study will address: (a) how state transportation facilities and services should be addressed in local comprehensive plans; (b) whether state transportation facilities are subject to local concurrency requirements and the effectiveness of current methods provided for in the Growth Management Act to address concurrency for state transportation facilities; (c) the long-term effects on state transportation facilities resulting from the development of urban growth areas; (d) the specific actions and requirements adopted by local jurisdictions to bring into compliance a state transportation facility or service that is below established level of service standards; (e) the status and effectiveness of the access management program; (f) appropriateness for mitigating land use impacts on state transportation facilities and services; (g) an analysis of funding alternatives including, but not limited to, state transportation benefit districts; a state latecomer fee system; fees related to impacts generated under the State Environmental Policy Act; impact fees; allocation of state resources; and other alternatives; and (h) the appropriate relationship between state transportation programming and prioritization systems and level of service deficiencies. The preliminary study findings are to be completed no later than December 15, 1994 and the final report is due September 1, 1995. A detailed study plan shall be submitted to the members of the steering committee created in SHB 1928 by June 30, 1994. If the study plan indicates significant timing variances from those dates set

forth in SHB 1928, the steering committee shall seek approval from the Legislative Transportation Committee to vary from the aforementioned deadlines. \$400,000 of the motor vehicle fund-state appropriation is provided solely for this study.

STC REC: \$0.3 M
HTC REC: \$0.7 M
LEG FINAL: \$0.7 M

2. REDUCE TRSFR RELIEF ACCT. - A reduction is made to the transfer relief account since transfer of state facilities to counties, per the Road Jurisdiction Study, are not occurring as quickly as anticipated.
 - STC REC: (\$3.0 M)
 - HTC REC: (\$2.2 M) -- restores \$831,000 available ending fund balance
 - LEG FINAL: (\$2.2 M)

Department of Transportation
Program Z - Local Programs - Capital
Total Appropriated Funds
(Dollars in Thousands)

	<u>Governor</u>	<u>Leg Final</u>	<u>Enacted</u>
1993-95 ORIGINAL APPROPRIATION	191,286	191,286	191,286
1994 Supplemental Budget			
1. Everett Homeport State Match	-1,000	-1,800	-1,800
2. Revenue Shortfall	-8	-8	-8
Total Supplemental Items	-1,008	-1,808	-1,808
1993-95 REVISED APPROPRIATION	190,278	189,478	189,478

Comments:

1. EVERETT HOMEPORT STATE MATCH - The 1993-95 appropriation for safety and capacity improvements to streets and highways in the vicinity of the United States Navy Homeport in Everett is higher than needed. The Motor Vehicle Fund appropriation used for the state match on this project can be reduced by \$1 million. (Motor Vehicle Fund-State)
 - GOV REC: (\$1.0 M)
 - STC REC: (\$1.8 M) – additional savings
 - LEG FINAL: (\$1.8 M)

2. REVENUE SHORTFALL - Due to a projected revenue shortfall in the Motor Vehicle Fund, a prorated agency-wide reduction is necessary. In this WSDOT program, federal aid project support expenditures are reduced. (Motor Vehicle Fund-State)
 - GOV REC: (\$0.008 M)
 - STC REC: (\$0.008 M)
 - HTC REC: (\$0.008 M)
 - LEG FINAL: (\$0.008 M)

**Washington State Patrol
Capital
Total Appropriated Funds
(Dollars in Thousands)**

	Governor	Leg Final	Enacted
1993-95 ORIGINAL APPROPRIATION	12,015	12,015	12,015
1994 Supplemental Budget			
1. Everett Dist Hdqtrs Building	0	-200	-200
2. Shelton Trng Acad Restroom Repair	0	-100	-100
3. Replace Rattlesnake Ridge Comm Site	0	-422	-422
4. Vancouver CVE Inspect Station	0	-366	-366
5. Mt Vernon Comm Site Construction	0	-396	-396
6. Spokane CVE Inspect Station	0	-322	-322
7. 94-1-001 ADA Compliance - Bellevue	350	0	0
8. Longview VIN/Jt. with DOL	0	-117	-117
Total Supplemental Items	350	-1,923	-1,923
1993-95 REVISED APPROPRIATION	12,365	10,092	10,092

Comments:

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| <p>1. EVERETT DIST HDQTRS BUILDING - Reduces 1993-95 appropriation by \$200,000 because of cost overrun.
HTC REC: (\$200 K)
LEG FINAL: (\$200 K)</p> <p>2. SHELTON TRNG ACAD RESTROOM REPAIR - Eliminates 1993-95 appropriation.
HTC REC: (\$100 K)
LEG FINAL: (\$100 K)</p> <p>3. REPLACE RATTLESNAKE RIDGE COMM SITE - Eliminates 1993-95 appropriation due to land acquisition delays.
HTC REC: (\$0.4 M)
LEG FINAL: (\$0.4 M)</p> <p>4. VANCOUVER CVE INSPECT STATION - In the 1993-95 Transportation Budget a Port of Entry Inspection Station was funded. This is a joint project between the DOT and the WSP. DOT acquires the land and the WSP builds and operates the CVE Inspection Station. This project is deferred because DOT cannot purchase the land in the 1993-95 biennium.
STC REC: (\$0.4 M)
HTC REC: (\$0.4 M)
LEG FINAL: (\$0.4 M)</p> <p>5. MT VERNON COMM SITE CONSTRUCTION - Eliminates 1993-95 appropriation.
HTC REC: (\$0.4 M)
LEG FINAL: (\$0.4 M)</p> <p>6. SPOKANE CVE INSPECT STATION - Eliminates 1993-95 appropriation.
HTC REC: (\$0.3 M)
LEG FINAL: (\$0.3 M)</p> <p>7. 94-1-001 ADA COMPLIANCE - BELLEVUE - To provide access consistent with Americans with Disabilities Act (ADA) guidelines for the District 1 Headquarters, a small elevator will be installed to service all three floor of the building and impaired restroom access will be provided. A budget proviso to the the WSP Capital appropriation calls for the WSP to develop a needs assessment for bringing all WSP facilities into compliance with the ADA.</p> | <p>GOV REC: \$0.4 M
STC REC: \$0.4 M
HTC REC: \$0
LEG FINAL: \$0</p> <p>8. LONGVIEW VIN/JT. WITH DOL - The DOL capital plan called for an office in Longview to be established. The Legislature funded the WSP VIN station on the condition it was co-located with the DOL office. DOL has withdrawn the Longview office in the 1994 Governor Recommended Budget.
STC REC: (\$0.1 M)
HTC REC: (\$0.1 M)
LEG FINAL: (\$0.1 M)</p> |
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