

**2005-07 BIENNIAL &  
2005 SUPPLEMENTAL**

**CONFERENCE COMMITTEE  
OPERATING BUDGET**

**BUDGET  
OVERVIEW**

**APRIL 23, 2005**

**PREPARED BY THE OFFICE OF  
PROGRAM RESEARCH**

**2005-07 Budget**  
**Near General Fund**  
(Dollars in Thousands)

	Senate	House	Proposal
<b>K-12 Education</b>			
Alternative Routes to Teaching	-1,096	0	-1,096
Focused Assistance	0	2,000	2,000
LASER Science Program	-1,080	0	0
Pacific Science Center	-1,224	0	0
Reading Model/Early Reading Grants	0	1,520	500
Transfer to Capital Budget	-3,918	0	0
Special Education Funding	18,945	54,400	29,290
Expand LAP	17,448	30,061	25,075
Levy Equalization	0	-34,006	-12,922
Eliminate Readiness to Learn	0	-7,188	0
School Bus Depreciation	-6,482	-6,482	-6,482
Assessment System	3,542	3,155	3,155
Science WASL	4,471	4,471	4,471
National Board Certification Bonus	-5,044	0	0
One-Time Grant for Fuel Costs	1,534	0	0
Reading Corps	-7,426	-5,726	-5,726
Other	5,739	6,498	6,819
<b>K-12 Education Total</b>	<b>25,409</b>	<b>48,703</b>	<b>45,084</b>
<b>Higher Ed</b>			
Autism Centers	1,125	0	1,125
General Enrollments	54,521	93,876	72,571
Veterinary Medicine	2,028	1,521	1,521
State Need Grant	108,404	33,570	69,659
Promise Scholarship	-12,617	-277	-12,617
Other Financial Aid	3,530	4,277	3,892
M&O on Recent Buildings	1,117	4,353	1,117
Maintenance & Operations Shift	-14,999	-14,999	-14,999
Tuition Rate Increase	-78,128	0	-16,642
Non-Instruction Reduction	-10,336	0	-10,336
Life Science	2,580	500	150
Adult Basic Ed	4,000	5,000	4,000
Faculty Increments	4,500	4,500	4,500
Part-Time Faculty Equity	4,500	4,500	4,500
High Demand Enrollments (2 yr)	8,720	0	0
Lower Division Planning Funds	1,000	550	550
M&O: BioEngineering/Genome Bldg	0	3,241	0
Other	208	-178	1,009
<b>Higher Ed Total</b>	<b>80,153</b>	<b>140,434</b>	<b>110,000</b>

**2005-07 Budget**  
**Near General Fund**  
(Dollars in Thousands)

	Senate	House	Proposal
<b>Health Care</b>			
Expand Alcohol/Drug Trtmnt for Youth	5,045	5,045	5,045
Medicaid Eligibility Reviews	32,650	32,650	32,650
Patients Requiring Review	-5,334	-5,334	-5,334
Drug Co-Pay	-8,159	-8,159	0
Transportation Co-Pay	-5,367	-5,367	0
Contract Out Drug Rebate Collection	-6,768	-6,768	-3,739
IGT Design	-47,163	-47,163	-47,163
Children's Health Program	0	7,878	7,878
Children's Health Premiums	8,753	8,753	8,753
Other MAA	-6,689	-6,841	-6,589
Non-Medicaid Services-Community	82,200	70,000	80,700
Mental Hlth Forensic Services	7,885	6,951	7,400
Mental Health - Other	1,064	1,547	1,214
Drug/MH Integration	9,162	0	8,891
Expand Preventive Svcs	10,900	-6,091	4,611
Local Public Health Funding	48,000	48,000	48,000
Lease, Med Inflation and Equip Red	-367	-4,512	-2,469
Safe Mother, Safe Babies	1,760	1,760	1,760
Increase Rebates and Recoveries	0	0	-6,392
Other	-804	3,348	1,032
<b>Health Care Total</b>	<b>126,768</b>	<b>95,697</b>	<b>136,248</b>
<b>Childrens, Long Term Care &amp; DD</b>			
Education Coordinators	0	1,300	900
LTC: NH Rates	10,268	4,470	10,986
Nursing Home Tax Phase-Out	-7,701	0	-4,657
Increase Personal Needs Allowance	0	1,390	1,390
Farmers Market Nutrition	500	932	932
Reduce AAA Funding	0	-2,828	-1,413
Estate Recovery	-4,799	-4,799	-4,799
Fircrest School	-600	-1,236	-1,236
DD Other	12,313	14,461	13,253
Childrens: Kids Come First	3,884	8,500	0
Childrens: IT Infrastructure	0	5,282	0
Childrens: CRCs	0	-9,344	-1,712
Childrens: Caseload & Rates	-6,178	0	-5,006
Childrens: Other	258	-797	-37
Reduce/Elim Family Policy Council	-1,800	-6,596	-2,384
Lease, Med Inflation and Equip Red	-2,299	-2,299	-2,299
Childrens: Enhance Child Welfare SVCS	0	5,800	3,500
CPS/CWS Reform	0	0	10,189
Other	1,171	600	658
<b>Childrens, Long Term Care &amp; DD Total</b>	<b>5,017</b>	<b>14,836</b>	<b>18,265</b>

**2005-07 Budget**  
**Near General Fund**  
(Dollars in Thousands)

	Senate	House	Proposal
<b>Other Human Services</b>			
DOC: Leases, Med Inflation, & Equip Reduction	-3,000	-3,946	-3,946
JRA: Maintain Co-Occurring Disorders Pgm	1,428	0	1,428
Maintain WorkFirst Program	15,000	15,000	15,000
DOC: Sentencing & Supervision	-4,395	-34,961	-4,396
Delay Opening of New Units	-7,385	-7,385	-7,385
DOC: OMNI Computer System	0	22,500	11,250
DOC: Other	-4,384	-5,119	-4,884
JRA	571	-1,269	-912
Increase ECEAP	5,232	2,994	2,994
Reduce DSHS Regional Staff	-5,614	-5,614	-5,614
Lease, Med Inflation and Equip Red	-1,287	-3,190	-3,190
GAU	-18,010	-18,010	-18,010
LEP Services Enhancement	0	1,500	1,500
Naturalization Services	0	1,000	1,000
Other	1,875	3,294	3,282
<b>Other Human Services Total</b>	<b>-19,969</b>	<b>-33,206</b>	<b>-11,883</b>
<b>Natural Resources</b>			
Ag: Hop Technology Initiative	0	1,500	0
Ag: Market Access/Trade Barrier	0	1,000	500
DNR: Forest & Fish	2,900	1,700	2,300
DNR: Increase Fire Suppression Funding	2,000	0	0
DNR: Shellfish Settlement	9,000	9,000	9,000
DNR: Recreation	1,386	596	596
DNR: Other	100	-390	-259
Dept of Ecology	382	1,644	1,626
Fish & Wildlife	1,938	840	941
State Parks	1,693	1,693	1,693
Dept of Agriculture	470	1,488	1,411
Hood Canal Water Quality	1,100	1,300	1,300
On Site Sewage Disposal	924	0	0
DNR: Correctional Camps	1,616	0	0
Shoreline Planning Grants	2,500	2,500	2,500
Other	1,641	986	1,695
<b>Natural Resources Total</b>	<b>27,650</b>	<b>23,857</b>	<b>23,303</b>
<b>Compensation</b>			
Pension Method Change	-313,485	-325,690	-327,212
COLA Non-Rep. (G.G)	34,852	32,653	31,819
COLA Non-Rep. (H. Ed.)	67,533	67,779	60,720
Salary Survey Non-Rep.	11,336	11,336	11,336
Classification Revisions	2,264	2,406	2,264
Hlth Benefits K12	135,082	129,149	126,196
Health Benefits (GG & H.Ed.)	120,507	120,496	120,496
COLA Represented	107,805	107,780	108,258
Other	904	1,395	879
<b>Compensation Total</b>	<b>166,798</b>	<b>147,304</b>	<b>134,756</b>

**2005-07 Budget**  
**Near General Fund**  
(Dollars in Thousands)

	Senate	House	Proposal
<b>Vendors including Homecare Workers</b>			
Home Care Workers (IPs)	31,303	31,303	31,303
Home Care Workers (APs)	4,935	5,943	5,935
MAA: Service Rate Increase	36,437	38,881	33,995
DSHS: Econ Svcs	27,766	9,673	25,766
DSHS: Mental Health	16,711	14,789	14,789
DSHS: Long Term Care	7,005	5,227	5,227
DSHS: DD	7,472	6,166	6,166
DSHS: Alcohol & Substance Abuse	4,553	4,114	7,114
DSHS: Childrens	7,198	5,955	5,955
DSHS: Juv Rehab	1,153	953	953
CTED/ECEAP	955	3,198	3,198
Other	1,811	1,669	1,505
<b>Vendors including Homecare Workers Total</b>	<b>147,299</b>	<b>127,871</b>	<b>141,906</b>
<b>All Other</b>			
Business & Professions Account	-7,685	-7,685	-7,685
Strategic Sourcing	-25,000	-25,000	-25,000
Middle Management	-17,728	-20,724	-20,724
Eliminate Double-Filled Positions	-4,000	-4,000	-4,000
Debt Service: 05-07 Cap Budget	27,200	27,200	27,200
Trial Level Indigent Defense	600	0	0
Justice Information Network	0	684	684
Assist Locals with Judges' Salaries	7,335	0	0
Crime Lab & DNA Costs	4,598	4,598	4,598
Consumer Protection Expansion	1,566	1,566	1,566
Eliminate INTEC	-968	-968	-968
Emergency Food Assistance	1,250	1,450	1,450
Revenue Enforcement Enhancement	0	0	2,980
AOC: Equipment Replacement	3,890	3,890	3,890
Community Mobilization	1,154	1,154	1,154
Community Services Block Grant	2,000	2,000	1,000
Create Archaeology Dept (5056)	13	0	13
Government Performance (HB 1064)	0	5,040	3,020
Individual Development Acct (HB 1408)	0	1,021	1,021
Justice Funding - SB 5454	9,505	11,260	14,500
K-20 Telecommunications Network	0	-3,420	-3,420
LEOFF Disability Allowance	0	0	1,900
Methamphetamine Initiative	0	1,000	1,000
Mission Critical Staffing	0	4,000	4,000
Other	5,490	12,645	14,571
<b>All Other Total</b>	<b>9,220</b>	<b>15,711</b>	<b>22,750</b>
<b>Grand Total</b>	<b>568,345</b>	<b>581,207</b>	<b>620,429</b>

2005-07 Biennial Balance Sheet  
 Including Proposed 2005 Supplemental Budget  
 General Fund-State

	2005-07 (\$ in Millions)
<b>RESOURCES</b>	
<b>Beginning Fund Balance</b>	<b>688.7</b>
November 2004 Forecast	24,721.8
Non-Economic Change (Estate and Agrilink)	(274.8)
March 2005 Forecast Update	438.3
<b>Current Revenue Totals</b>	<b>24,885.3</b>
Money Transfers from Other Funds	232.9
Suspend Property Tax Diversion	138.2
Budget Driven Revenue	46.3
Other Legislation Impacting Revenues	171.1
<b>Total Resources (Includes Fund Balance)</b>	<b>26,162.4</b>
<b>APPROPRIATIONS AND SPENDING ESTIMATES</b>	
<b>Total Appropriation</b>	<b>25,961.8</b>
<b>UNRESTRICTED GENERAL FUND BALANCE</b>	
<b>Projected Ending Fund Balance</b>	<b>200.6</b>

## 2005-2007 Fund Transfers

(dollars, in thousands)

<u>Fund Name</u>	<u>2005-07 Total</u>
PEBB	102,000
Health Services	45,000
Reduce GFS back fill to Water Quality	38,900
Tobacco Account Transfer	13,910
State Treasurer's Service Account	10,500
State Convention & Trade Center	10,300
Pollution Liability Insurance Program Trust	7,500
Dept of Retirement Systems Expense	2,000
Litter Account	2,000
Financial Svcs Regulation Account	1,557
Flood Control Account	1,000
DNR Equipment Fund	1,000
Secretary of State Revolving Account	500
Tourism Account	(300)
Violence Reduction & Drug Enforcement	(3,000)
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	232,867

## 2005-2007 Revenue Changes

(dollars, in millions)

	2005-2007
<b>Dedicated Revenue Measures</b>	
Estate Tax Reinstatement (Ed. Legacy & I-728)	138.7
Cigarette Tax (Ed. Legacy & I-728)	174.6
	<u>313.3</u>
<b>Other Legislation</b>	
Omnibus Legislation	88.7
REET Payment Move Up	51.6
Puyallup Tribe/Cigarette Tax	17.3
Unclaimed Property	14.3
Other	(0.8)
	<u>171.1</u>
<b>Budget Driven Revenue</b>	
Liquor Control Board Shipping Capacity	9.0
DOR Auditors	15.2
LCB Budget Revision	2.7
Liquor Surcharge	19.4
	<u>46.3</u>