



**PROPOSED SENATE 2011-13  
OPERATING BUDGET  
(INCLUDING THE 2011 SUPPLEMENTAL)**

**STATEWIDE SUMMARY &  
AGENCY DETAIL**

AS PASSED  
SENATE

**SENATE WAYS & MEANS COMMITTEE  
APRIL 19, 2011**



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**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
Legislative	794.5	146,455	153,391
Judicial	612.0	229,390	269,049
Governmental Operations	7,918.4	429,078	3,722,981
Other Human Services	16,411.8	2,053,828	4,922,026
DSHS	17,577.0	10,171,714	21,691,202
Natural Resources	5,905.3	321,389	1,534,391
Transportation	752.9	79,741	179,017
Public Schools	299.7	14,065,422	16,190,510
Higher Education	45,202.7	2,840,916	11,237,284
Other Education	521.5	170,075	491,521
Special Appropriations	0.0	1,618,178	1,626,315
<b>Statewide Total</b>	<b>95,995.5</b>	<b>32,126,186</b>	<b>62,017,687</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Legislative</b>			
House of Representatives	380.2	62,367	63,683
Senate	272.4	47,283	48,683
Jt Leg Audit & Review Committee	20.5	5,607	5,607
LEAP Committee	10.0	3,551	3,551
Office of the State Actuary	12.5	48	3,415
Joint Legislative Systems Comm	46.6	16,631	16,631
Statute Law Committee	46.6	9,187	10,040
Redistricting Commission	5.9	1,781	1,781
<b>Total Legislative</b>	<b>794.5</b>	<b>146,455</b>	<b>153,391</b>
<b>Judicial</b>			
Supreme Court	60.9	13,835	13,835
State Law Library	13.8	1,000	1,000
Court of Appeals	139.6	31,365	31,365
Commission on Judicial Conduct	9.5	2,141	2,141
Administrative Office of the Courts	373.2	107,671	144,938
Office of Public Defense	14.0	50,930	52,590
Office of Civil Legal Aid	1.0	22,448	23,180
<b>Total Judicial</b>	<b>612.0</b>	<b>229,390</b>	<b>269,049</b>
<b>Total Legislative/Judicial</b>	<b>1,406.5</b>	<b>375,845</b>	<b>422,440</b>

## 2011-13 Omnibus Operating Budget

### Senate Floor Passed ESHB 1087

(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Governmental Operations</b>			
Office of the Governor	52.0	11,253	12,753
Office of the Lieutenant Governor	5.8	1,420	1,515
Public Disclosure Commission	20.3	4,267	4,267
Office of the Secretary of State	315.6	33,812	91,440
Governor's Office of Indian Affairs	2.0	552	552
Asian-Pacific-American Affrs	2.0	471	471
Office of the State Treasurer	67.0	0	15,300
Office of the State Auditor	335.1	0	76,634
Comm Salaries for Elected Officials	1.3	351	351
Office of the Attorney General	1,116.1	8,540	247,433
Caseload Forecast Council	5.7	1,523	1,523
Dept of Financial Institutions	188.3	0	47,435
Department of Commerce	243.1	67,379	466,538
Economic & Revenue Forecast Council	5.1	1,440	1,490
Office of Financial Management	202.5	38,882	118,032
Office of Administrative Hearings	160.8	0	35,698
State Lottery Commission	144.9	0	803,414
Washington State Gambling Comm	155.5	0	32,951
WA State Comm on Hispanic Affairs	2.0	524	524
African-American Affairs Comm	2.0	498	498
Department of Retirement Systems	247.6	0	53,537
State Investment Board	83.4	0	29,858
Department of Revenue	1,168.8	215,489	247,917
Board of Tax Appeals	11.2	2,533	2,533
Minority & Women's Business Enterp	17.0	0	3,368
Dept of General Administration	0.1	0	0
Department of Information Services	0.1	0	0
Office of Insurance Commissioner	230.1	0	53,282
State Board of Accountancy	11.3	0	2,838
Forensic Investigations Council	0.0	0	280
Washington Horse Racing Commission	28.5	0	8,241
WA State Liquor Control Board	1,294.6	0	311,967
Utilities and Transportation Comm	160.0	0	49,079
Board for Volunteer Firefighters	4.0	0	1,069
Military Department	327.4	17,107	310,966
Public Employment Relations Comm	42.7	4,886	8,572
LEOFF 2 Retirement Board	6.0	0	2,098
Archaeology & Historic Preservation	17.8	2,673	4,833
Consolidated Technology Services	285.0	235	194,776
Department of Enterprise Services	940.3	8,112	469,665
Innovate Washington	16.2	7,131	9,283
<b>Total Governmental Operations</b>	<b>7,918.4</b>	<b>429,078</b>	<b>3,722,981</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Other Human Services</b>			
WA State Health Care Authority	288.3	119,998	506,791
Human Rights Commission	37.7	4,710	6,704
Bd of Industrial Insurance Appeals	169.0	0	43,132
Criminal Justice Training Comm	34.1	29,885	44,970
Department of Labor and Industries	2,801.1	37,705	647,928
Department of Health	1,646.7	160,426	1,097,430
Department of Veterans' Affairs	690.3	16,867	118,353
Department of Corrections	8,288.3	1,679,634	1,703,822
Dept of Services for the Blind	75.0	4,603	25,978
Employment Security Department	2,381.5	0	726,918
<b>Total Other Human Services</b>	<b>16,411.8</b>	<b>2,053,828</b>	<b>4,922,026</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>DSHS</b>			
Children and Family Services	2,563.2	620,719	1,100,756
Juvenile Rehabilitation	810.9	180,007	185,622
Mental Health	2,745.8	902,323	1,625,344
Developmental Disabilities	3,295.4	1,017,508	1,975,525
Long-Term Care	1,357.0	1,607,829	3,504,230
Economic Services Administration	4,203.0	1,021,452	2,093,546
Alcohol & Substance Abuse	76.3	150,626	311,148
Medical Assistance Payments	1,124.7	4,350,939	10,362,483
Vocational Rehabilitation	322.1	23,450	128,847
Administration/Support Svcs	440.8	52,397	103,401
Special Commitment Center	434.6	112,178	112,178
Payments to Other Agencies	0.0	132,286	188,122
Information System Services	203.6	0	0
<b>Total DSHS</b>	<b>17,577.0</b>	<b>10,171,714</b>	<b>21,691,202</b>
<b>Total Human Services</b>	<b>33,988.8</b>	<b>12,225,542</b>	<b>26,613,228</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Natural Resources</b>			
Columbia River Gorge Commission	8.0	529	1,060
Department of Ecology	1,552.4	100,124	441,762
WA Pollution Liab Insurance Program	6.0	0	1,755
State Parks and Recreation Comm	693.8	20,253	163,946
Rec and Conservation Funding Board	20.0	2,034	10,027
Environ & Land Use Hearings Office	18.3	4,968	4,968
State Conservation Commission	17.0	14,203	15,382
Dept of Fish and Wildlife	1,421.1	70,439	362,584
Puget Sound Partnership	40.7	5,156	16,035
Department of Natural Resources	1,373.6	71,229	366,355
Department of Agriculture	754.5	32,454	150,517
<b>Total Natural Resources</b>	<b>5,905.3</b>	<b>321,389</b>	<b>1,534,391</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Transportation</b>			
Washington State Patrol	522.2	76,935	137,340
Department of Licensing	230.7	2,806	41,677
<b>Total Transportation</b>	<b>752.9</b>	<b>79,741</b>	<b>179,017</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Public Schools</b>			
OSPI & Statewide Programs	244.2	51,988	138,389
General Apportionment	0.0	10,731,056	10,731,056
Pupil Transportation	0.0	560,397	560,397
School Food Services	0.0	13,904	596,904
Special Education	2.0	1,365,579	2,057,375
Educational Service Districts	0.0	13,424	13,424
Levy Equalization	0.0	611,782	611,782
Elementary/Secondary School Improv	0.0	0	7,352
Institutional Education	0.0	33,125	33,125
Ed of Highly Capable Students	0.0	17,705	17,705
Education Reform	53.5	224,941	329,270
Transitional Bilingual Instruction	0.0	175,879	246,880
Learning Assistance Program (LAP)	0.0	256,991	838,198
Compensation Adjustments	0.0	8,651	8,653
<b>Total Public Schools</b>	<b>299.7</b>	<b>14,065,422</b>	<b>16,190,510</b>



**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Higher Education</b>			
University of Washington	19,960.5	452,661	5,865,359
Washington State University	5,865.3	319,396	1,255,235
Eastern Washington University	1,306.0	72,406	253,497
Central Washington University	1,219.4	68,349	303,862
The Evergreen State College	614.6	38,710	110,915
Western Washington University	1,563.8	86,319	342,593
Community/Technical College System	14,581.0	1,183,721	2,443,866
Council for Higher Education	38.9	2,306	6,679
Office of Student Financial Assist	53.4	617,048	655,278
<b>Total Higher Education</b>	<b>45,202.7</b>	<b>2,840,916</b>	<b>11,237,284</b>
<b>Other Education</b>			
State School for the Blind	86.0	12,457	14,469
Childhood Deafness & Hearing Loss	109.2	17,913	18,439
Workforce Trng & Educ Coord Board	20.9	2,844	66,141
Department of Early Learning	216.4	127,743	375,286
Washington State Arts Commission	14.0	2,178	5,199
Washington State Historical Society	40.3	3,975	5,873
East Wash State Historical Society	34.8	2,965	6,114
<b>Total Other Education</b>	<b>521.5</b>	<b>170,075</b>	<b>491,521</b>
<b>Total Education</b>	<b>46,023.8</b>	<b>17,076,413</b>	<b>27,919,315</b>

**2011-13 Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Special Appropriations</b>			
Bond Retirement and Interest	0.0	1,966,521	2,120,814
Special Approps to the Governor	0.0	106,267	128,291
State Employee Compensation Adjust	0.0	-585,210	-753,390
Contributions to Retirement Systems	0.0	130,600	130,600
<b>Total Special Appropriations</b>	<b>0.0</b>	<b>1,618,178</b>	<b>1,626,315</b>

**2011-13 Omnibus Operating Budget**  
**House of Representatives**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	394.4	65,651	65,651
2011-13 Maintenance Level	393.7	66,387	66,387
<b>Policy Non-Comp Changes:</b>			
1. Reductions & Efficiency Measures	-13.5	-2,704	-2,704
2. Transportation Staff	0.0	-1,316	0
Policy -- Non-Comp Total	-13.5	-4,020	-2,704
Total Policy Changes	-13.5	-4,020	-2,704
Total 2011-13 Biennium	380.2	62,367	63,683
Difference from 2009-11	-14.2	-3,284	-1,968
% Change from 2009-11	-3.6%	-5.0%	-3.0%

*Comments:*

**1. Reductions & Efficiency Measures** - In order to achieve administrative efficiencies, the House of Representatives will reduce FTE staff years, salaries, benefits, travel expenses, printing costs, and other operating expenses.

**2. Transportation Staff** - Costs related to the Transportation Committee will be paid from the Motor Vehicle Fund-State.

**2011-13 Omnibus Operating Budget****Senate**

(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	279.2	50,591	50,591
2011-13 Maintenance Level	278.1	50,808	50,808
<b>Policy Non-Comp Changes:</b>			
1. Reductions/Efficiency Measures	-5.8	-2,125	-2,125
2. Transportation Staff	0.0	-1,400	0
Policy -- Non-Comp Total	-5.8	-3,525	-2,125
Total Policy Changes	-5.8	-3,525	-2,125
Total 2011-13 Biennium	272.4	47,283	48,683
Difference from 2009-11	-6.9	-3,308	-1,908
% Change from 2009-11	-2.5%	-6.5%	-3.8%

*Comments:*

**1. Reductions/Efficiency Measures** - The Senate will achieve savings by identifying administrative efficiencies, and by reducing FTE levels, salaries, benefits, travel expenses, printing costs, and other operating expenses.

**2. Transportation Staff** - Costs related to the Transportation Committee will be paid from the Motor Vehicle Fund-State.

**2011-13 Omnibus Operating Budget**  
**Jt Leg Audit & Review Committee**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	22.5	6,026	6,026
2011-13 Maintenance Level	22.5	6,007	6,007
<b>Policy Non-Comp Changes:</b>			
1. Administrative Reductions	-2.0	-400	-400
Policy -- Non-Comp Total	-2.0	-400	-400
Total Policy Changes	-2.0	-400	-400
Total 2011-13 Biennium	20.5	5,607	5,607
Difference from 2009-11	-2.0	-419	-419
% Change from 2009-11	-8.9%	-7.0%	-7.0%

*Comments:*

**1. Administrative Reductions** - Funding for the Joint Legislative Audit and Review Committee is reduced by 6.287 percent each fiscal year. This item reduces the number of performance audits and evaluations that may conducted for the Legislature by approximately four reports in the 2011-13 biennium. This item also reduces two FTE staff.

**2011-13 Omnibus Operating Budget**  
**LEAP Committee**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	10.0	3,664	3,664
2011-13 Maintenance Level	10.0	3,781	3,781
<b>Policy Non-Comp Changes:</b>			
1. Reductions/Efficiency Measures	0.0	-230	-230
Policy -- Non-Comp Total	0.0	-230	-230
Total Policy Changes	0.0	-230	-230
Total 2011-13 Biennium	10.0	3,551	3,551
Difference from 2009-11	0.0	-113	-113
% Change from 2009-11	0.0%	-3.1%	-3.1%

*Comments:*

**1. Reductions/Efficiency Measures** - The Legislative Evaluation & Accountability Program (LEAP) will achieve savings by identifying administrative efficiencies, and by reducing salaries, benefits, travel expenses, printing costs, and other operating expenses.

**2011-13 Omnibus Operating Budget**  
**Office of the State Actuary**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	12.5	220	3,525
2011-13 Maintenance Level	12.5	50	3,417
<b>Policy Non-Comp Changes:</b>			
1. Reduce Health Care Consult to Leg	0.0	-2	-2
Policy -- Non-Comp Total	0.0	-2	-2
Total Policy Changes	0.0	-2	-2
Total 2011-13 Biennium	12.5	48	3,415
Difference from 2009-11	0.0	-172	-110
% Change from 2009-11	0.0%	-78.2%	-3.1%

*Comments:*

**1. Reduce Health Care Consult to Leg** - Funding for external actuarial services to assist in the evaluation of medical benefit proposals is reduced. (General Fund-State, various other funds)

**2011-13 Omnibus Operating Budget**  
**Joint Legislative Systems Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	46.6	17,158	17,158
2011-13 Maintenance Level	46.6	17,347	17,347
<b>Policy Non-Comp Changes:</b>			
1. Reductions & Efficiency Measures	0.0	-716	-716
Policy -- Non-Comp Total	0.0	-716	-716
Total Policy Changes	0.0	-716	-716
Total 2011-13 Biennium	46.6	16,631	16,631
Difference from 2009-11	0.0	-527	-527
% Change from 2009-11	0.0%	-3.1%	-3.1%

*Comments:*

**1. Reductions & Efficiency Measures** - In order to achieve administrative efficiencies, the Joint Legislative Systems Committee will reduce FTE staff years, salaries, benefits, travel expenses, printing costs, and other operating expenses.



**2011-13 Omnibus Operating Budget**  
**Statute Law Committee**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	46.6	9,475	10,547
2011-13 Maintenance Level	46.6	9,771	10,624
<b>Policy Non-Comp Changes:</b>			
1. Reductions/Efficiency Measures	0.0	-598	-598
2. Employee Profession Development	0.0	14	14
Policy -- Non-Comp Total	0.0	-584	-584
Total Policy Changes	0.0	-584	-584
Total 2011-13 Biennium	46.6	9,187	10,040
Difference from 2009-11	0.0	-288	-507
% Change from 2009-11	0.0%	-3.0%	-4.8%

*Comments:*

**1. Reductions/Efficiency Measures** - The Statute Law Committee (SLC) will achieve savings by identifying administrative efficiencies, and reducing operating expenses.

**2. Employee Profession Development** - Funding is provided for professional development activities of the Code Reviser's Office.

**2011-13 Omnibus Operating Budget**  
**Redistricting Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	3.5	1,115	1,115
2011-13 Maintenance Level	3.5	1,338	1,338
<b>Policy Non-Comp Changes:</b>			
1. Legislative Redistricting Support	2.4	443	443
Policy -- Non-Comp Total	2.4	443	443
Total Policy Changes	2.4	443	443
Total 2011-13 Biennium	5.9	1,781	1,781
Difference from 2009-11	2.4	666	666
% Change from 2009-11	67.1%	59.7%	59.7%

*Comments:*

**1. Legislative Redistricting Support** - One-time funding is provided for the support of legislative redistricting efforts. This funding may be spent only with authorization from the House of Representatives and the Senate.

**2011-13 Omnibus Operating Budget**  
**Supreme Court**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	60.9	13,860	13,860
2011-13 Maintenance Level	60.9	14,377	14,377
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-542	-542
Policy -- Non-Comp Total	0.0	-542	-542
Total Policy Changes	0.0	-542	-542
Total 2011-13 Biennium	60.9	13,835	13,835
Difference from 2009-11	0.0	-25	-25
% Change from 2009-11	0.0%	-0.2%	-0.2%

*Comments:*

- 1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2011-13 Omnibus Operating Budget**  
**State Law Library**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	13.8	3,584	3,584
2011-13 Maintenance Level	13.8	3,432	3,432
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-2,432	-2,432
Policy -- Non-Comp Total	0.0	-2,432	-2,432
Total Policy Changes	0.0	-2,432	-2,432
Total 2011-13 Biennium	13.8	1,000	1,000
Difference from 2009-11	0.0	-2,584	-2,584
% Change from 2009-11	0.0%	-72.1%	-72.1%

*Comments:*

**1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2011-13 Omnibus Operating Budget**  
**Court of Appeals**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	139.6	31,601	31,601
2011-13 Maintenance Level	139.6	32,573	32,573
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-1,208	-1,208
Policy -- Non-Comp Total	0.0	-1,208	-1,208
Total Policy Changes	0.0	-1,208	-1,208
Total 2011-13 Biennium	139.6	31,365	31,365
Difference from 2009-11	0.0	-236	-236
% Change from 2009-11	0.0%	-0.8%	-0.8%

*Comments:*

- 1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2011-13 Omnibus Operating Budget**  
**Commission on Judicial Conduct**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	9.5	2,107	2,107
2011-13 Maintenance Level	9.5	2,207	2,207
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-66	-66
Policy -- Non-Comp Total	0.0	-66	-66
Total Policy Changes	0.0	-66	-66
Total 2011-13 Biennium	9.5	2,141	2,141
Difference from 2009-11	0.0	34	34
% Change from 2009-11	0.0%	1.6%	1.6%

*Comments:*

- 1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2011-13 Omnibus Operating Budget**  
**Administrative Office of the Courts**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	359.5	105,206	146,189
2011-13 Maintenance Level	371.0	115,502	144,331
<b>Policy Non-Comp Changes:</b>			
1. Superior Court Calendar & Case Mgmt	1.2	0	651
2. Equipment Replacement & Expansion	0.0	0	628
3. Internal Equipment Replacement	0.0	0	550
4. Guardianship Services	1.0	265	265
5. Risk Assessment	0.0	225	225
6. Pierce County Superior Court Judge	0.0	-212	-212
7. Information Services Division	0.0	-3,000	0
8. Agency Reduction	0.0	-1,500	-1,500
9. JST Account Funding	0.0	-3,609	0
10. Fiscal Year Adjustment	0.0	0	0
Policy -- Non-Comp Total	2.2	-7,831	607
Total Policy Changes	2.2	-7,831	607
Total 2011-13 Biennium	373.2	107,671	144,938
Difference from 2009-11	13.7	2,465	-1,251
% Change from 2009-11	3.8%	2.3%	-0.9%

*Comments:*

**1. Superior Court Calendar & Case Mgmt** - Funding is provided to continue planning efforts related to procuring and implementing an integrated calendaring and case management system for the Washington State Superior Courts. Funding is only provided for the first fiscal year to complete requirements gathering activities. (Judicial Information Systems Account-State)

**2. Equipment Replacement & Expansion** - Funding is provided to replace computer equipment in trial and appellate courts. (Judicial Information Systems Account-State)

**3. Internal Equipment Replacement** - Funding is provided to replace computer equipment within judicial branch agencies. (Judicial Information Systems Account-State)

**4. Guardianship Services** - Funding is provided for the Office of Public Guardianship. This level allows the Administrative Office of the Courts (AOC) to maintain the existing caseload through June 30, 2012, allowing for completion of the evaluation of the program by the Washington State Institute for Public Policy.

**5. Risk Assessment** - Funding is provided to deploy a standardized, validated risk assessment tool for judicial officers at pre-trial stages. The tool will be recommended by the Washington Institute for Public Policy. The Center for Court Research will establish quality assurance standards for data collection and will evaluate the tool's ability to predict risk level, recidivism, and failure to appear.

**6. Pierce County Superior Court Judge** - Funding is reduced to reflect savings for the twenty-third superior court judgeship in Pierce County. The judgeship, authorized in 2008, has not been appointed.

## **2011-13 Omnibus Operating Budget Administrative Office of the Courts**

**7. Information Services Division** - Funding is provided to shift general fund--state expenditures for the Information Services Division to the Judicial Information System Account. (Judicial Information Systems Account-State)

**8. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**9. JST Account Funding** - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with the AOC. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to legislation. (Judicial Stabilization Trust Account-State)

**10. Fiscal Year Adjustment** - Funding is transferred between fiscal years to correct changes made at carry forward level.



**2011-13 Omnibus Operating Budget**  
**Office of Public Defense**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	14.0	49,976	52,899
2011-13 Maintenance Level	14.0	53,121	53,121
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-531	-531
2. JST Account Funding	0.0	-1,660	0
Policy -- Non-Comp Total	0.0	-2,191	-531
Total Policy Changes	0.0	-2,191	-531
Total 2011-13 Biennium	14.0	50,930	52,590
Difference from 2009-11	0.0	954	-309
% Change from 2009-11	0.0%	1.9%	-0.6%

*Comments:*

**1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2. JST Account Funding** - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with the Office of Public Defense. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to legislation. (Judicial Stabilization Trust Account-State)

**2011-13 Omnibus Operating Budget**  
**Office of Civil Legal Aid**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1.0	22,159	23,314
2011-13 Maintenance Level	1.0	23,414	23,414
<b>Policy Non-Comp Changes:</b>			
1. Agency Reduction	0.0	-234	-234
2. JST Account Funding	0.0	-732	0
Policy -- Non-Comp Total	0.0	-966	-234
Total Policy Changes	0.0	-966	-234
Total 2011-13 Biennium	1.0	22,448	23,180
Difference from 2009-11	0.0	289	-134
% Change from 2009-11	0.0%	1.3%	-0.6%

*Comments:*

**1. Agency Reduction** - Funding is reduced in recognition of efficiency efforts by judicial branch agencies.

**2. JST Account Funding** - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with the Office of Civil Legal Aid. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to legislation. (Judicial Stabilization Trust Account-State)

**2011-13 Omnibus Operating Budget**  
**Office of the Governor**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	54.5	11,541	13,041
2011-13 Maintenance Level	54.5	11,888	13,388
<b>Policy Non-Comp Changes:</b>			
1. Staff Reduction	-2.5	-635	-635
Policy -- Non-Comp Total	-2.5	-635	-635
Total Policy Changes	-2.5	-635	-635
Total 2011-13 Biennium	52.0	11,253	12,753
Difference from 2009-11	-2.5	-288	-288
% Change from 2009-11	-4.6%	-2.5%	-2.2%

*Comments:*

**1. Staff Reduction** - One part-time position in the Governor's Mansion is eliminated. The Office of the Family and Children and the Education Ombudsman will each eliminate one position. Funding for goods, services, and travel is reduced.

**2011-13 Omnibus Operating Budget**  
**Office of the Lieutenant Governor**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	6.8	1,517	1,612
2011-13 Maintenance Level	6.8	1,574	1,669
<b>Policy Non-Comp Changes:</b>			
1. Administrative Reductions	-1.0	-154	-154
Policy -- Non-Comp Total	-1.0	-154	-154
Total Policy Changes	-1.0	-154	-154
Total 2011-13 Biennium	5.8	1,420	1,515
Difference from 2009-11	-1.0	-97	-97
% Change from 2009-11	-14.7%	-6.4%	-6.0%

*Comments:*

**1. Administrative Reductions** - The Office of the Lieutenant Governor will achieve savings by reducing spending for salaries and benefits, travel, equipment, printing costs, employee training and development, communications, parking, and other goods and services.

**2011-13 Omnibus Operating Budget**  
**Public Disclosure Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	23.0	4,461	4,461
2011-13 Maintenance Level	23.0	4,608	4,608
<b>Policy Non-Comp Changes:</b>			
1. Staff Reductions	-3.5	-466	-466
2. Campaign Disclosure - ESSB 5021	0.8	125	125
Policy -- Non-Comp Total	-2.8	-341	-341
Total Policy Changes	-2.8	-341	-341
Total 2011-13 Biennium	20.3	4,267	4,267
Difference from 2009-11	-2.8	-194	-194
% Change from 2009-11	-12.0%	-4.4%	-4.4%

*Comments:*

**1. Staff Reductions** - The Public Disclosure Commission will achieve savings through a combination of reducing FTE levels and not filling vacancies.

**2. Campaign Disclosure - ESSB 5021** - Funding is provided for the enhanced campaign finance enforcement and reporting requirements of Engrossed Substitute Senate Bill No. 5021 (campaign finance disclosure).

**2011-13 Omnibus Operating Budget**  
**Office of the Secretary of State**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	326.8	36,134	107,903
2011-13 Maintenance Level	322.5	44,837	103,836
<b>Policy Non-Comp Changes:</b>			
1. Charitable Organization Education	0.0	0	300
2. Archives Service Reduction	-3.0	0	-890
3. TVW savings	0.0	-993	-993
4. Presidential Primary State Costs	0.0	-10,032	-10,032
5. Productivity Board	-3.9	0	-781
Policy -- Non-Comp Total	-6.9	-11,025	-12,396
Total Policy Changes	-6.9	-11,025	-12,396
Total 2011-13 Biennium	315.6	33,812	91,440
Difference from 2009-11	-11.2	-2,322	-16,463
% Change from 2009-11	-3.4%	-6.4%	-15.3%

*Comments:*

**1. Charitable Organization Education** - In 2010, legislation was enacted to implement a Charitable Organization Education program supported by the Charitable Organization Education Account. A technical adjustment is made to increase the program's appropriation to cover the personal service costs of hiring trainers with expertise in areas of fiduciary responsibility, board management, and other areas of education identified by the charitable and nonprofit community. (Charitable Organization Education Account-State)

**2. Archives Service Reduction** - Funding for the Archives and Records Management Account and FTE authority are reduced. Three FTE staff (one each from the Digital Archives, Records Management, and State Government Archives) are eliminated. Corresponding services to agencies are also reduced. (Archives and Records Management Account-State)

**3. TVW savings** - Funding provided to TVW is maintained at the 2009-11 biennial funding levels. This represents a 20 percent reduction from the 2007-09 funding levels.

**4. Presidential Primary State Costs** - Funding for costs associated with the 2012 Presidential Primary are eliminated. No Presidential Primary will be held in Washington in 2012.

**5. Productivity Board** - Funding is eliminated for the Productivity Board for the 2011-13 fiscal biennium. (Department of Personnel Service Account)

**2011-13 Omnibus Operating Budget**  
**Governor's Office of Indian Affairs**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	2.0	537	537
2011-13 Maintenance Level	2.0	552	552
Total 2011-13 Biennium	2.0	552	552
Difference from 2009-11	0.0	15	15
% Change from 2009-11	0.0%	2.8%	2.8%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Asian-Pacific-American Affrs**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2.0	452	452
2011-13 Maintenance Level	2.0	471	471
Total 2011-13 Biennium	2.0	471	471
Difference from 2009-11	0.0	19	19
% Change from 2009-11	0.0%	4.2%	4.2%

*Comments:*



**2011-13 Omnibus Operating Budget**  
**Office of the State Treasurer**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	71.3	0	14,686
2011-13 Maintenance Level	71.3	0	15,187
<b>Policy Non-Comp Changes:</b>			
1. Reduce FTEs to Reflect Actuals	-4.3	0	0
2. Move Costs for Leaving GA Building	0.0	0	113
Policy -- Non-Comp Total	-4.3	0	113
Total Policy Changes	-4.3	0	113
Total 2011-13 Biennium	67.0	0	15,300
Difference from 2009-11	-4.3	0	614
% Change from 2009-11	-6.0%	0.0%	4.2%

*Comments:*

**1. Reduce FTEs to Reflect Actuals** - The State Treasurer's Office consisted of 64.8 FTE in Fiscal Year 2010. FTE authority is reduced to better reflect usage.

**2. Move Costs for Leaving GA Building** - Due to the planned elimination of the General Administration Building on the capital campus, the Office of the State Treasurer will incur one-time moving costs of \$139,000 in Fiscal Year 2012 and ongoing lease savings in Fiscal Year 2012 (\$12,000), Fiscal Year 2013 (\$14,000) and thereafter. (State Treasurer's Service Account-State)

**2011-13 Omnibus Operating Budget**  
**Office of the State Auditor**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	337.4	1,439	79,574
2011-13 Maintenance Level	335.1	1,461	83,579
<b>Policy Non-Comp Changes:</b>			
1. Shift Audits to Perf Audit Acct	0.0	0	-7,445
2. Fraud Ombudsman	0.0	0	500
3. School Audits	0.0	-1,461	0
Policy -- Non-Comp Total	0.0	-1,461	-6,945
Total Policy Changes	0.0	-1,461	-6,945
Total 2011-13 Biennium	335.1	0	76,634
Difference from 2009-11	-2.3	-1,439	-2,940
% Change from 2009-11	-0.7%	-100.0%	-3.7%

*Comments:***1. Shift Audits to Perf Audit Acct -**

Expenditure authority from the Performance Audits of Government Account is reduced to allow the shifting of expenditure authority to four audit-related activities: (1) the Division of Fraud Investigations within the Department of Social and Health Services, (2) the Fraud Ombudsman in the State Auditor's Office, (3) school audits in the State Auditor's Office, and (4) a portion of the enhanced revenue auditor and collection functions of the Department of Revenue. The effect of these transfers is that performance audits will be reduced approximately 10 percent from current levels. (General Fund-State, Performance Audits of Government Account-Nonappropriated)

**2. Fraud Ombudsman -** The State Auditor must appoint a Fraud Ombudsman whose responsibility it is to review and audit the fraud investigative work done by the Division of Fraud Investigations (DFI), or its successor within DSHS. The ombudsman also has authority to investigate citizen complaints related to fraud and abuse in the TANF program. By November 30, 2012, and biennially thereafter, the ombudsman must submit a report summarizing its audit activities of DFI to the appropriate committees of the Legislature. (Performance Audits of Government Account)

**3. School Audits -** The State Auditor's Office performs select state school district audits. For the 2011-13 biennium, funding for select state school district audits will be funded from the Performance Audits of Government Account rather than General Fund-State.

**2011-13 Omnibus Operating Budget**  
**Comm Salaries for Elected Officials**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1.4	374	374
2011-13 Maintenance Level	1.4	390	390
<b>Policy Non-Comp Changes:</b>			
1. Adjust Fiscal Year Split	0.0	0	0
2. Reduce Administrative Expenditures	-0.1	-39	-39
Policy -- Non-Comp Total	-0.1	-39	-39
Total Policy Changes	-0.1	-39	-39
Total 2011-13 Biennium	1.3	351	351
Difference from 2009-11	-0.1	-23	-23
% Change from 2009-11	-3.7%	-6.2%	-6.2%

*Comments:*

**1. Adjust Fiscal Year Split** - Expenditure authority of \$10,000 will be shifted from FY 2013 to FY 2012 to better align with actual expenditure patterns.

**2. Reduce Administrative Expenditures** - Funding for expenditures for salaries and benefits, goods and services, travel, and capital outlays is reduced.

**2011-13 Omnibus Operating Budget**  
**Office of the Attorney General**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,128.2	11,580	241,946
2011-13 Maintenance Level	1,100.8	11,815	241,794
<b>Policy Non-Comp Changes:</b>			
1. Reduce Agency Legal Billings	-53.0	0	-13,000
2. Eliminate WSCTC, HCQA Billing	-0.5	0	-146
3. New DSHS SVP Litigation	12.0	0	4,544
4. Stormans v DOH Litigation	1.8	0	500
5. Teck Cominco Metals Litigation	0.0	0	500
6. Restore DSHS Legal Services Funding	23.0	0	4,450
7. Unemployment Insurance ESD IAA	2.0	0	516
8. University of WA IAA to Base Funds	0.4	0	170
9. Reduction to Non-Agency Legal Serv	-10.2	-1,815	-1,815
10. Protecting Homeowners	2.5	0	656
11. Small Business Preference Program	0.0	0	62
12. Industrial Insurance	0.0	0	124
13. Medicaid Fraud Enforcement	21.8	-1,460	5,462
14. Workers Compensation - ESB 5566	15.5	0	3,616
Policy -- Non-Comp Total	15.3	-3,275	5,639
Total Policy Changes	15.3	-3,275	5,639
Total 2011-13 Biennium	1,116.1	8,540	247,433
Difference from 2009-11	-12.2	-3,040	5,487
% Change from 2009-11	-1.1%	-26.3%	2.3%

**Comments:**

**1. Reduce Agency Legal Billings** - The Office of the Attorney General (AGO) will absorb a reduction in the Legal Services Revolving Account. The AGO will work with client agencies to develop and implement stricter policies and best management practices regarding utilization of Attorney General services to achieve lower legal bills. (Legal Services Revolving Account-State)

**2. Eliminate WSCTC, HCQA Billing** - Because the Convention and Trade Center and Home Care Quality Authority will no longer be state agencies in the 2011-13 biennium, the Attorney General's Office billings for those agencies are removed from the Legal Services Revolving Account. (Legal Services Revolving Account-State)

**3. New DSHS SVP Litigation** - The AGO is provided funding and FTE authority for legal services relating to new trials for Special Commitment Center residents. (Legal Services Revolving Account-State)

**4. Stormans v DOH Litigation** - The Office of the Attorney General (AGO) is provided increased funding and 1.8 FTEs in the 2011-13 biennium to provide one-time legal services for the Department of Health (DOH) relating to the Stormans v. DOH litigation. At issue is the constitutionality of rules adopted by the Board of Pharmacy relating to access to all prescription medications, as well as liability for attorney fees. (Legal Services Revolving Account-State)

**5. Teck Cominco Metals Litigation** - Funding is provided in the 2011-13 biennium for one-time additional legal services to the Department of Ecology and the Department of Natural Resources associated with Pakootas, et al. v. Teck Cominco Metals Ltd. litigation. (Legal Services Revolving Account-State)

## **2011-13 Omnibus Operating Budget Office of the Attorney General**

**6. Restore DSHS Legal Services Funding** - Funding and 23.0 FTE staff are restored for legal services to the Department of Social and Health Services. This funding was originally reduced during the 2009-11 biennium. (Legal Services Revolving Account-State)

**7. Unemployment Insurance ESD IAA** - Billing authority and FTEs are provided for legal services associated with unemployment insurance (UI) cases in the Employment Security Department. (Legal Services Revolving Account-State)

**8. University of WA IAA to Base Funds** - Funding and 0.4 FTE staff are provided for ongoing legal services associated with the University of Washington's caseload relating to Airlift Northwest and the Real Estate Office for Metro Tract management. (Legal Services Revolving Account-State)

**9. Reduction to Non-Agency Legal Serv** - Savings are assumed through a reduction in the General Fund-State funded programs: Consumer Protection (\$800,000), Homicide Investigation Tracking System (HITS) (\$500,000), and Criminal Litigation (\$515,000). (Legal Services Revolving Account-State)

**10. Protecting Homeowners** - Billing authority is provided for costs associated with Second Substitute House Bill 1362 (homeowner foreclosure). The AGO is provided billing authority from the Foreclosure Fairness Account for work required by this legislation under the Consumer Protection Act. (Foreclosure Fairness Account)

**11. Small Business Preference Program** - Billing authority is provided for costs associated with House Bill 1770 (state purchasing). The Department of General Administration will require increased legal services as a result of this legislation.

**12. Industrial Insurance** - One-time billing authority is provided for increased workload for the AGO from the Department of Labor and Industries as a result of House Bill 2002 (industrial insurance).

**13. Medicaid Fraud Enforcement** - Funds are provided for implementation of SSB 5458, which establishes new tools for detection and prosecution of, and new penalties for engaging in, Medicaid fraud. (General Fund-State, Medicaid Fraud Penalty Account-State, General Fund-Federal)

**14. Workers Compensation - ESB 5566** - Funding is provided for the legal costs associated with the implementation of Engrossed Senate Bill 5566 (long-term disability of injured workers). Legal Services Revolving Fund.

**2011-13 Omnibus Operating Budget**  
**Caseload Forecast Council**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	6.9	1,508	1,508
2011-13 Maintenance Level	6.9	1,571	1,571
<b>Policy Non-Comp Changes:</b>			
1. Relocation, Match FTEs to Actuals	-1.8	-56	-56
2. Reduce Administrative Expenditures	-0.1	-152	-152
3. Higher Ed Forecasts	0.7	160	160
Policy -- Non-Comp Total	-1.2	-48	-48
Total Policy Changes	-1.2	-48	-48
Total 2011-13 Biennium	5.7	1,523	1,523
Difference from 2009-11	-1.2	15	15
% Change from 2009-11	-17.4%	1.0%	1.0%

*Comments:*

**1. Relocation, Match FTEs to Actuals** - The Caseload Forecast Council will move from its current building to a less expensive location. FTE authority is reduced to reflect the actual number of employees.

**2. Reduce Administrative Expenditures** - The Caseload Forecast Council will reduce expenditures for salaries and benefits, and goods and services.

**3. Higher Ed Forecasts** - Funding is provided for SB 5304 (forecasting of caseloads of the state need grant program and the Washington college bound scholarship program) which requires the Caseload Forecast Council to provide a forecast for students eligible for the state need grant program and the Washington college bound scholarship program.

**2011-13 Omnibus Operating Budget**  
**Dept of Financial Institutions**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	186.7	0	44,476
2011-13 Maintenance Level	186.6	0	44,445
<b>Policy Non-Comp Changes:</b>			
1. Mtge Lend Fraud Prosecution Acct	0.0	0	1,000
2. Financial Reform/Investment Adviser	0.5	0	1,204
3. Addressing Subpoena Authority	0.0	0	96
4. Consumer Loan Act	1.2	0	231
5. Foreclosure Fairness Act	0.0	0	459
Policy -- Non-Comp Total	1.7	0	2,990
Total Policy Changes	1.7	0	2,990
Total 2011-13 Biennium	188.3	0	47,435
Difference from 2009-11	1.6	0	2,959
% Change from 2009-11	0.8%	0.0%	6.7%

*Comments:*

**1. Mtge Lend Fraud Prosecution Acct** - House Bill 1191 (mortgage lending fraud) extends the expiration date of the Mortgage Lending Fraud Prosecution Account to June 30, 2016. Funding continues to be provided to the Department of Financial Institutions (DFI) to distribute to local prosecutors and for the state to identify and pursue mortgage fraud cases. (Mortgage Lending Fraud Prosecution Account-Nonappropriated)

**2. Financial Reform/Investment Adviser** - The DFI is provided funding for its expanded regulatory authority delegated in the Dodd-Frank Wall Street Reform and Consumer Protection Act. Effective July 2011, the number of investment advisers regulated by the DFI (and the complexity of their portfolios) will increase an estimated 60 percent, from about 500 to an estimated 800 advisers. (Financial Services Regulation Account-Nonappropriated)

**3. Addressing Subpoena Authority** - House Bill 1039 (subpoena authority) grants the DFI the authority to obtain a subpoena for records, documents, or testimony from a superior court. Funding is provided for the ongoing legal costs the DFI expects as the result of increased efforts to secure subpoenas. (Financial Services Regulation Account-Nonappropriated)

**4. Consumer Loan Act** - Second Substitute House Bill 1405 (Consumer Loan Act) removes the exemption in the Consumer Loan Act for lenders making loans secured by liens against a borrower's primary residence. Funding is provided for the DFI to implement and enforce the provisions of the legislation. (Financial Services Regulation Account-Nonappropriated)

**5. Foreclosure Fairness Act** - Second Substitute House Bill 1362 (Foreclosure Fairness Act) provides a 3 percent portion of the payment made by foreclosure beneficiaries to the DFI to conduct homeowner prepurchase and postpurchase outreach and education programs as defined in RCW 43.320.150. (Financial Services Regulation Account-Nonappropriated)

**2011-13 Omnibus Operating Budget**  
**Department of Commerce**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	268.8	90,147	578,299
2011-13 Maintenance Level	244.5	83,821	456,270
<b>Policy Non-Comp Changes:</b>			
1. Local Fiscal Note Revenue Source	0.0	-645	0
2. Reduce Housing Assistance Programs	0.0	0	-8,148
3. Ruckelshaus Center Process	0.6	0	127
4. Municipal Research and Services Ctr	0.0	0	169
5. Comm Services Block Grant Reduction	-0.1	-345	-345
6. CSHD/ Advocacy & Policy	-0.5	-85	-85
7. CSHD/ Domestic Violence Legal Advoc	0.0	-170	-170
8. CSHD/Operations	0.0	-73	-73
9. IPP/Operations	0.0	-38	-38
10. LGI/Operations	0.0	-148	-148
11. Response to Crime Victims Reduction	0.0	-311	-117
12. Community Volunteer Support (CASA)	0.0	-311	-311
13. Eliminate Tourism Development	-5.6	-3,812	-12,816
14. WA Technology Center Reduction	0.0	-497	-497
15. Transfer WTC to Innovate WA	0.0	-4,260	-4,260
16. CSHD/Community Mobilization	-0.1	-225	-225
17. Growth Management Reduction	0.0	-786	-786
18. CSHD/Housing Administration	-0.3	-86	-86
19. BSD/Associate Development Org	0.0	-485	-485
20. BSD/Foreign Service Contracts	0.0	-259	-259
21. BSD/Microenterprise Services	0.0	-24	-24
22. Protecting Homeowners	2.2	0	14,186
23. CSHD/Family Prosperity Account	0.0	-876	-876
24. WA Economic Development Commission	0.0	-45	-45
25. IPP/Innovative Res Teams (STARS)	0.0	-100	-100
26. CSHD/State Drug Task Forces	-0.1	-295	-295
27. CSHD/New Americans	0.0	-170	-170
28. Energy Efficiency Model Grant	0.0	0	1,384
29. Sexual Assault Services Grant	0.0	0	95
30. DOE Weatherization Pilot Grant	0.0	0	240
31. Energy Efficiency in Agriculture	0.0	0	50
32. Sex Offender MGMT Grant	0.0	0	82
33. Sustainable Energy ARRA	0.0	0	6,149
34. Energy Assurance ARRA	0.0	0	200
35. Brownfield Loan Fund ARRA	0.0	0	27
36. Northwest Industrial ARRA	0.0	0	100
37. Landscape Conservation	0.2	37	37
38. Predatory Guardianships	0.1	20	20
39. Disability Lifeline Housing	0.0	0	14,438
40. Neighborhood Stabilization Program	2.2	0	5,000
41. BSD/NW Ag Business	0.0	-36	-36
42. BSD/Statewide Services	0.0	-174	-174
43. BSD/WWU Small Bus Dev Center	0.0	-593	-593
44. BSD/Regional Services	0.0	-118	-118



**2011-13 Omnibus Operating Budget**  
**Department of Commerce**  
(Dollars in Thousands)

		<b>Senate Floor Passed ESHB 1087</b>		
		<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
45.	BSD/Web Marketing	0.0	-45	-45
46.	BSD/Global Health	0.0	-1,500	-1,500
47.	BSD/IPZ Econ Devel Grant Program	0.0	350	350
48.	BSD/International Trade Training	0.0	10	10
49.	CSD/Dispute Resolution Centers	0.0	-50	-50
50.	IPP/Energy Policy	0.0	-280	-280
51.	LGI/Growth Management Administratio	0.0	-297	-297
52.	PWAA Admin Savings	0.0	0	-225
53.	Long Term Care Facilities	0.0	280	280
54.	THOR Authority	0.0	0	1,001
Policy -- Non-Comp Total		-1.4	-16,442	10,268
Total Policy Changes		-1.4	-16,442	10,268
Total 2011-13 Biennium		243.1	67,379	466,538
Difference from 2009-11		-25.7	-22,768	-111,761
% Change from 2009-11		-9.6%	-25.3%	-19.3%

*Comments:*

**1. Local Fiscal Note Revenue Source** - Local government fiscal note activities will no longer receive General Fund-State funding. This activity will be funded from the County Research Services Account and the City and Town Research Services Account. Commerce currently expends \$645,000 and up to 3.2 FTEs on preparing local fiscal notes. (General Fund-State, County Research Services Account-State, City and Town Research Services Account-State)

**2. Reduce Housing Assistance Programs** - Spending for homeless and transitional housing programs is reduced and funds are adjusted to reflect revenues. (Home Security Fund Account-State).

**3. Ruckelshaus Center Process** - Funding is provided for Engrossed Substitute House Bill 1886 (Ruckelshaus center process). The bill establishes the Voluntary Stewardship Program that allows participating counties to protect critical areas in areas used for agricultural activities through the program rather than through regulatory requirements of the Growth Management Act. The Department will incur additional technical assistance and staffing costs for agency collaboration and to assist counties participating in the program. (General Fund-Federal)

**4. Municipal Research and Services Ctr** - The Municipal Research and Services Center of Washington (MRSC), a nonprofit organization, has provided municipal research and services to cities, towns, and counties since 1969. These consolidated services provide expertise needed by local governments and are especially crucial to smaller jurisdictions. An increase of MRSC's contract budget is necessary to maintain the current level of service. MRSC is funded through a small portion of the cities' distributions of state liquor profits and the counties' distribution of the liquor excise tax. (County Research Services Account-State, City and Town Research Services-State)

**5. Comm Services Block Grant Reduction** - The Community Services Block Grant, including the actual block grant and administrative expenses, is reduced by 12 percent. State funding reductions will result in more reliance on federal administrative funds, and reduced support for the Washington State Community Action Partnership.

**6. CSHD/ Advocacy & Policy** - The Office of Crime Victims Advocacy provides services to victims of crimes and training for grantees. Funding for these services is reduced by 12 percent and will result in reductions in training and other services provided by staff.

**7. CSHD/ Domestic Violence Legal Advoc** - Grants to organizations which provide services to victims of domestic violence are reduced by 6 percent.

## 2011-13 Omnibus Operating Budget Department of Commerce

- 8. CSHD/Operations** - Funding for operations and administrative support for the Community Services and Housing Division is reduced by 12 percent.
- 9. IPP/Operations** - Funding for the Innovation and Policy Priorities Division administration and statewide services is reduced by 5 percent.
- 10. LGI/Operations** - Funding for operations and administrative support for the Local Government and Infrastructure Division is reduced by 32 percent.
- 11. Response to Crime Victims Reduction** - The Victim Witness Program is reduced by 11 percent. This reduction is partially offset by Auto Theft Prevention funds for victim assistance. (General Fund-State, Washington Auto Theft Prevention Authority Account-State)
- 12. Community Volunteer Support (CASA)** - Pass-through funding for Court Appointed Special Advocate/Guardian Ad Litem Program (CASA/GAL) training and coordination is reduced by 50 percent. This reduction may impact coordination of volunteers related to CASA services. Program operating dollars reside in the Administrative Office of the Courts' budget.
- 13. Eliminate Tourism Development** - All General Fund-State funding for the State's Tourism Development program is eliminated at the end of Fiscal Year 2011. Due to 2010 structural changes, the Washington State Convention and Trade Center is no longer a state agency. Washington State Convention and Trade Center funding comprised two-thirds of the Washington State Tourism Office funding. Sole reliance on General Fund-State funding for the program is not effective or sustainable. The Department of Commerce is actively working with stakeholders to form a new, more stable tourism development and finance model. (General Fund-State, General Fund-Private/Local, Tourism Development and Promotion Account-State, Tourism Enterprise Account-Nonappropriated)
- 14. WA Technology Center Reduction** - The Department contracts with the Washington Technology Center to assist companies in the creation of innovative products and technologies that provide job opportunities for the citizens of Washington state. Funding for the Washington Technology Center is reduced by 10 percent.
- 15. Transfer WTC to Innovate WA** - SB 5764 merges the Washington Technology Center (WTC) with SIRTI, formerly known as the Spokane Intercollegiate Research and Technology Institute, to form Innovate Washington. WTC funding is transferred to Innovate Washington.
- 16. CSHD/Community Mobilization** - the Community Mobilization program is reduced by 10 percent.
- 17. Growth Management Reduction** - Funding is reduced for the following growth management activities 1) \$200,000 in grants to the cities of Seattle and Tacoma for coordinating planning with their respective port authorities are discontinued; a grant to the Walla Walla Community College Water Center is reduced by \$260,000 (36 percent); and 3) growth management grants to local governments are reduced by \$326,000 (15 percent).
- 18. CSHD/Housing Administration** - Funding reductions for the administration of the Affordable Housing program reduces staff availability and technical assistance to stakeholders and contractors. Reductions total 11 percent.
- 19. BSD/Associate Development Org** - Associate Development Organization grants are reduced by 8 percent, resulting in less funding available to other business assistance entities.
- 20. BSD/Foreign Service Contracts** - The Department contracts with five foreign office representatives to support development of international markets and promote export of Washington products. Funding for contracts with foreign representatives is reduced by 25 percent.
- 21. BSD/Microenterprise Services** - Funding for a grant to the Microenterprise Association to support Microenterprise Development Organizations is reduced by 5 percent.
- 22. Protecting Homeowners** - Funding is provided to implement Second Substitute House Bill 1362 (Homeowner Foreclosures). The Department shall use revenues from newly authorized fees paid by financial institutions issuing notices of defaults to implement the foreclosure fairness act including contracting for the provision of housing counselors for borrowers and providing a grant to the office of civil legal aid for the purpose of contracting with qualified legal aid programs for legal representation of homeowners in matters relating to foreclosure. (Foreclosure Fairness Account-Non-Appropriated)
- 23. CSHD/Family Prosperity Account** - Funding for the Family Asset Building program is eliminated.

## 2011-13 Omnibus Operating Budget Department of Commerce

- 24. WA Economic Development Commission** - The Washington State Economic Development Commission is an independent state commission responsible for evaluating the state's economic development systems, and developing long-term comprehensive strategic planning. Funding for the Economic Development Commission is reduced by 5 percent.
- 25. IPP/Innovative Res Teams (STARS)** - The Innovation Research Teams program provides funding to support the recruitment of entrepreneurial researchers (Stars) to Washington to foster product innovation and long term statewide economic development. The program is administered through contracts with the University of Washington and Washington State University. Funding for the program is reduced by 3 percent.
- 26. CSHD/State Drug Task Forces** - Funding for grants and client services for the State Drug Task Force is reduced by 12 percent.
- 27. CSHD/New Americans** - The New Americans Program is reduced by 30 percent.
- 28. Energy Efficiency Model Grant** - Authority is provided for the Department to expend a federal grant which will fund a consortium of four states plus national experts to implement a program to promote homeowner investment in energy efficiency. (General Fund-Federal)
- 29. Sexual Assault Services Grant** - Authority is provided for the Department to expend a federal grant for a program to increase intervention, advocacy, accompaniment, support services, and related assistance for adult, youth, and child victims of sexual assault, and the family and household members of such victims. (General Fund-Federal)
- 30. DOE Weatherization Pilot Grant** - Authority is provided for the Department to expend a federal grant for a pilot program to establish a loan fund exclusively for low-income weatherization, and create a one-stop shop offering utility rebates, below-market loans, a carbon incentive fund, and other benefits for property owners and developers of multifamily buildings for low-income residents. (General Fund-Federal)
- 31. Energy Efficiency in Agriculture** - Authority is provided for the Department to expend a federal grant for a program to increase direct participation in renewable energy generation by rural communities. (General Fund-Federal)
- 32. Sex Offender MGMT Grant** - Authority is provided for the Department to expend a federal grant to implement a community education strategy that improves victim and community safety and offender accountability through effective and appropriate sex offender management. (General Fund-Federal)
- 33. Sustainable Energy ARRA** - Authority is provided for the Department to expend a federal grant for a program to install renewable energy systems and cutting-edge energy efficiency technologies. (General Fund-Federal)
- 34. Energy Assurance ARRA** - Authority is provided for the Department to expend a federal grant to develop and implement an energy assurance plan to deal with outages and reductions in supply for the citizens of Washington. (General Fund-Federal)
- 35. Brownfield Loan Fund ARRA** - Authority is provided for the Department to expend a federal grant which provides funding to the Brownfields Revolving Loan Fund for cleanup of properties contaminated by petroleum and hazardous substances. (General Fund-Federal)
- 36. Northwest Industrial ARRA** - Authority is provided for the Department to expend a federal grant for a program to implement energy efficiency improvements in medium to large-sized industrial facilities. (General Fund-Federal)
- 37. Landscape Conservation** - Funding is provided to implement to provision of ESSB 5253 (landscape conservation and local infrastructure).
- 38. Predatory Guardianships** - Funding is provided to implement ESSB 5740 (predatory guardianships). The Long Term Care Ombudsman is required to provide public information about professional and lay guardians.
- 39. Disability Lifeline Housing** - Funding is provided for housing services for Disability Lifeline clients. (Lifeline Opportunity and Assistance Account--State)
- 40. Neighborhood Stabilization Program** - Authority is provided for the Department to expend a federal grant for a program to stabilize neighborhoods with abandoned homes. (General Fund-Federal)
- 41. BSD/NW Ag Business** - Funding for the Northwest Agricultural Business Center is reduced by 5 percent.
- 42. BSD/Statewide Services** - Funding for statewide services in the Business Support Division is reduced by 10 percent.

## **2011-13 Omnibus Operating Budget Department of Commerce**

**43. BSD/WWU Small Bus Dev Center** - Funding for the Small Business Development Center at Western Washington University is eliminated.

**44. BSD/Regional Services** - Funding for regional services in the Business Support Division is reduced by 10 percent.

**45. BSD/Web Marketing** - Funding for web marketing and communications in the Business Services Division is reduced by 5 percent.

**46. BSD/Global Health** - Funding is reduced for the Washington Global Health Technologies and Product Development Competitiveness program; the reduction is 75 percent.

**47. BSD/IPZ Econ Devel Grant Program** - Funding is provided for the Department to administer a competitive grant program to fund economic development activities designed to further regional cluster growth and to integrate sector-based and cluster-based strategies with its support for the development of innovation partnership zones (IPZ).

**48. BSD/International Trade Training** - Funding is provided for the International Trade program in the Business Services Division to train associate development organizations (ADOs) in export assistance; ADOs are to provide or facilitate export assistance through workshops or one-on-one assistance.

**49. CSHD/Dispute Resolution Centers** - Funding for dispute resolution centers is reduced by 5 percent.

**50. IPP/Energy Policy** - Funding is reduced for the Energy Policy program by 20 percent.

**51. LGI/Growth Management Administratio** - Funding for growth management technical assistance and administration is reduced by 10 percent.

**52. PWAA Admin Savings** - As required by SSB 5844, the department shall reduce expenditures from the public works assistance account for central agency administration by \$225,000 for the 2011-13 biennium. This will reduce indirect administrative expenditures back to the 20% of total operating budget expenditures that existed ten years ago.

**53. Long Term Care Facilities** - Funding is provided to medium-sized (90 to 100 licensed beds) facilities that provide skilled nursing services in Clark county and serve high acuity clients as evidenced by having an average case-mix score in excess of 2.00.

**2011-13 Omnibus Operating Budget**  
**Economic & Revenue Forecast Council**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	5.1	1,483	1,483
2011-13 Maintenance Level	5.1	1,548	1,548
<b>Policy Non-Comp Changes:</b>			
1. Independent Lottery Forecast	0.0	0	50
2. Administrative Reductions	0.0	-108	-108
Policy -- Non-Comp Total	0.0	-108	-58
Total Policy Changes	0.0	-108	-58
Total 2011-13 Biennium	5.1	1,440	1,490
Difference from 2009-11	0.0	-43	7
% Change from 2009-11	0.0%	-2.9%	0.5%

*Comments:*

**1. Independent Lottery Forecast** - The Economic and Revenue Forecast Council will conduct an independent Lottery forecast. (Lottery Administrative Account-State)

**2. Administrative Reductions** - The agency will reduce spending on goods and services, travel, and capital outlays.

**2011-13 Omnibus Operating Budget**  
**Office of Financial Management**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	299.7	41,634	138,147
2011-13 Maintenance Level	297.4	41,668	141,751
<b>Policy Non-Comp Changes:</b>			
1. Labor Relations Rate Reduction	-1.0	0	-496
2. Risk Management Rate Reduction	2.0	0	-544
3. Transfer K-20 Network	0.3	0	24,769
4. Lease Rate Adjustments	0.0	474	1,603
5. Staff Reductions	-9.0	-4,077	-4,077
6. Move IT Policy Oversight to OFM	17.5	1,767	7,676
7. DOP Merger into OFM	59.6	0	10,602
8. Dept of Enterprise Services-OFM	-164.4	-1,100	-63,714
9. McNeil Island Study	0.0	0	100
10. Office of Regulatory Assistance	0.0	0	212
11. Special Commitment Center	0.0	150	150
Policy -- Non-Comp Total	-95.0	-2,786	-23,719
Total Policy Changes	-95.0	-2,786	-23,719
Total 2011-13 Biennium	202.5	38,882	118,032
Difference from 2009-11	-97.3	-2,752	-20,115
% Change from 2009-11	-32.5%	-6.6%	-14.6%

*Comments:*

**1. Labor Relations Rate Reduction** - Billings to general government and higher education agencies for labor relation services will be reduced by 10 percent. (OFM Labor Relations Service Account-Nonappropriated)

**2. Risk Management Rate Reduction** - Risk Management will reduce its rates by 10 percent. The program will reduce expenditures on goods and services, contracts, and its working capital reserve. Further savings are achieved by eliminating a contract for the investigation, negotiation, settlement and/or denial of all general liability tort claims filed against WSDOT and vehicle liability claims for all state agencies with the exception of the University of Washington. Two new positions are added to do this work in house. (Risk Management Administration Account-Nonappropriated)

**3. Transfer K-20 Network** - The K-20 Education Network is transferred to the Office of Financial Management. It is the nation's first high-speed, high-capacity network linking colleges, universities, school districts, and libraries statewide. The K-20 Network provides video and data services to education facilities located throughout the state. Video services are used for such purposes as distance education and teacher training. Data services are used for Internet access by faculty and students and processing of education-related applications. (Education Technology Revolving Account-Nonappropriated)

**4. Lease Rate Adjustments** - The lease amounts for Capitol Court and Tumwater Plaza staff moving to Wheeler Building increases by \$537,449 in Fiscal Year 2012 and \$938,140 in Fiscal Year 2013. The lease amounts for GA Building moving to Capitol Court and Capital Way increases by \$58,213 in Fiscal Year 2012 and \$69,856 in Fiscal Year 2013.

**5. Staff Reductions** - The Information Services Division will defer the replacement of aging information technology equipment and will reduce staff resources for internal technical assistance to budget analysts, responses to outside data inquiries, system planning, and ad hoc budget data analysis. The Accounting Division will maintain a vacancy, the Governor's Executive Policy Office will maintain two vacancies, and the Forecasting Division will eliminate one position. There will be delays in the business office in processing personnel requests, paying bills, or conducting special projects. Eight additional positions are eliminated. Due to fewer staff, the agency will eliminate office space and associated goods and services expenditures.

## **2011-13 Omnibus Operating Budget Office of Financial Management**

**6. Move IT Policy Oversight to OFM** - Management and oversight of strategic technology policy is transferred from the Department of Information Services to the Office of Financial Management (OFM). Within the OFM, a new Office of the Chief Information Officer is created to administer these functions. The new office is responsible for development and implementation of state strategic information technology initiatives and oversight of information technology resources. (General Fund-State, General Fund-Federal, Data Processing Revolving Account-State)

**7. DOP Merger into OFM** - The Department of Personnel's human resource policymaking functions, funding, and FTE authority are transferred to the Office of Financial Management. The functions transferred include training, curriculum development, classification and compensation determination, and metrics analysis. (Department of Personnel Service Account-State, Higher Education Personnel Services Account-State)

**8. Dept of Enterprise Services-OFM** - The Information Services Division, Risk Management Division, Contracts Office, and Small Agency Client Services are transferred from the Office of Financial Management (OFM) to the new Department of Enterprise Services (DES). Funding and FTE authority related to these transfers are eliminated in OFM's budget and are moved to DES. (General Fund-State, Various Other Funds)

**10. Office of Regulatory Assistance** - Federal expenditure authority is provided for the Office of Regulatory Assistance for a grant received from the Environmental Protection Agency to fund a National Exchange Network Map-based Search Portal and Node Crawler. (General Fund-Federal)

**11. Special Commitment Center** - Funding is provided for the Office of Financial Management to contract for an assessment of the most cost-effective measures to provide operational support for the Special Commitment Center on McNeil Island.

**2011-13 Omnibus Operating Budget**  
**Office of Administrative Hearings**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	167.1	0	34,028
2011-13 Maintenance Level	169.1	0	36,359
<b>Policy Non-Comp Changes:</b>			
1. Admin Hearings Rate Decrease	-12.3	0	-2,079
2. Program Change Reduction Impacts	4.0	0	1,418
Policy -- Non-Comp Total	-8.3	0	-661
Total Policy Changes	-8.3	0	-661
Total 2011-13 Biennium	160.8	0	35,698
Difference from 2009-11	-6.3	0	1,670
% Change from 2009-11	-3.8%	0.0%	4.9%

*Comments:*

**1. Admin Hearings Rate Decrease** - The agency will eliminate two staff positions by utilizing the Office of Financial Management's Small Agency Client Services for accounting services and the Department of Personnel for human resource services. Also, the agency will eliminate seven Administrative Law Judge positions and three associated support staff positions. The savings will be passed on to client agencies as a central service rate reduction. (Administrative Hearings Revolving Account-State)

**2. Program Change Reduction Impacts** - Changes to programs and benefits administered by the Department of Social and Health Services (DSHS) can impact the hearing workload of the Office of Administrative Hearings. Revolving fund appropriation authority is increased to accommodate any increases in hearings workload that results from changes in DSHS programs. (Administrative Hearings Revolving Account-State)



**2011-13 Omnibus Operating Budget**  
**Department of Personnel**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	195.6	0	61,624
2011-13 Maintenance Level	193.6	0	64,459
<b>Policy Non-Comp Changes:</b>			
1. Self Insurance Premium	0.0	0	34
2. Reduce HRMS Support	-3.0	0	-3,194
3. Staff and Program Reductions	-7.0	0	-2,158
4. HRMS Programming for 3% Salary Cut	0.0	0	500
5. Merge DOP into OFM	-59.6	0	-10,602
6. Dept of Enterprise Services-DOP	-124.0	0	-49,039
Policy -- Non-Comp Total	-193.6	0	-64,459
Total Policy Changes	-193.6	0	-64,459
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-195.6	0	-61,624
% Change from 2009-11	-100.0%	0.0%	-100.0%

*Comments:*

**1. Self Insurance Premium** - Funding is provided for increased self insurance premiums based on the actuary's estimates of outstanding tort liability. (Department of Personnel Service Account-State)

**2. Reduce HRMS Support** - Funding in support of the Human Resource Management System is reduced. The Department will eliminate one desktop support position, one enterprise architect position, and one HRMS time configuration specialist position. Administrative expenses will be adjusted for one-time costs and anticipated rate reductions. (Data Processing Revolving Account-Nonappropriated)

**3. Staff and Program Reductions** - Funding for employment positions with the Department is reduced. The Department will eliminate positions in recruitment, classification, compliance monitoring, data analysis and management. (Department of Personnel Service Account-State)

**4. HRMS Programming for 3% Salary Cut** - Funding is provided for programming and associated implementation costs related to the temporary reduction of most state employee salaries by 3 percent. (Department of Personnel Service Account-State)

**5. Merge DOP into OFM** - The Department's statewide human resource policymaking functions are moved to the Office of Financial Management. These functions include training curriculum development, classification and compensation determination, and metrics analysis. (Department of Personnel Service Account, Higher Education Personnel Services Account-State)

**6. Dept of Enterprise Services-DOP** - The Department of Personnel's human resource functions that serve agencies are moved into the new Department of Enterprise Services. These functions include staff and IT support for the Human Resources Management System, the Employee Assistance Program, recruiting, small agency human resource services, and all back office functions that existed within the Department of Personnel. (Department of Personnel Service Account, Data Processing Revolving Account-Nonappropriated, Higher Education Personnel Services Account-State)

**2011-13 Omnibus Operating Budget**  
**State Lottery Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	144.9	0	773,297
2011-13 Maintenance Level	144.9	0	804,426
<b>Policy Non-Comp Changes:</b>			
1. Administrative Reductions	0.0	0	-1,012
Policy -- Non-Comp Total	0.0	0	-1,012
Total Policy Changes	0.0	0	-1,012
Total 2011-13 Biennium	144.9	0	803,414
Difference from 2009-11	0.0	0	30,117
% Change from 2009-11	0.0%	0.0%	3.9%

*Comments:*

**1. Administrative Reductions** - Funding is reduced for administrative and operating costs that do not impact revenue generating activities. Administrative reductions include eliminating vacant positions, reducing expenditures for training and travel, and eliminating a contract position. (Lottery Administrative Account-State)

**2011-13 Omnibus Operating Budget**  
**Washington State Gambling Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	164.4	0	33,755
2011-13 Maintenance Level	155.5	0	32,909
<b>Policy Non-Comp Changes:</b>			
1. Use of State Seizure Funds	0.0	0	42
Policy -- Non-Comp Total	0.0	0	42
Total Policy Changes	0.0	0	42
Total 2011-13 Biennium	155.5	0	32,951
Difference from 2009-11	-8.9	0	-804
% Change from 2009-11	-5.4%	0.0%	-2.4%

*Comments:*

**1. Use of State Seizure Funds** - This decision package uses State Seizure funds available to the Commission to improve and support gambling law enforcement operations. This also reduces Gambling Revolving Fund expenditures consistent with expected Gambling Revolving Revenue.

**2011-13 Omnibus Operating Budget**  
**WA State Comm on Hispanic Affairs**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	2.0	505	505
2011-13 Maintenance Level	2.0	524	524
Total 2011-13 Biennium	2.0	524	524
Difference from 2009-11	0.0	19	19
% Change from 2009-11	0.0%	3.8%	3.8%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**African-American Affairs Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2.0	479	479
2011-13 Maintenance Level	2.0	498	498
Total 2011-13 Biennium	2.0	498	498
Difference from 2009-11	0.0	19	19
% Change from 2009-11	0.0%	4.0%	4.0%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Department of Retirement Systems**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	264.1	0	53,116
2011-13 Maintenance Level	247.6	0	53,265
<b>Policy Comp Changes:</b>			
1. Implement Local Government AFS	0.0	0	61
2. Plan 3 Default Investment Option	0.0	0	65
3. Plan 1 Postretirement Employment	0.0	0	58
4. State Employee AFS	0.0	0	73
5. Plan 1 Uniform COLA	0.0	0	15
Policy -- Comp Total	0.0	0	272
Total Policy Changes	0.0	0	272
Total 2011-13 Biennium	247.6	0	53,537
Difference from 2009-11	-16.6	0	421
% Change from 2009-11	-6.3%	0.0%	0.8%

*Comments:*

**1. Implement Local Government AFS** - Funding is provided for the administrative expenses associated with including in the calculation of local government employees' retirement benefits compensation forgone during the 2011-13 fiscal biennium as a result of temporary layoffs, reduced hours, and reductions in pay in accordance with Senate Bill 5882 (local government employees). (Department of Retirement Systems Expense Account-State)

**2. Plan 3 Default Investment Option** - Funding is provided for the administrative expenses associated with implementing Senate Bill 5494 (plan 3 default investment option). (Department of Retirement Systems Expense Account-State)

**3. Plan 1 Postretirement Employment** - Funding is provided for the implementation of changes to the postretirement employment rules required to implement House Bill 1981 (higher education retirement plan and postretirement employment). (Department of Retirement Systems Expense Account-State)

**4. State Employee AFS** - Funding is provided for the administrative expenses associated with including in the calculation of state government employees' retirement benefits compensation forgone during the 2011-13 fiscal biennium as a result of temporary layoffs, reduced hours, and reductions in pay in accordance with Senate Bill 5860 (state employee compensation). (Department of Retirement Systems Expense Account-State)

**5. Plan 1 Uniform COLA** - Funding is provided for the administrative expenses associated with implement reduced cost-of-living adjustments in Plan 1 of the Public Employees' and Teachers' Retirement Systems (PERS 1 and TRS 1) pursuant to the provisions of Senate Bill 5920 (PERS and TRS Plan 1 annual increase amounts). (Department of Retirement Systems Expense Account-State)

**2011-13 Omnibus Operating Budget**  
**State Investment Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	81.4	0	29,352
2011-13 Maintenance Level	81.4	0	28,825
<b>Policy Non-Comp Changes:</b>			
1. Strengthen Investment Policy	2.0	0	940
2. Telephone System Replacement	0.0	0	114
Policy -- Non-Comp Total	2.0	0	1,054
<b>Policy Comp Changes:</b>			
3. Remove Merit System Increments	0.0	0	-21
Policy -- Comp Total	0.0	0	-21
Total Policy Changes	2.0	0	1,033
Total 2011-13 Biennium	83.4	0	29,858
Difference from 2009-11	2.0	0	506
% Change from 2009-11	2.5%	0.0%	1.7%

*Comments:*

**1. Strengthen Investment Policy** - An additional investment officer will be hired to manage investments in tangible assets, such as infrastructure, agriculture, timber, and natural resource rights. A data risk analyst position will also be added to help monitor and manage quantitative investment risks. (State Investment Board Expense Account-State)

**2. Telephone System Replacement** - Funding is provided to cover the cost of a telephone system replacement to expand the agency's telecommunications capacity. (State Investment Board Expense Account-State)

**3. Remove Merit System Increments** - Funding for salary increases is eliminated. Agencies will absorb the cost of merit system increments for eligible employees. (State Investment Board Expense Account-State)

**2011-13 Omnibus Operating Budget**  
**Public Printer**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	137.8	0	19,859
2011-13 Maintenance Level	120.8	0	20,631
<b>Policy Non-Comp Changes:</b>			
1. Transfer to DES	-30.0	0	-5,046
2. Eliminate State Printer	-90.8	0	-15,585
Policy -- Non-Comp Total	-120.8	0	-20,631
Total Policy Changes	-120.8	0	-20,631
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-137.8	0	-19,859
% Change from 2009-11	-100.0%	0.0%	-100.0%

*Comments:*

**1. Transfer to DES** - Pursuant to Senate Bill 5931, the Public Printer will move into the new Department of Enterprise Services, along with portions of the Department of Information Services, Office of Financial Management, Department of Personnel, and Department of General Administration. The Public Printer is then eliminated as a state agency as of January 1, 2012. (Printing Plant Revolving Account-Nonappropriated)

**2. Eliminate State Printer** - Pursuant to Senate Bill 5931, the state printer is eliminated a state agency as of January 1, 2012. (Printing Plant Revolving Account-Nonappropriated)



**2011-13 Omnibus Operating Budget**  
**Department of Revenue**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,145.8	221,791	240,877
2011-13 Maintenance Level	1,143.4	225,980	240,886
<b>Policy Non-Comp Changes:</b>			
1. Revenue Enhancement	17.3	0	3,188
2. Reduce Communications Staff	-1.0	-200	-200
3. Reduce County Advisory Appraisals	-6.0	-1,028	-1,028
4. Closing Field Offices	0.0	-356	-356
5. Low Income Property Tax Deferral	-0.8	-591	-591
6. Appeals Reform-Process Efficiencies	-3.0	-536	-536
7. Revenue Enhancement Option	5.4	1,454	1,454
8. Transfer Master Business License	56.5	0	14,334
9. Reduce Policy Research Services	-5.7	-1,146	-1,146
10. Mandatory Quarterly E-File/E-Pay	-6.0	-906	-906
11. Printing Publications & Forms	0.0	-736	-736
12. Tax Administration Activities	-9.8	-2,774	-2,774
13. Tax Collection Activities	-21.6	-3,672	-3,672
Policy -- Non-Comp Total	25.5	-10,491	7,031
Total Policy Changes	25.5	-10,491	7,031
Total 2011-13 Biennium	1,168.8	215,489	247,917
Difference from 2009-11	23.0	-6,302	7,040
% Change from 2009-11	2.0%	-2.8%	2.9%

*Comments:*

**1. Revenue Enhancement** - Funding is provided for additional staff to collect state tax revenues. The department will add additional tax collection staff including taxpayer account administrators, compliance staff, and auditors. On average, each employee will bring in \$420,000 per fiscal year in revenue. (Performance Audits of Government Account-Nonappropriated)

**2. Reduce Communications Staff** - The department will eliminate one communications position from the Director's office. Internal communications can be handled by remaining program staff.

**3. Reduce County Advisory Appraisals** - The department will reduce assistance to counties for advisory appraisals by eliminating 6 FTE staff. The department will maintain enough staff to be able to complete up to 25 advisory appraisals each year.

**4. Closing Field Offices** - The department will close and consolidate several field offices in the 2011-13 biennium. Field offices set for closure include Lacey and Aberdeen. The Everett field office will be consolidated with Bothell.

**5. Low Income Property Tax Deferral** - Funding is reduced as a result of SB 5587 (low-income tax deferral program) which eliminates the low-income tax deferral program beginning in 2011. This provision will save \$591,000 in the upcoming biennium primarily by eliminating the appropriations for the tax deferrals.

**6. Appeals Reform-Process Efficiencies** - The department will streamline its internal appeals process. It is estimated that streamlining appeals processing will allow the department to reduce costs by cutting 3 FTE staff positions. These efforts assist the department to achieve a 97.9 percent voluntary compliance rate and a 5 percent rate of further administrative review by the Board of Tax Appeals or the courts.

**7. Revenue Enhancement Option** - Carryforward funding is provided for the revenue enhancement that was funded in HB 3225 which was passed in December 2010.

## **2011-13 Omnibus Operating Budget Department of Revenue**

**8. Transfer Master Business License** - Funding is provided to implement Substitute Senate Bill 5911 (Transfer Master Business License Program). To improve customer service, the administration of the Master Business License Program is transferred from the Department of Licensing to the Department of Revenue. (Master License Account-State)

**9. Reduce Policy Research Services** - The Research, Legislation and Policy and Interpretations and Technical Advice divisions will eliminate 6 FTE staff. This reduction will result in reduced services to external stakeholders, suspension of some publications and interpretive statements, and decreased support to internal operating divisions, Office of Financial Management, and the Legislature.

**10. Mandatory Quarterly E-File/E-Pay** - Funding is provided to implement Engrossed House Bill 1357 (Mandatory Quarterly E-File). To streamline and improve tax collections, and reduce the costs of collecting revenue, quarterly taxpayers will be required to file and pay tax returns electronically.

**11. Printing Publications & Forms** - The department will eliminate the printing and mailing of several forms and publications. Publications and forms no longer printed will be available on the department's internet site. With the widespread availability and use of the internet, most taxpayers have internet access.

**12. Tax Administration Activities** - Funding is reduced for tax administration activities. Reductions will impact Executive Management, Information Services, Human Resources and Business and Financial Services divisions. Overall, the department will reduce 9.8 staff in tax administration activities.

**13. Tax Collection Activities** - Funding is reduced for 21.6 staff support positions and Washington Management Services position that indirectly impact revenue collections. Funding is also reduced for goods and services and staff training.

**2011-13 Omnibus Operating Budget**  
**Board of Tax Appeals**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	12.2	2,664	2,664
2011-13 Maintenance Level	12.2	2,809	2,809
<b>Policy Non-Comp Changes:</b>			
1. Reductions/Efficiency Measures	-1.0	-276	-276
Policy -- Non-Comp Total	-1.0	-276	-276
Total Policy Changes	-1.0	-276	-276
Total 2011-13 Biennium	11.2	2,533	2,533
Difference from 2009-11	-1.0	-131	-131
% Change from 2009-11	-8.2%	-4.9%	-4.9%

*Comments:*

**1. Reductions/Efficiency Measures** - The Board of Tax Appeals will achieve savings by not filling a vacant hearing officer position. Expenditures for employee professional development and training will be eliminated. Further savings will be achieved by reducing expenditures for travel, and goods and services.

**2011-13 Omnibus Operating Budget**  
**Municipal Research Council**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	2,729
2011-13 Maintenance Level	0.0	0	0
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	0.0	0	-2,729
% Change from 2009-11	0.0%	0.0%	-100.0%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Minority & Women's Business Enterp**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	17.5	0	3,674
2011-13 Maintenance Level	17.0	0	3,744
<b>Policy Non-Comp Changes:</b>			
1. Rate Reduction	0.0	0	-376
Policy -- Non-Comp Total	0.0	0	-376
Total Policy Changes	0.0	0	-376
Total 2011-13 Biennium	17.0	0	3,368
Difference from 2009-11	-0.5	0	-306
% Change from 2009-11	-2.9%	0.0%	-8.3%

*Comments:*

**1. Rate Reduction** - The Office of Minority and Women's Business Enterprises (OMWBE) will reduce its assessments to agencies for the next biennium and ensuing biennia by 10 percent of its 2011-13 maintenance level operating budget. OMWBE's existing fund balance will offset the reduction in revenue. Reduced revenue will not adversely affect FTE staff levels or services for the next biennium. (OMWBE Enterprises Account-State)

**2011-13 Omnibus Operating Budget**  
**Dept of General Administration**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	554.8	4,778	261,647
2011-13 Maintenance Level	550.4	7,985	265,778
<b>Policy Non-Comp Changes:</b>			
1. Environmental Purchasing	0.0	0	200
2. Reduce Public and Historic Program	-2.5	0	-898
3. Reduce On Campus Property Rent	-4.0	0	-2,193
4. Reduce Parking Services	0.0	0	-65
5. Reduce Off Campus Property Rent	-1.5	0	-398
6. Reduce Rent Outside Thurston County	-1.0	0	-463
7. Reduce Reimbursable Rates	-3.0	0	-763
8. Reduce Procurement Service Rates	-1.5	0	-514
9. Small Business Preference Program	0.0	0	247
10. Reduce Surplus Warehouses & Service	-6.0	0	-944
11. Reduce Real Estate Services	-1.0	0	-296
12. Reduce Capital Project Management	-0.6	0	-150
13. Lease Rate Adjustments	0.0	0	1,124
14. Nonappropriated Fund Adjustment	0.0	0	845
15. Reduction to Legislative Facilities	0.0	-910	-910
16. Reduction to Built Environment	0.0	-7	-7
17. Reduction to CPARB	0.0	-36	-36
18. Dept of Enterprise Services-GA	-536.2	-7,032	-262,721
19. Lease Management Integration	7.0	0	2,164
Policy -- Non-Comp Total	-550.3	-7,985	-265,778
Total Policy Changes	-550.3	-7,985	-265,778
Total 2011-13 Biennium	0.1	0	0
Difference from 2009-11	-554.8	-4,778	-261,647
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Environmental Purchasing** - Under current law, government purchases of goods and services are based on the lowest-cost, responsive bid. One-time funding is provided to obtain expert consultant services to advise the state on candidate policies for purchasing environmentally-friendly goods and services. The Department of General Administration has secured grant funding for these activities for the 2011-13 biennium. (General Fund-Private/Local)

**2. Reduce Public and Historic Program** - Reductions are made to maintenance and grounds care services provided in the the Public and Historic Program. Funding for non-fixed costs is reduced by 12 percent. (General Administration Service Account-State)

**3. Reduce On Campus Property Rent** - Expenditure authority for non-fixed costs associated with capital campus services is reduced by 11 percent and staffing and services will be reduced accordingly. Reductions in campus rental rates and custodial and trade rates will be implemented to reflect expenditure reductions. (General Administration Service Account-State)

**4. Reduce Parking Services** - Expenditure authority for non-fixed costs associated with parking services is reduced by 12 percent and services will be reduced accordingly. (State Vehicle Parking Account-Nonappropriated)

## 2011-13 Omnibus Operating Budget

### Dept of General Administration

**5. Reduce Off Campus Property Rent** - Expenditure authority for non-fixed costs associated with off campus property services is reduced by 12 percent and staffing and services will be reduced accordingly. Reductions in off campus rental rates and custodial and trade rates will be implemented to reflect expenditure reductions. (General Administration Service Account-Nonappropriated)

**6. Reduce Rent Outside Thurston County** - Expenditure authority for non-fixed costs associated with rent outside Thurston County is reduced by 8 percent and staffing will be reduced accordingly. Partially occupied buildings at the North Cascades Center will be closed. (General Administration Service Account-Nonappropriated)

**7. Reduce Reimbursable Rates** - Expenditure authority for non-fixed costs associated with reimbursable trades, custodial, and project management provided by the Department is reduced by 12 percent and staffing and services will be reduced accordingly. Reductions in rates for trades, custodial, and project management will be implemented to reflect expenditure reductions. (General Administration Service Account-Nonappropriated)

**8. Reduce Procurement Service Rates** - Expenditure authority for non-fixed costs associated with procurement services is reduced by 5 percent and services will be reduced accordingly. Reductions in procurement rates will be implemented to reflect expenditure reductions. (General Administration Service Account-Nonappropriated)

**9. Small Business Preference Program** - Funding is provided for implementation House Bill 1770 (State purchasing) which requires the Department to implement the in-state Small Business Vendor Bidding Preference Program. The Department shall develop policies and procedures to implement the program and beginning in December 2011 shall submit an annual report on the progress of the program. (General Administration Service Account-Nonappropriated)

**10. Reduce Surplus Warehouses & Service** - Funding for non-fixed costs associated with warehouse services is reduced by 12 percent. Two warehouses in King County will be closed, relocating operations to Thurston County. Transportation services will be decreased. (General Administration Service Account-Nonappropriated)

**11. Reduce Real Estate Services** - Expenditure authority for non-fixed costs associated with real-estate services is reduced by 12 percent and staffing and services will be reduced accordingly. (General Administration Service Account-State)

**12. Reduce Capital Project Management** - Expenditure authority for non-fixed costs associated with capital project management is reduced by 12 percent and staffing and services will be reduced accordingly. (General Administration Service Account-Nonappropriated)

**13. Lease Rate Adjustments** - Lease costs will increase by \$512,333 in Fiscal Year 2012 and \$611,820 in Fiscal Year 2013 from closing the General Administration Building and moving staff to other locations. (General Administration Service Account-Nonappropriated)

**14. Nonappropriated Fund Adjustment** - Spending authority is adjusted to match projected revenue.

**15. Reduction to Legislative Facilities** - Facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges previously invoiced to legislative customers are reduced and services are reduced accordingly.

**16. Reduction to Built Environment** - Staff resources supporting Built Environment Pollution activities are reduced.

**17. Reduction to CPARB** - Staff resources supporting Capital Project Advisory Review Board activities are reduced.

**18. Dept of Enterprise Services-GA** - The Department of General Administration will merge into the new Department of Enterprise Services, along with the State Printer and portions of the Department of Information Services, Office of Financial Management, and Department of Personnel. A transition team will work on identifying efficiencies by consolidating back-office functions such as internal human resources, accounting, purchasing, contracts, and facilities management. (General Fund-State, General Fund-Federal, General Administration Service Account-State, General Fund-Local, General Administration Service Account-Nonappropriated, State Vehicle Parking Account-Nonappropriated, Commemorative Works Account-Nonappropriated, Building Code Council Account-State)

**19. Lease Management Integration** - The Department of Social and Health Services' internal facility planning unit is transferred to the Department of General Administration. (General Administration Service Account-Nonappropriated)

**2011-13 Omnibus Operating Budget**  
**Department of Information Services**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	467.5	2,166	260,358
2011-13 Maintenance Level	461.5	1,988	263,057
<b>Policy Non-Comp Changes:</b>			
1. Central Administration Reduction	-33.0	0	-5,460
2. Services Efficiency Reduction	-21.5	0	-5,112
3. IT Policy Reduction	-7.0	0	-1,980
4. Transfer Broadband Service	-3.8	0	-4,037
5. Transfer K-20 Network	-0.3	0	-24,771
6. Transfer IT Portfolio Application	0.0	0	-334
7. Lease Rate Adjustments	0.0	0	26,692
8. Promote Broadband Service	3.8	228	4,265
9. GF-S Reduction Option JIN Program	0.0	-214	-214
10. Metropolitan Optical Network	0.0	0	1,550
11. Exchange 2010	8.0	0	4,600
12. Move IT Policy Oversight to OFM	-17.5	-1,767	-7,676
13. Dept of Enterprise Services-DIS	-120.2	0	-91,437
14. Transfer Consolidated Tech Services	-285.0	-235	-194,776
15. K-20 Education Network	0.0	0	-2,270
16. State Data Center Infrastructure	11.0	0	37,347
17. Increased Customer Service Demand	4.0	0	556
Policy -- Non-Comp Total	-461.5	-1,988	-263,057
Total Policy Changes	-461.5	-1,988	-263,057
Total 2011-13 Biennium	0.1	0	0
Difference from 2009-11	-467.5	-2,166	-260,358
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Central Administration Reduction** - Funding is reduced for agency central administration activities to achieve more cost-effective rates for information technology services. (Data Processing Revolving Account-Nonappropriated)

**2. Services Efficiency Reduction** - Costs for computer services, interactive technology, and telecommunication services are reduced to achieve more cost-effective rates for information technology services. (Data Processing Revolving Account-Nonappropriated)

**3. IT Policy Reduction** - The Department's Management and Oversight of Strategic Technology activities are reduced to mitigate the impact of policy oversight revolving fund charges on state agencies. (Data Processing Revolving Account-State)

**4. Transfer Broadband Service** - The State Broadband Development and Data Program is transferred from the Department of Information Services to the Department of Commerce. This program promotes broadband service as an engine for economic development, job growth, education and research, and other recognized public services. Funds will map the state's public and private broadband infrastructure, service availability and current broadband upload and download speeds to position the state for additional public and private investment in unserved and under-served areas of the state. (General Fund-State, Broadband Mapping Account-Nonappropriated, Community Technology Opportunity Fund-State)



## 2011-13 Omnibus Operating Budget Department of Information Services

**5. Transfer K-20 Network** - The K-20 Education Network is transferred to the Office of Financial Management. The network links colleges, universities, school districts, and libraries statewide. The K-20 Network provides video and data services to education facilities throughout the state. Video services are used for such purposes as distance education and teacher training. Data services are used for Internet access by faculty and students and processing of education-related applications. (Education Technology Account-Nonappropriated)

**6. Transfer IT Portfolio Application** - Maintenance of the Information Technology Clarity Portfolio application support is transferred to the Information Services Division within the new Department of Enterprise Services. (Data Processing Revolving Account-State)

**7. Lease Rate Adjustments** - Funding is provided for the increased lease related costs associated with the new State Office Facility and Data Center. Specific costs include lease costs and on-going operating costs (utilities and maintenance) associated with both facilities. (Data Processing Revolving Account-Nonappropriated)

**8. Promote Broadband Service** - Funds are provided to map the state's public and private broadband infrastructure, service availability, and current broadband upload and download speeds. (General Fund-State, Broadband Mapping Account-Appropriated, Community Technology Opportunity Fund-Appropriated)

**9. GF-S Reduction Option JIN Program** - Funding is eliminated for a secure web gateway service used by local law and justice agencies to access available criminal justice data via the Justice Information Network (JIN).

**10. Metropolitan Optical Network** - Ongoing funding is provided for a high-speed Metropolitan Optical Network to connect 140 plus off-campus state agency locations and 14,450 state employees throughout Olympia, Tumwater, and Lacey. This network is necessary to support the consolidation of state e-mail and data center services. (Data Processing Revolving Account-Nonappropriated)

**11. Exchange 2010** - Funding is provided to continue implementation of a Shared Services E-Mail service for state agencies. This service employs Microsoft Exchange 2010 and provides Enterprise Vault, an e-mail archiving capability. (Data Processing Revolving Account-Nonappropriated)

**12. Move IT Policy Oversight to OFM** - Management and oversight of strategic technology is reduced and transferred to the Office of Financial Management where a new Office of the Chief Information Officer will be established. The new office will be responsible for the development and implementation of state strategic information technology initiatives and oversight of information technology resources. (General Fund-State, General Fund-Federal, Data Processing Revolving Account-State)

**13. Dept of Enterprise Services-DIS** - The administrative, budget, finance, communications, contract services, human resources, agency internal information technology, legal services, and procurement will transfer to the new Department of Enterprise Services (DES). DES will provide these back office administrative functions to the newly created Consolidated Technology Service and to the new DES. (Data Processing Revolving Account-Nonappropriated)

**14. Transfer Consolidated Tech Services** - Three operational divisions are moved from the Department of Information Services, which is eliminated, and into the new Consolidated Technology Service. (General Fund - State, General Fund - Local, Data Processing Revolving Account - State, Data Process Revolving Account - Nonappropriated)

**15. K-20 Education Network** - Funding is reduced for K-20 Education Network. This reduction will be from efficiencies in providing the service. The Office of Financial Management will examine current staffing of the K-20 network for opportunities to provide the service more efficiently. OFM will also investigate transferring the service to another state agency or private provider. Funding reductions will not result in increased rates for users of the service. (Education Technology Revolving Account-Nonappropriated)

**16. State Data Center Infrastructure** - Funds are provided to design, acquire and install the new State Data Center infrastructure (cabling, cabinets, fiber connectivity) and to set up the existing data center infrastructure (network, storage, security, servers, mainframe and tape backup, and telephony) at the new location. Once the move is complete, DIS services, operations, and assets in the current data center will be decommissioned. (Data Processing Revolving Account-Nonappropriated)

## 2011-13 Omnibus Operating Budget Department of Information Services

**17. Increased Customer Service Demand** - Funding is provided to address increased customer demand for agency services. Additional positions will provide support for agency computing application projects, voicemail, and assistance and oversight for technology master contracts. (Data Processing Revolving Account-Nonappropriated)

**2011-13 Omnibus Operating Budget**  
**Office of Insurance Commissioner**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	229.7	0	50,391
2011-13 Maintenance Level	229.8	0	53,225
<b>Policy Non-Comp Changes:</b>			
1. Health Benefit Exchange - HB 1740	0.3	0	57
Policy -- Non-Comp Total	0.3	0	57
Total Policy Changes	0.3	0	57
Total 2011-13 Biennium	230.1	0	53,282
Difference from 2009-11	0.4	0	2,891
% Change from 2009-11	0.2%	0.0%	5.7%

*Comments:*

**1. Health Benefit Exchange - HB 1740** - Funding is provided for the implementation of health benefit exchanges under ESHB 1740 (health benefit exchanges).

**2011-13 Omnibus Operating Budget**  
**State Board of Accountancy**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	11.3	0	3,649
2011-13 Maintenance Level	11.3	0	2,838
Total 2011-13 Biennium	11.3	0	2,838
Difference from 2009-11	0.0	0	-811
% Change from 2009-11	0.0%	0.0%	-22.2%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Forensic Investigations Council**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	280
2011-13 Maintenance Level	0.0	0	280
Total 2011-13 Biennium	0.0	0	280
Difference from 2009-11	0.0	0	0
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Washington Horse Racing Commission**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	28.5	0	10,321
2011-13 Maintenance Level	28.5	0	8,241
Total 2011-13 Biennium	28.5	0	8,241
Difference from 2009-11	0.0	0	-2,080
% Change from 2009-11	0.0%	0.0%	-20.2%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**WA State Liquor Control Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,189.1	0	244,701
2011-13 Maintenance Level	1,201.5	0	253,854
<b>Policy Non-Comp Changes:</b>			
1. DIS Forest	0.0	0	38
2. Administrative Reductions	0.0	0	-4,285
3. Co-located stores	0.3	0	1,152
4. Customer Service Initiatives	79.5	0	49,390
5. Liquor Related Products	1.4	0	10,165
6. End-to-End Encryption	0.0	0	585
7. Distribution Center Staffing	12.0	0	1,068
Policy -- Non-Comp Total	93.1	0	58,113
Total Policy Changes	93.1	0	58,113
Total 2011-13 Biennium	1,294.6	0	311,967
Difference from 2009-11	105.5	0	67,266
% Change from 2009-11	8.9%	0.0%	27.5%

*Comments:*

**1. DIS Forest** - Funding is provided to enable the Liquor Control Board (LCB) to join the State Active Directory Forest hosted by the Department of Information Services. (Liquor Revolving Account-State)

**2. Administrative Reductions** - 8% administrative reductions are made to administration, enforcement, licensing, regulation, and to tobacco enforcement.

**3. Co-located stores** - Funds are provided to implement SB 5917 (co-located stores) which requires the Liquor Control Board to conduct a pilot project to incorporate up to 10 contract stores within existing grocery stores. (Liquor Revolving State- Appropriated, Liquor Revolving State- Nonappropriated)

**4. Customer Service Initiatives** - Funding is provided to implement customer service initiatives to improve convenience to customers and generate additional revenues. Initiatives include adding six contract and two new state stores to keep pace with population growth; two high-volume specialty stores; standardizing hours of operation; selling retail gift cards; and providing optional delivery to restaurants and other licensed locations. The initiatives are estimated to result in net revenues of approximately \$6 million. (Liquor Revolving State- Appropriated, Liquor Revolving State- Nonappropriated)

**5. Liquor Related Products** - Funds are provided to implement SB 5916 (liquor related products) which allows the liquor control board to sell liquor related products in state liquor stores on consignment. (Liquor Revolving State- Appropriated, Liquor Revolving State- Nonappropriated)

**6. End-to-End Encryption** - Funding is provided to ensure the privacy of credit card information used at state liquor stores by encrypting confidential credit card data and transferring the storage of that data to the credit card processor. (Liquor Revolving Account-State)

## **2011-13 Omnibus Operating Budget WA State Liquor Control Board**

**7. Distribution Center Staffing** - Funding is provided for 12 additional warehouse operators in the Liquor Distribution Center (DC) to address increased product diversity and volumes shipped to liquor stores. To avoid a decrease in liquor revenue distribution to the General Fund and local governments, funding for nine existing FTE positions (seven maintenance mechanics, one maintenance specialist, and one electrician) is shifted from the Liquor Revolving Fund to the Liquor Control Board Construction and Maintenance Account. (Liquor Control Board Construction and Maintenance Account-State, Liquor Revolving Account-State)



**2011-13 Omnibus Operating Budget**  
**Utilities and Transportation Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	159.0	0	41,719
2011-13 Maintenance Level	159.0	0	47,267
<b>Policy Non-Comp Changes:</b>			
1. Federal Funding Rate Increase	0.0	0	1,310
2. Federal Stimulus Funds	1.0	0	502
Policy -- Non-Comp Total	1.0	0	1,812
Total Policy Changes	1.0	0	1,812
Total 2011-13 Biennium	160.0	0	49,079
Difference from 2009-11	1.0	0	7,360
% Change from 2009-11	0.6%	0.0%	17.6%

*Comments:*

**1. Federal Funding Rate Increase** - Federal expenditure authority is provided to reflect increased federal Pipeline and Hazardous Materials Safety Administration funding to state pipeline safety programs that started in 2010. The federal reimbursement rate increased from 40 percent federal participation to approximately 60 percent federal participation for states that expand their programs. (Pipeline Safety Account-Federal)

**2. Federal Stimulus Funds** - Federal expenditure authority is increased to reflect expected American Recovery and Reinvestment Act (ARRA) dollars provided for electricity sector activities and policy initiatives that significantly affect electric utility resource alternatives and infrastructure investment. In 2010 the Utilities and Transportation Commission (UTC) received a four-year ARRA grant from the U.S. Department of Energy. Federal expenditure authority is provided to allow the UTC to continue to utilize funds from this and other grants. (General Fund-Federal Stimulus)

**2011-13 Omnibus Operating Budget**  
**Board for Volunteer Firefighters**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	4.0	0	1,052
2011-13 Maintenance Level	4.0	0	1,069
Total 2011-13 Biennium	4.0	0	1,069
Difference from 2009-11	0.0	0	17
% Change from 2009-11	0.0%	0.0%	1.6%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Military Department**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	330.8	18,224	377,096
2011-13 Maintenance Level	329.9	18,393	306,346
<b>Policy Non-Comp Changes:</b>			
1. State Emergency Operations Center	-1.0	0	-3,177
2. E911 Next Generation Transition	2.0	0	8,416
3. Educ Support & Admin Reductions	-3.5	-1,286	-619
Policy -- Non-Comp Total	-2.5	-1,286	4,620
Total Policy Changes	-2.5	-1,286	4,620
Total 2011-13 Biennium	327.4	17,107	310,966
Difference from 2009-11	-3.4	-1,117	-66,130
% Change from 2009-11	-1.0%	-6.1%	-17.5%

*Comments:*

**1. State Emergency Operations Center** - Federal funding from the Chemical Stockpile Emergency Preparedness Program (CSEPP), which has built and maintained operations at the Washington State Emergency Operations Center (EOC), is projected to end in January 2012 when the CSEPP program is complete. Funding is provided from the Worker and Community Right-to-Know Account to ensure continued operations at the EOC through the biennium. (General Fund-Federal, Worker and Community Right-to-Know Account-State)

**2. E911 Next Generation Transition** - Expenditure authority is provided from the Enhanced 911 Account for statewide agreements to continue the upgrade to Next Generation 911. To advance to the next phase of the upgrade, the state E911 office will add one Geographic Information System Specialist and one Network Security Specialist position. (General Fund-Federal, Enhanced 911 Account-State)

**3. Educ Support & Admin Reductions** - State funding for post high school education assistance for National Guard members is eliminated. Funding for facility maintenance, emergency management, and administrative support functions is reduced. (General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Public Employment Relations Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	42.7	5,302	8,815
2011-13 Maintenance Level	42.7	5,416	9,065
<b>Policy Non-Comp Changes:</b>			
1. Reduce Training/Equip/Recruitment	0.0	-530	-530
2. Department of Education Setup Costs	0.0	0	37
Policy -- Non-Comp Total	0.0	-530	-493
Total Policy Changes	0.0	-530	-493
Total 2011-13 Biennium	42.7	4,886	8,572
Difference from 2009-11	0.0	-416	-243
% Change from 2009-11	0.0%	-7.9%	-2.8%

*Comments:*

- 1. Reduce Training/Equip/Recruitment** - Funding for employee training and equipment purchases is reduced.
- 2. Department of Education Setup Costs** - Funding is provided for expenses associated with the creation of the Department of Education, pursuant to the provisions of Senate Bill 5639 (education governance system).

**2011-13 Omnibus Operating Budget**  
**LEOFF 2 Retirement Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	6.0	0	2,027
2011-13 Maintenance Level	6.0	0	2,098
Total 2011-13 Biennium	6.0	0	2,098
Difference from 2009-11	0.0	0	71
% Change from 2009-11	0.0%	0.0%	3.5%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Archaeology & Historic Preservation**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	17.3	2,753	5,360
2011-13 Maintenance Level	17.8	2,971	5,131
<b>Policy Non-Comp Changes:</b>			
1. Reduce Administration	0.0	-298	-298
Policy -- Non-Comp Total	0.0	-298	-298
Total Policy Changes	0.0	-298	-298
Total 2011-13 Biennium	17.8	2,673	4,833
Difference from 2009-11	0.5	-80	-527
% Change from 2009-11	2.9%	-2.9%	-9.8%

*Comments:*

**1. Reduce Administration** - Funding for operation of the Department is reduced. The Department will achieve ongoing savings by reducing its travel budget for the human remains program and by reducing its in-house information technology maintenance.

**2011-13 Omnibus Operating Budget**  
**Growth Management Hearings Board**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	11.3	3,066	3,066
2011-13 Maintenance Level	0.0	0	0
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-11.3	-3,066	-3,066
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**State Convention and Trade Center**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	182.8	0	116,821
2011-13 Maintenance Level	0.0	0	0
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-182.8	0	-116,821
% Change from 2009-11	-100.0%	0.0%	-100.0%

*Comments:*



**2011-13 Omnibus Operating Budget**  
**Consolidated Technology Services**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Comp Changes:</b>			
1. Transfer DIS to CTS Agency	285.0	235	194,776
Policy -- Comp Total	285.0	235	194,776
Total Policy Changes	285.0	235	194,776
Total 2011-13 Biennium	285.0	235	194,776
Difference from 2009-11	285.0	235	194,776
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. Transfer DIS to CTS Agency** - Delivery of IT services to state agencies is transferred from the Department of Information Services to the newly created Consolidated Technology Services (CTS) Agency. Services offered by the CTS agency include mainframe computing, network operations, telecommunications, and managing the consolidated data center.

**2011-13 Omnibus Operating Budget**  
**Department of Enterprise Services**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Non-Comp Changes:</b>			
1. OFM IT Services	0.0	0	2,300
2. Transfer IT Portfolio Application	0.0	0	334
3. Dept of Enterprise Services-DOP	124.0	0	49,039
4. Dept of Enterprise Services-OFM	164.4	1,100	63,714
5. Dept of Enterprise Services-DIS	120.2	0	91,437
6. Dept of Enterprise Services-GA	536.3	7,032	262,721
7. Dept of Enterprise Services-Prt	30.0	0	5,046
8. Contracting for Service	-32.0	0	-3,749
9. Back Office Efficiencies	-2.5	-20	-1,177
Policy -- Non-Comp Total	940.3	8,112	469,665
Total Policy Changes	940.3	8,112	469,665
Total 2011-13 Biennium	940.3	8,112	469,665
Difference from 2009-11	940.3	8,112	469,665
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. OFM IT Services** - Funding is provided for the Department of Enterprise Services to provide information technology services to the Office of Financial Management (OFM). The Department will recover costs by billing OFM. (Data Processing Revolving Account-Nonappropriated)

**2. Transfer IT Portfolio Application** - The maintenance of the Information Technology Clarity Portfolio application support is transferred to the Information Services Division within the new Department of Enterprise Services. (Data Processing Revolving Account-Nonappropriated)

**3. Dept of Enterprise Services-DOP** - The Department of Personnel's human resource functions are moved into the new Department of Enterprise Services. These functions include staff and information technology support for the Human Resource Management System, the Employee Assistance Program, recruiting, small agency human resource services, and all back office functions that existed within the Department of Personnel. (Data Processing Revolving Account-Nonappropriated, Department of Personnel Account-State)

**4. Dept of Enterprise Services-OFM** - The Information Services Division, Risk Management Division, Contracts Office, and Small Agency Client Services at the Office of Financial Management are moved to the new Department of Enterprise Services. (General Fund-State, Various Other Funds)

**5. Dept of Enterprise Services-DIS** - The Department of Information Services' administrative, budget, finance, communications, contract services, human resources, agency internal information technology, legal services, and procurement functions will transfer to the new Department of Enterprise Services (DES). The DES will provide these back office administrative functions for the Consolidated Technology Services Agency. (Data Processing Revolving Account-Nonappropriated)

## **2011-13 Omnibus Operating Budget Department of Enterprise Services**

**6. Dept of Enterprise Services-GA** - The Department of General Administration will merge into the new Department of Enterprise Services, along with portions of the Department of Information Services, Office of Financial Management, and Department of Personnel. A transition team will work on identifying efficiencies by consolidating back-office functions such as internal human resources, accounting, purchasing, contracts, and facilities management. (General Fund-State, General Fund-Federal, General Administration Service Account-State, General Administration Service Account-Nonappropriated, State Vehicle Parking Account-Nonappropriated, Commemorative Works Account-Nonappropriated, Building Code Council Account-State)

**7. Dept of Enterprise Services-Prt** - The Department of Printing will move into the new Department of Enterprise Services until January 1, 2012 when it will be eliminated as a state agency. (Printing Plant Revolving Account-Nonappropriated)

**8. Contracting for Service** - Fifteen percent savings are assumed by the contracting out of bulk printing and mail service, motor pool and the leasing program. Contracts will be developed, negotiated and executed in the first year of the biennium. Projected savings are for the last six months of Fiscal Year 2013. The contract for mail services are to be integrated with the contract for print management.. If the motor pool contract includes the transfer of ownership of the vehicle fleet, then provision for the payment of debt for those vehicles must be made. The contracts for service shall be developed, negotiated and executed by the Office of Financial Management.

**9. Back Office Efficiencies** - Funding is reduced in the recognition of efficiencies gained by consolidating four state agencies.

**2011-13 Omnibus Operating Budget**  
**Innovate Washington**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Non-Comp Changes:</b>			
1.    SIRTI Transfer	16.2	2,871	5,023
2.    WA Technology Center Transfer	0.0	4,260	4,260
Policy -- Non-Comp Total	16.2	7,131	9,283
Total Policy Changes	16.2	7,131	9,283
Total 2011-13 Biennium	16.2	7,131	9,283
Difference from 2009-11	16.2	7,131	9,283
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. SIRTI Transfer** - SIRTI, formerly known as the Spokane Intercollegiate Research and Technology Institute, is a Washington State economic development agency focused on accelerating the development and growth of innovative technology-based companies in the Inland Northwest.. SB 5764 merges SIRTI with the Washington Technology Center to create Innovate Washington.

**2. WA Technology Center Transfer** - The Washington Technology Center (WTC) conducts research to develop and strengthen relationship among the state's universities, private industry and government. SB 5764 merges the WTC with SIRTI to create Innovate Washington.

**2011-13 Omnibus Operating Budget**  
**WA State Health Care Authority**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	288.1	365,069	635,512
2011-13 Maintenance Level	286.7	266,703	655,722
<b>Policy Non-Comp Changes:</b>			
1. Moore, et al. v. HCA	0.0	886	886
2. Washington Health Program	12.1	0	49,501
3. Dental Residency	0.0	-630	-630
4. Comm. Health Collaborative Grants	0.0	-500	-500
5. Health Literacy	0.0	-420	-420
6. Reduce Health Clinic Grant Program	0.0	-24,000	-24,000
7. Basic Health Plan	0.0	-120,952	-195,802
8. Health Benefits Exchange Grants	0.0	0	23,700
9. Basic Health Admin Adjustment	-10.6	-1,089	-1,666
Policy -- Non-Comp Total	1.6	-146,705	-148,931
Total Policy Changes	1.6	-146,705	-148,931
Total 2011-13 Biennium	288.3	119,998	506,791
Difference from 2009-11	0.2	-245,071	-128,721
% Change from 2009-11	0.1%	-67.1%	-20.3%

*Comments:*

**1. Moore, et al. v. HCA** - Funding is provided for continuing legal services related to Moore, et al. v. Health Care Authority, a class action seeking damages related to health care benefits for part-time employees in many state agencies and institutions.

**2. Washington Health Program** - Additional expenditure authority is provided to recognize increasing enrollment in the Washington Health Program, a non-subsidized insurance option that allows clients to pay the full premium and administrative cost for a medical benefit package that includes higher deductibles and co-pays and lower annual benefit limits than the subsidized Basic Health Plan. (Basic Health Plan Subscription Account-Nonappropriated)

**3. Dental Residency** - State dental residency grants are suspended for the 2011-13 biennium. The grants have enabled community clinics to employ recent dental graduates in the provision of dental care for low-income and uninsured persons

**4. Comm. Health Collaborative Grants** - State grants for community health collaboratives are suspended for the 2011-13 biennium. These grants have assisted community groups develop local partnerships and strategies for provision of medical and dental care for low-income uninsured persons

**5. Health Literacy** - Funding is adjusted to reflect completion of a project undertaken during the 2009-11 biennium to increase health awareness among low-income populations.

**6. Reduce Health Clinic Grant Program** - State grants to community health clinics are suspended for the biennium. The grants have been provided to assist the clinics in their mission to provide primary care to uninsured persons on a sliding-fee basis.

**7. Basic Health Plan** - New admissions to the Basic Health Plan will continue to be frozen throughout the 2011-13 biennium. An average of approximately 39,000 persons per month are expected to be covered by the program during FY 2012, and an average of 34,000 per month during FY 2013. (General Fund-State, General Fund-Federal, Basic Health Plan Trust Account-Nonappropriated)

**8. Health Benefits Exchange Grants** - The Authority expects to receive federal grant funding under the Patient Protection and Affordable Care Act for planning and implementation of a health benefits exchange that is to become operational in 2014. (General Fund-Federal)

**2011-13 Omnibus Operating Budget  
WA State Health Care Authority**

**9. Basic Health Admin Adjustment** - Basic Health Planstaffing is adjusted to reflect the reduced workload associated with decreased enrollment levels. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Human Rights Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	39.2	5,149	6,733
2011-13 Maintenance Level	39.2	5,040	7,034
<b>Policy Non-Comp Changes:</b>			
1. Reduce Administrative Costs	-1.5	-226	-226
2. Reduce Admin Hearings Services	0.0	-70	-70
3. Travel Reductions	0.0	-34	-34
Policy -- Non-Comp Total	-1.5	-330	-330
Total Policy Changes	-1.5	-330	-330
Total 2011-13 Biennium	37.7	4,710	6,704
Difference from 2009-11	-1.5	-439	-29
% Change from 2009-11	-3.8%	-8.5%	-0.4%

*Comments:*

- 1. Reduce Administrative Costs** - Savings are achieved through a reduction in staffing costs.
- 2. Reduce Admin Hearings Services** - Savings are achieved by reducing the number of cases that proceed to litigation.
- 3. Travel Reductions** - Savings are achieved through reduced staff travel.

**2011-13 Omnibus Operating Budget**  
**Bd of Industrial Insurance Appeals**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	158.1	0	36,298
2011-13 Maintenance Level	158.1	0	37,783
<b>Policy Non-Comp Changes:</b>			
1. Agency Back Office Efficiencies	-3.0	0	-477
2. Reduce Caseload & Cost Assumptions	-3.1	0	-810
3. WISHA Violation Abatement	0.0	0	72
4. COHE	0.0	0	32
5. Reforming Workers Compensation	17.0	0	6,532
Policy -- Non-Comp Total	10.9	0	5,349
Total Policy Changes	10.9	0	5,349
Total 2011-13 Biennium	169.0	0	43,132
Difference from 2009-11	10.9	0	6,834
% Change from 2009-11	6.9%	0.0%	18.8%

*Comments:*

**1. Agency Back Office Efficiencies** - The Board of Industrial Insurance Appeals will place greater focus on its primary mission. As a result, ongoing expenses related to three administrative and financial positions are eliminated. (Accident Account-State, Medical Aid Account-State)

**2. Reduce Caseload & Cost Assumptions** - The Board of Industrial Insurance Appeals tracks the number of appeals it hears and the cost per appeal. Based on recent experience, ongoing expenditure authority is reduced to better match current workload. (Accident Account-State, Medical Aid Account-State)

**3. WISHA Violation Abatement** - Funding is provided to implement Engrossed Substitute Senate Bill 5068 (WISHA violation abatement). The bill requires the Board of Industrial Insurance Appeals to adopt rules necessary for conducting an expedited review on the stay of abatement request and issue a final decision within forty-five working days of the notice of filing of appeal. (Accident Account-State, Medical Aid Account-State)

**4. COHE** - Funding is provided to implement Substitute Senate Bill 5801 (medical providers) due to increased appeals. (Accident Account-State, Medical Aid Account-State)

**5. Reforming Workers Compensation** - Funding is provided to implement Engrossed Senate Bill 5566 (long-term disability). The bill requires the Board of Industrial Insurance to review settlement agreements, explain to the worker the benefits generally available, ensure the worker has an adequate understanding of the proposal and its consequences. (Accident Account-State, Medical Aid Account-State)



**2011-13 Omnibus Operating Budget**  
**Criminal Justice Training Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	34.1	35,116	43,014
2011-13 Maintenance Level	34.1	34,041	50,081
<b>Policy Non-Comp Changes:</b>			
1. Administration Activity Reductions	0.0	-420	-360
2. Basic Law Enforcement Academy	0.0	-320	-320
3. Corrections Training Activity	0.0	-300	-300
4. Crisis Intervention Training	0.0	0	681
5. Development, Training and Standards	0.0	-762	-450
6. Driving Simulator	0.0	0	246
7. Partial Reimbursement for BLEA	0.0	-2,200	0
8. WASPC Activity	0.0	-2,500	0
9. Prosecuting Attorney Training	0.0	-46	0
10. Maintain WATPA Task Forces	0.0	0	-8,000
11. Rural Drug Task Forces	0.0	2,000	2,000
12. School Safety Training	0.0	392	392
13. School Mapping	0.0	0	1,000
Policy -- Non-Comp Total	0.0	-4,156	-5,111
Total Policy Changes	0.0	-4,156	-5,111
Total 2011-13 Biennium	34.1	29,885	44,970
Difference from 2009-11	0.0	-5,231	1,956
% Change from 2009-11	0.0%	-14.9%	4.6%

*Comments:*

**1. Administration Activity Reductions** - Administrative savings will be achieved by combining the duties of the Deputy Director and Certification Manager, reducing the Human Resources Manager from full-time to part-time status, reducing 1.5 FTE fiscal staff by transitioning to Small Agency Client Services, and hiring a new Deputy Director at a lower salary. Also, outside agencies will be charged a rental fee for the use of the Burien facility. (General Fund-State, General Fund-Private/Local)

**2. Basic Law Enforcement Academy** - The contract for the Defensive Tactics instructor will be reduced. The current agreement for the services of the BLEA Commander will end, and a state employee will be hired to perform the same duties at a lower cost. Training officers will be returned to their agencies sooner, and positions will be left vacant longer before hiring replacement training officers.

**3. Corrections Training Activity** - The number of corrections training classes offered will be reduced and one training officer position will be eliminated.

**4. Crisis Intervention Training** - Expenditure authority is provided for Crisis Intervention Training. The CJTC will be reimbursed by King County for provision of the training. (General Fund-Private/Local)

**5. Development, Training and Standards** - The part-time regional training manager position is eliminated. Funding is reduced for Methamphetamine Training, Crisis Intervention Training, and Child Welfare Training. Costs are shifted to local law enforcement agencies when they send students to non-mandated post basic academy training. Pass-through funding for the Defense Attorneys, Municipal Attorneys, Drug Prosecution Assistance Program, Project Safe Neighborhoods, and Major Crimes Task Force is reduced. (General Fund-State, General Fund-Private/Local)

## 2011-13 Omnibus Operating Budget Criminal Justice Training Comm

**6. Driving Simulator** - Funding was provided for statewide advanced driver training utilizing the driving simulators in the Fiscal Year 2010 supplemental capital budget. Expenditure authority is provided local funds for the support and operation of the simulator training. (General Fund-Private/Local)

**7. Partial Reimbursement for BLEA** - Funding is reduced to reflect a 25 percent partial reimbursement of the BLEA costs for law enforcement agencies that send cadets for training. (General Fund-Private/Local)

**8. WASPC Activity** - Funding from the Washington Auto Theft Prevention Authority Account is provided to continue pass-through funds for programs administered by the Washington Association of Sheriffs and Police Chiefs (WASPC). Programs administered by WASPC include the Uniform Crime Reporting, retention of sex offender records, Missing Persons, Victim Information System, Jail Booking and Reporting System and Statewide Automated Victim Identification System, Sex Offender Address Verification, Offender Watch System, and National Incident Based Reporting. (General Fund-State, Washington Auto Theft Prevention Authority Account-State)

**9. Prosecuting Attorney Training** - Funding from the Washington Auto Theft Prevention Authority Account is provided to continue to fully fund prosecuting attorney training. (General Fund-State, Washington Auto Theft Prevention Authority Account-State)

**10. Maintain WATPA Task Forces** - Funding for auto theft prevention task forces is maintained at \$5.8 million 2011-13. (Washington Auto Theft Prevention Authority Account-State)

**11. Rural Drug Task Forces** - Funding is provided for grants to enforce illegal drug laws in counties that have been historically underserved by federally funded state narcotics task forces. The Washington Association of Sheriffs and Police Chiefs, the Washington Association of Prosecuting Attorneys and the Washington Association of County Officials shall jointly develop funding allocations for the office of the county sheriff, county prosecutor and county clerk.

**12. School Safety Training** - Funding is provided for the Washington State Criminal Justice Training Commission (CJTC) to provide training for school security officers, individuals engaged in school safety, and school administrators. The goal is to assist schools in developing the expertise and capacity to manage safety and security concerns with the support of law enforcement and other public safety officials.

**13. School Mapping** - Funding is provided from the Washington Auto Theft Prevention Authority Account to maintain the statewide Critical Incident Planning and Mapping System (CIPMS) commonly referred to as School Mapping. The operation of the system has been supported by the use of capital funds provided for the construction of the system. Construction is now complete and the system has ongoing maintenance and operating expenses, including system management, software license maintenance, and managed services, including data hosting. The funding will ensure that the system remains available in real time with up-to-date data. (Washington Auto Theft Prevention Authority Account-State)

**2011-13 Omnibus Operating Budget**  
**Department of Labor and Industries**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2,746.8	44,311	626,212
2011-13 Maintenance Level	2,682.5	41,744	611,620
<b>Policy Non-Comp Changes:</b>			
1. Shift Right-to-Know Fund Source	30.0	0	0
2. Contractor Program Tech Savings	-2.5	-108	-108
3. Continued Worker Protection	0.0	0	0
4. Contractor Misclassification	0.0	34	34
5. Workers Compensation	5.0	0	2,326
6. Crime Victims Compensation	0.0	-1,410	-1,410
7. For Hire Vehicles and Operators	0.6	0	102
8. Use Federal Crime Victims' Funds	0.0	-2,555	-2,555
9. Reforming Workers Compensation	69.9	0	29,192
10. Industrial Insurance System	15.6	0	8,727
Policy -- Non-Comp Total	118.6	-4,039	36,308
Total Policy Changes	118.6	-4,039	36,308
Total 2011-13 Biennium	2,801.1	37,705	647,928
Difference from 2009-11	54.3	-6,606	21,716
% Change from 2009-11	2.0%	-14.9%	3.5%

*Comments:*

**1. Shift Right-to-Know Fund Source** - The Department of Labor and Industries' (LNI) Right-to-Know program falls under the jurisdiction of the Washington Industrial Safety and Health Act. Therefore, it is appropriately addressed by either the Worker and Community Right-to-Know Account or the Accident and Medical Aid Accounts. In order to redistribute available funds, half of the ongoing spending in LNI's Right-to-Know Account is shifted to the Accident and Medical Aid Accounts. (Worker and Community Right-to-Know Account-State, Accident Account-State, Medical Aid Account-State)

**2. Contractor Program Tech Savings** - The Department of Labor and Industries' contractor insurance renewal program has implemented technology improvements that will allow ongoing savings, resulting in a 2.5 FTE staff and \$108,000 reduction.

**3. Continued Worker Protection** - The Department of Labor and Industries shifts funding for three industrial hygienist field inspector positions from the Asbestos Account to the Accident and Medical Aid Accounts. This change completes a process that began with a fund shift to the Asbestos Account in the 2001-03 biennial budget cycle due to a surplus of funds in the Asbestos Account. As anticipated, it is now necessary to return funding to the Accident and Medical Aid Accounts because Asbestos Program revenue will no longer fully support program expenditures. (Asbestos Account-State, Accident Account-State, Medical Aid Account-State)

**4. Contractor Misclassification** - Expenditure authority is provided for the impacts of Engrossed Substitute House Bill 1701 (contractor misclassification).

**5. Workers Compensation** - Expenditure authority is provided for the impacts of Engrossed Substitute House Bill 1725 (workers' compensation). (Accident Account-State, Medical Aid Account-State)

**6. Crime Victims Compensation** - Substitute House Bill 5691 (crime victims compensation), which simplifies administration of the Crime Victims' Compensation program and eliminates specific benefits, is estimated to save \$1.4 million during the 2011-13 biennium.

## **2011-13 Omnibus Operating Budget Department of Labor and Industries**

**7. For Hire Vehicles and Operators** - Expenditure authority is provided for the impacts of Engrossed Substitute House Bill 1367 (for hire vehicles, operators). (Accident Account-State, Medical Aid Account-State)

**8. Use Federal Crime Victims' Funds** - Ongoing funding for the Department of Labor and Industries' Crime Victims' Compensation program is shifted from General Fund-State to General Fund-Federal where there is existing expenditure authority. In 2010, the Legislature capped crime victims' payouts. Federal matching funds are currently relatively high due to previous higher state expenditures. This shift may need to be readjusted in the 2013-15 biennium, as federal matching funds adjust to lower state spending.

**9. Reforming Workers Compensation** - Funding is provided to implement and administer Engrossed Senate Bill 5566 (long-term disability for injured workers). The bill allows for voluntary settlement agreements, amends return-to-work provisions, and commissions a study. (Accident Account-State, Medical Aid Account-State)

**10. Industrial Insurance System** - Funding is provided to implement and administer Chapter 6, Laws of 2011 (medical provider networks). The bill requires the Department of Labor and Industries to establish a health care provider network to treat injured workers. (Accident Account-State, Medical Aid Account-State)

**2011-13 Omnibus Operating Budget**  
**Indeterminate Sentence Review Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	17.2	3,746	3,746
2011-13 Maintenance Level	17.2	3,786	3,786
<b>Policy Non-Comp Changes:</b>			
1. Merge ISRB with Corrections	-17.2	-3,786	-3,786
Policy -- Non-Comp Total	-17.2	-3,786	-3,786
Total Policy Changes	-17.2	-3,786	-3,786
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-17.2	-3,746	-3,746
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Merge ISRB with Corrections** - The Indeterminate Sentence Review Board (ISRB) is merged with the Department of Corrections. The offender release functions of the ISRB will continue. Savings are achieved by eliminating duplicate staff positions created by the merger.

**2011-13 Omnibus Operating Budget**  
**Home Care Quality Authority**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2.0	1,229	1,229
2011-13 Maintenance Level	0.0	0	0
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-2.0	-1,229	-1,229
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Department of Health**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	1,608.8	180,149	1,142,419
2011-13 Maintenance Level	1,630.1	187,720	1,156,742
<b>Policy Non-Comp Changes:</b>			
1. Providing Access to Health Care	16.2	0	2,061
2. Providing Safe Health Care	21.7	0	4,784
3. Support for Safe Drinking Water	3.3	-120	1,550
4. Reduce Environmental Health Service	-7.6	-2,062	-1,346
5. Reduce Maternal & Children's Health	-4.0	-3,006	-3,006
6. Reduce Hlth Facility Quality Assura	-3.0	-556	-556
7. Reduce Public Health Support	-8.6	-3,052	-3,052
8. Reduce/Restructure Administration	-8.0	-2,253	-2,253
9. Family Planning Capacity Grants	0.0	-2,250	-2,250
10. Elim Blue Ribbon Public Health pymt	0.0	-12,000	-12,000
11. Tobacco Cessation Program Changes	0.0	0	-43,594
12. Delay Homecare worker certification	-20.1	0	-4,370
13. Massage Practitioner Legislation	0.5	0	137
14. Online HealthCare Provider Licenses	6.3	0	1,969
15. Physician Provider Information	2.5	0	336
16. Local WIC funding	0.0	-800	-800
17. Midwives/UW Library Access	0.0	0	46
18. Board of Naturopathy	0.1	0	16
19. Health Care Assistants	0.1	0	21
20. Pharmacy Technicians	0.2	0	54
21. Surgical Facility Licensing	3.4	0	595
22. Social Workers	1.0	0	142
23. Medical Cannabis	11.4	0	2,435
24. Physicians & Physician Assistants	2.5	0	336
25. Reduce Health Screening/Tracking	-1.0	-890	-890
26. Farmers Market Program	0.0	-420	-420
27. Storman v. Pharmacy Board	0.0	0	628
28. Midwife Fees	0.0	115	115
Policy -- Non-Comp Total	16.6	-27,294	-59,312
Total Policy Changes	16.6	-27,294	-59,312
Total 2011-13 Biennium	1,646.7	160,426	1,097,430
Difference from 2009-11	37.9	-19,723	-44,989
% Change from 2009-11	2.4%	-11.0%	-3.9%

## 2011-13 Omnibus Operating Budget Department of Health

### Comments:

- 1. Providing Access to Health Care** - Increased expenditure authority from the Health Professions Account is provided to accommodate growth in the health professional licensure and credentialing workload. (Health Professions Account-State)
- 2. Providing Safe Health Care** - Increased expenditure authority from the Health Professions Account is provided to accommodate growth in the health professional disciplinary workload. (Health Professions Account-State)
- 3. Support for Safe Drinking Water** - Substitute Senate Bill 5364 (public water system permits) removes operating system permit fees for Group A water systems from statute and provides the Department with authority to set fee levels through rule-making. Appropriations are adjusted based on the Department's anticipated program costs and fee changes. (General Fund State, General Fund Private/Local)
- 4. Reduce Environmental Health Service** - Multiple reductions will be made to administrative activities that support local governments in environmental health efforts. Reductions include incentive grants for on-site sewage disposal; outreach and compliance efforts for water systems; and education and prevention activities for zoonotic diseases, water recreation, chemical and pesticide hazards, school environmental health, and food safety.
- 5. Reduce Maternal & Children's Health** - Reductions will be made in the Department's maternal and children's health functions, including elimination of staff support for the Community Health Leadership forum, reduction in serves for children with special health care needs, maternity support services, data analysis of child and maternal health issues and reductions to administrative and technical support.
- 6. Reduce Hlth Facility Quality Assura** - Multiple reductions will be made to the health facility quality assurance functions, including the eliminating group care facility inspections, increasing fees for in-home care agency inspections to offset state subsidies, maximizing Model Toxics Account funding, and reducing staff for temporary housing inspections. (General Fund-State, General-Fund Private/Local)
- 7. Reduce Public Health Support** - Multiple reductions will be made to the administrative capacity of DOH to support public health efforts. Reductions are made to several activities, including the tracking of non-infectious diseases; elimination of the Health Declarations registry; reduced expenditures in the Public Health Laboratory; reduced capacity in monitoring for health care acquired infections. reduced technical support for adverse events tracking and reduced support to the Poison Control Center.
- 8. Reduce/Restructure Administration** - The DOH's central agency administrative functions are reduced by 10 percent (\$1.16 million). The Health Services Quality Assurance Division support is reduced (\$855,000). Health Impact Reviews are suspended (\$238,000).
- 9. Family Planning Capacity Grants** - State funding for family planning activities is reduced by 11.25 percent.
- 10. Elim Blue Ribbon Public Health pymt** - The additional public health grants funded in 2008 as a result of the omnibus Blue Ribbon Commission Act are reduced by 60 percent.
- 11. Tobacco Cessation Program Changes** - Amounts in the Tobacco Prevention and Control Account are not sufficient to continue past levels of programming. Expenditure authority from this account is reduced to reflect that, and tobacco cessation activities within the Department will be reduced. Remaining programs including the Quit-Line and outreach and awareness campaigns will continue to be funded through fees raised from licensing of cigar lounges or tobacconist shops as authorized under Substitute Senate Bill 5542 (cigar lounges/tobacconists). (Tobacco Prevention and Control Account)
- 12. Delay Homecare worker certification** - Funding is provided in the Department of Social and Health Services for increased basic training beginning January 1, 2011, for non-family member Individual Providers (IP) and Agency Providers (AP) only. Basic training for all other long term care workers is delayed to the 2013-15 biennium. Continuing education, is delayed to the 2013-15 biennium for all long-term care workers including IPs, with the exception that Developmental Disability residential workers that will be exempted from this requirement. Developmental Disability residential workers currently do not have requirements for continuing education and will be exempted from the increase to 12 hours for this category of training. Certification, advanced training, peer mentorship, and background checks are delayed for all long term care workers, including IPs, to the 2013-15 biennium. (Health Professions Account-State)
- 13. Massage Practitioner Legislation** - Appropriation authority in the Health Professions Account is increased for additional workload associated with Substitute House Bill 1133 (massage practitioner license). (Health Professions Account-State)



## 2011-13 Omnibus Operating Budget Department of Health

**14. Online HealthCare Provider Licenses** - Additional staff and appropriation authority are provided to implement a system that allows for the direct online submission of new license applications, renewals, address changes, and credit card payments. The department must submit a detailed investment plan for this project to the office of financial management. The office of financial management must review and approve this plan before funding may be expended. The department of health must successfully implement online application and renewal for at least one profession as a pilot project before pursuing additional professions. The department must report to office of financial management on the outcome of the pilot project.(Health Professions Account-State)

**15. Physician Provider Information** - Increased appropriation authority is provided for the Medical Commission to collect demographic information at the time of license renewal, including practice location/setting, medical specialty, clinical competency and medical trends, in order to support emergency/health care reform planning and development of rules and policies. (Health Professions Account-State)

**16. Local WIC funding** - Funding is reduced for pass through to local WIC providers. The DOH will work with local providers to ensure that no federal funds are lost as state general fund is no longer provided and is replaced with state level federal funds.

**17. Midwives/UW Library Access** - Substitute Senate Bill 5071 (online access for midwives and marriage and family therapists) requires midwives and marriage and family therapists to pay an additional \$25 per year to access the University of Washington's Health Services Library. (Health Professions Account-State)

**18. Board of Naturopathy** - Funding is provided to implement House Bill 1181, which creates the Board of Naturopathy. (Health Professions Account - State)

**19. Health Care Assistants** - Funding is provided to implement Substitute House Bill 1304 (health care assistants), which clarifies which drugs may be administered by health care assistants. (Health Professions Account-State)

**20. Pharmacy Technicians** - Funding is provided for House Bill 1353 (pharmacy technicians), which requires certified pharmacy technicians to complete continuing education requirements. (Health Professions Account-State)

**21. Surgical Facility Licensing** - Funding is provided for Substitute House Bill 1575 (surgical facilities), which redefines ambulatory surgical facilities. (Ambulatory Surgical Facility Account - Nonappropriated)

**22. Social Workers** - Funding is provided for Engrossed Substitute Senate Bill 5020 (social workers), which requires a social worker to have a degree from an accredited social work program. (Health Professions Account-State)

**23. Medical Cannabis** - Funding is provided for Engrossed Second Substitute Senate Bill 5073 (medical cannabis), which creates a regulatory system for producing, processing and dispensing cannabis intended for medical use. (Health Professions Account-State)

**24. Physicians & Physician Assistants** - Funding is provided for Senate Bill 5480 (physicians and physician assistants), which requires physicians and physician assistants to submit demographic data to the Medical Quality Assurance Commission when renewing their licenses. (Health Professions Account-State)

**25. Reduce Health Screening/Tracking** - Health screening activities including screening for sexually transmitted diseases and breast and cervical cancer are reduced by 10 percent (\$555,000). Data collection and prevention activities related to tracking of hospital data, zoonotic diseases, and food safety are reduced by 10 percent (\$335,000).

**26. Farmers Market Program** - State funding for the Farmer's Market Nutritional Program is reduced to reflect federal funds now available for this purpose. State funding is provided in both fiscal years to match federal funds.

**27. Storman v. Pharmacy Board** - Funding is provided for Attorney General legal services related to Board of Pharmacy rules requiring pharmacies to dispense all lawful medications.

**28. Midwife Fees** - Funding is provided to offset department expenditures related to licensing of midwives that is not covered by licensing fees.

**2011-13 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	683.3	19,316	113,216
2011-13 Maintenance Level	690.3	16,782	117,608
<b>Policy Non-Comp Changes:</b>			
1. Mitigate IT Security Risks	0.0	85	85
2. Veterans Raffle Bill	0.0	0	660
Policy -- Non-Comp Total	0.0	85	745
Total Policy Changes	0.0	85	745
Total 2011-13 Biennium	690.3	16,867	118,353
Difference from 2009-11	7.0	-2,449	5,137
% Change from 2009-11	1.0%	-12.7%	4.5%

*Comments:*

**1. Mitigate IT Security Risks** - Expenditure authority is provided for new contractual requirements, the purchase of a new pharmacy accounting system, and to maintain compliance with information system standards. (General Fund-Federal, General Fund-Private/Local)

**2. Veterans Raffle Bill** - Senate Bill 5806 (Veteran Lottery Raffle) creates an annual raffle in support of Veteran's programs. The proceeds from the raffle are deposited in the Veterans Innovations Program Account.

**2011-13 Omnibus Operating Budget**  
**Department of Corrections**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	8,841.1	1,546,956	1,779,452
2011-13 Maintenance Level	8,622.9	1,777,493	1,795,149
<b>Policy Non-Comp Changes:</b>			
1. Risk Assessment Tool Changes	4.0	817	817
2. Early Deportation Alien Offenders	-34.3	-2,515	-3,139
3. Close McNeil Island Corrections Ctr	-62.5	-23,162	-23,162
4. Reduce Administrative Costs	-11.7	-2,802	-2,802
5. Changes Agency Staffing Structure	-48.6	-7,250	-7,250
6. Hold Positions Vacant	-20.2	-7,906	-7,906
7. Eliminate Staff Positions	-64.3	-18,668	-18,668
8. Eliminate On-the-Job Training	-7.0	-1,354	-1,354
9. Achieve Program Underexpenditures	0.0	-7,870	-7,870
10. Reduce Contracted Services	0.0	-1,342	-1,342
11. Reduce DOSA Bed Utilization	0.0	-3,400	-3,400
12. Reduce Electronic Home Monitoring	-5.8	-3,012	-3,012
13. Merge Indeterminate Sentencing Revi	17.2	3,765	3,765
14. ISRB Merger Savings	-4.7	-937	-937
15. Merge Sentencing Guidelines Commis	8.7	1,904	1,904
16. SGC Merger Savings	-5.2	-684	-684
17. Open Larch Corrections Elkhorn Unit	40.3	4,859	4,859
18. Health Care Employee Overtime	0.0	204	204
19. Prison Safety Enhancements	21.3	1,009	6,009
20. Utilize Auto Theft Prevention Funds	0.0	-2,156	0
21. Reduce Rental Rate for Violators	0.0	-8,737	-8,737
22. 60-day Early Release	-47.0	-6,422	-6,422
23. Reduce Supervision for FTOW	-20.2	-2,386	-2,386
24. Expansion of Treatment	0.0	3,000	3,000
25. OBTS Migration	0.0	-1,363	-1,363
26. Release Offenders on ERD	-31.0	-4,158	-4,158
27. Reduce Supervision of Jail Offender	-63.7	-8,137	-8,137
28. Housing Voucher Expansion	0.0	844	844
Policy -- Non-Comp Total	-334.6	-97,859	-91,327
Total Policy Changes	-334.6	-97,859	-91,327
Total 2011-13 Biennium	8,288.3	1,679,634	1,703,822
Difference from 2009-11	-552.9	132,678	-75,630
% Change from 2009-11	-6.3%	8.6%	-4.3%

## 2011-13 Omnibus Operating Budget Department of Corrections

### Comments:

- 1. Risk Assessment Tool Changes** - Funding is provided to add a secondary risk assessment tool designed specifically for sex offenders. This item funds development and implementation of the updated sex offender risk assessment tool.
- 2. Early Deportation Alien Offenders** - Savings will be achieved by deporting all non-citizen drug and property offenders. The proposal assumes that all qualifying non-citizen offenders are deported and that qualifying newly sentenced non-citizen offenders are processed for deportation upon arrival to the state prison system. (General Fund-State, General Fund-Federal)
- 3. Close McNeil Island Corrections Ctr** - The McNeil Island Corrections Center will close on April 1, 2011.
- 4. Reduce Administrative Costs** - Administrative staff reductions are made in Community Corrections, Health Services, the Office of the Secretary, and the Prisons Division.
- 5. Changes Agency Staffing Structure** - The Department will reduce kitchen staff by 6.287 percent, recreation staff by one-half, the recruitment team, staff counselors, emergency response teams, and captains at stand-alone minimum security facilities.
- 6. Hold Positions Vacant** - The Department will maintain as many vacancies as possible without endangering the public, staff, or offender safety.
- 7. Eliminate Staff Positions** - The Department will eliminate positions throughout the agency.
- 8. Eliminate On-the-Job Training** - The Department will eliminate the on-the-job training program for correctional officers.
- 9. Achieve Program Underexpenditures** - The Department of Corrections has achieved savings in a number of programs due to underexpenditures. Savings include underexpenditures related to a delay in filling Drug Offender Sentencing Alternative (DOSA) beds, efficiencies in the housing voucher program, modifications in offender visitation policies, and the accelerated closure of a unit at McNeil Island.
- 10. Reduce Contracted Services** - The Department will reduce contracts for consultative and research services, sex offender treatment services, and medical services and procedures.
- 11. Reduce DOSA Bed Utilization** - The agency will reduce the number of funded Drug Offender Sentencing Alternative (DOSA) beds from 215 to 140 to reflect lower utilization.
- 12. Reduce Electronic Home Monitoring** - The Department will limit the use of electronic home monitoring of offenders to sex offenders, Extraordinary Medical Placements, Family Offender Sentencing Alternative offenders, and similar cases.
- 13. Merge Indeterminate Sentencing Revi** - The Indeterminate Sentence Review Board (ISRB) is merged with the Department of Corrections. The offender release functions of the ISRB will continue. Savings are achieved by eliminating duplicate staff positions from both agencies. The independent decision-making authority of the ISRB will not change, and it will continue to report directly to the Governor.
- 14. ISRB Merger Savings** - The Department of Corrections will assume the administrative functions of the Indeterminate Sentence Review Board (ISRB). Savings are achieved by eliminating staff positions and the associated expenses of being a stand-alone agency.
- 15. Merge Sentencing Guidelines Commis** - The Sentencing Guidelines Commission (SGC) is merged with the Department of Corrections (DOC). The policy functions of the SGC and the Sex Offender Policy Board placed in dormant status in the Office of Financial Management. The adult sentencing data functions of the SGC are transferred to DOC.
- 16. SGC Merger Savings** - The Department of Corrections will assume the data functions of the Sentencing Guidelines Commission. Savings are achieved by placing the Commission and the Sex Offender Policy Board in dormant status in the Office of Financial Management.
- 17. Open Larch Corrections Elkhorn Unit** - The Department of Corrections will open the Elkhorn Unit at Larch Corrections Center to increase system capacity needed as a result of closing McNeil Island Corrections Center.
- 18. Health Care Employee Overtime** - Funding is provided to implement House Bill 1290 (mandatory overtime for health care employees) at the DOC.

## 2011-13 Omnibus Operating Budget Department of Corrections

**19. Prison Safety Enhancements** - Funding is provided for prison safety enhancements, including funding for a study to standardize a body alarm or proximity card system statewide; to pilot a body alarm system and a proximity card system; upgrades to the radio system to add panic buttons; expanded use of pepper spray; to develop and implement training for supervisors on enhanced security awareness; for staff counselor positions; and to add custody staff at the Monroe Correctional Complex and the Washington State Penitentiary that are responsible for ensuring the whereabouts of all prison employees. (Washington Auto Theft Prevention Authority Account--State)

**21. Reduce Rental Rate for Violators** - The mandatory workload step assumes instate daily rental rates of \$83.54 and \$87.75 in FY 12 and FY 13, respectively. The Department is directed to negotiate rates that do not exceed \$77 per day, plus medical costs.

**22. 60-day Early Release** - Savings are assumed to reflect enactment of SSB 5891 (criminal justice cost savings). The bill directs the 60-day early release of low, moderate and high nonviolent risk offenders whose sentences are for none of the following: drug offenders sentence alternative, special sex offender sentence alternative, sex offenses, violent offense or crime against a person.

**23. Reduce Supervision for FTOW** - Supervision of offenders on a first time offender waiver (FTOW) is reduced from 24 and 12 months to 12 and 6 months pursuant to SB 5875 (offender supervision) and SSB 5891 (criminal justice cost savings).

**24. Expansion of Treatment** - A portion of the savings attributable SSB 5891 (criminal justice cost savings) is invested in evidence based programs in the Department.

**25. OBTS Migration** - Savings are taken to reflect migration of the Offender Based Tracking System from a mainframe environment.

**26. Release Offenders on ERD** - Savings are assumed to reflect SSB 5891 (criminal justice cost savings). Relating to offenders held beyond their earned release date (ERD), the Department will release an offender if their ERD is within 365 days of the maximum sentence; if the ERD is more than 365 days from the offender's maximum sentence, the Department shall release the offender pending approval of the offender release plan. The ADP savings total 163 per year.

**27. Reduce Supervision of Jail Offender** - Savings are taken to reflect passage of SSB 5891 which eliminates supervision of jail and court offenders except for high violent, in a treatment-based dispositional alternative, including the Drug Offender Sentencing Alternative, the Special Sex Offender Sentencing Alternative, parental sentencing alternative, and First Time Offender Waiver, offenders from another state subject to a supervision order, and those with a domestic violence offense.

**28. Housing Voucher Expansion** - Funding is provided to expand the use of housing vouchers and enable the Department to release offenders as close to the offenders' earned release date as possible. Funding is provided to increase the number of vouchers from 165 per month to 238.

**2011-13 Omnibus Operating Budget**  
**Dept of Services for the Blind**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	75.0	4,894	24,905
2011-13 Maintenance Level	75.0	5,109	26,484
<b>Policy Non-Comp Changes:</b>			
1. Deaf-Blind Service Center Contract	0.0	-480	-480
2. Independent Living Overmatch	0.0	-26	-26
Policy -- Non-Comp Total	0.0	-506	-506
Total Policy Changes	0.0	-506	-506
Total 2011-13 Biennium	75.0	4,603	25,978
Difference from 2009-11	0.0	-291	1,073
% Change from 2009-11	0.0%	-6.0%	4.3%

*Comments:*

**1. Deaf-Blind Service Center Contract** - Beginning in Fiscal Year 2012, the Office of Deaf and Hard of Hearing will take over the contract with the Deaf-Blind Service Center to provide accessibility, security, and independence with daily life activities for deaf-blind individuals in Washington State.

**2. Independent Living Overmatch** - The Department will reduce Independent Living Program outreach activities.

**2011-13 Omnibus Operating Budget**  
**Sentencing Guidelines Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	8.7	1,910	1,910
2011-13 Maintenance Level	8.7	1,906	1,906
<b>Policy Non-Comp Changes:</b>			
1. Merge SGC with Corrections	-8.7	-1,906	-1,906
Policy -- Non-Comp Total	-8.7	-1,906	-1,906
Total Policy Changes	-8.7	-1,906	-1,906
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-8.7	-1,910	-1,910
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Merge SGC with Corrections** - The Sentencing Guidelines Commission (SGC) is merged with the Department of Corrections (DOC). The policy functions of the SGC and the Sex Offender Policy Board placed in dormant status in the Office of Financial Management. The adult sentencing data functions of the SGC are transferred to the Department of Corrections.

**2011-13 Omnibus Operating Budget**  
**Employment Security Department**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2,571.1	7,107	765,742
2011-13 Maintenance Level	2,384.5	33,283	720,964
<b>Policy Non-Comp Changes:</b>			
1. Eliminate Port Jobs Program	0.0	-106	-106
2. Next Generation Tax System	29.6	0	35,584
3. Washington Service Corp	0.0	0	2,084
4. Unemployment Insurance	8.1	0	1,544
5. Family Leave Insurance	-40.6	-33,177	-33,177
6. Distributed Generation	0.0	0	25
Policy -- Non-Comp Total	-3.0	-33,283	5,954
Total Policy Changes	-3.0	-33,283	5,954
Total 2011-13 Biennium	2,381.5	0	726,918
Difference from 2009-11	-189.6	-7,107	-38,824
% Change from 2009-11	-7.4%	-100.0%	-5.1%

*Comments:*

- 1. Eliminate Port Jobs Program** - Contracts will be eliminated to achieve savings in the Port Jobs Program.
- 2. Next Generation Tax System** - Funding is provided for the second phase to replace the mainframe unemployment insurance tax information system (TAXIS) and its ancillary subsystems, which were originally implemented in 1984. The Employment Security Department has completed the requirements and feasibility study for the computing systems supporting unemployment insurance tax. The study recommended replacement of TAXIS. (Unemployment Compensation Administration Account-Federal)
- 3. Washington Service Corp** - The Washington Service Corps Program consists of three major programs: AmeriCorps, Reading Corps, and Volunteers in Service to America. These three programs allow communities to receive educational, disaster preparedness, environmental, and other types of direct support. Funding is provided to meet the federal grant match requirement for the Washington Service Corps program. (Administrative Contingency Account-State)
- 4. Unemployment Insurance** - Funding is provided to implement Chapter 4, Laws of 2011 (EHB 1091), which establishes caps on the flat social rate and reduces the multipliers used for certain graduated social rates, provides a temporary benefit increase by adding \$25 to the weekly benefit amount, and makes changes to extended benefits, including a three-year look-back period. (General Fund-Federal)
- 5. Family Leave Insurance** - Under current law, persons meeting eligibility requirements for the Family Leave Insurance program are entitled to benefit payments starting in October, 2012. That provision is modified.
- 6. Distributed Generation** - Funding is provided to evaluate the economic value of promoting and retaining biomass and qualified solar energy systems. The department's analysis must include an examination of the impact of such energy systems on local employment and wages. (Administrative Contingency Account-State)



**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Children and Family Services**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	2,818.8	622,674	1,143,579
2011-13 Maintenance Level	2,811.1	645,401	1,157,226
<b>Policy Non-Comp Changes:</b>			
1. Reduce Crisis Residential Cntrs	0.0	0	-886
2. Reduce Evaluation Costs	0.0	-527	-527
3. Reduce Regional Staffing	-244.0	-6,408	-16,591
4. Reduce Behavioral Rehab Services	0.0	-6,780	-10,576
5. Reduce Victims of Domestic Violence	0.0	-1,280	-1,280
6. Reduce Urinalysis Testing	0.0	-343	-343
7. Extended Foster Care	1.1	-348	216
8. Reduce Intervention Services	0.0	-4,872	-4,872
9. Reduce Med. Treatment Child Care	0.0	-278	-518
10. Eliminate Chemical Dependency Spec.	0.0	-1,343	-1,343
11. Reduce Funding for SCRC	0.0	0	-314
12. Reduce Regional Administration	-5.0	-398	-814
13. Adoption Support	0.0	-410	-724
14. Assessment Programs	0.0	-2,393	-2,626
15. Children Advocacy Center	0.0	-90	-90
16. Reduce Private Agency Fees	0.0	-3,936	-5,532
17. Leverage Fund Ed Coordinators	0.0	-253	0
18. Reduce Pediatric Interim Care	0.0	-148	-148
19. Reduce Foster Parent Child Care	0.0	-2,607	-3,026
20. Reduce Foster Parent Recruitment	0.0	-333	-531
21. Expedite Permanency	0.0	-3,000	-5,982
22. Reduce Voluntary Placement Agreements	0.0	-2,400	-4,000
23. Reduce Responsible Living Skills	0.0	-176	-192
24. Increase SSI Recoveries	0.0	-430	-430
25. Basic Adoption Support Payment	0.0	-1,848	-3,265
26. Adoption Exceptional Costs	0.0	-820	-1,450
27. Transitional Services For Youth	0.0	10,279	0
28. Performance Risk Pool	0.0	6,460	10,000
29. Reduce HOPE Beds	0.0	0	-626
Policy -- Non-Comp Total	-247.9	-24,682	-56,470
Total Policy Changes	-247.9	-24,682	-56,470
Total 2011-13 Biennium	2,563.2	620,719	1,100,756
Difference from 2009-11	-255.7	-1,955	-42,823
% Change from 2009-11	-9.1%	-0.3%	-3.7%

## 2011-13 Omnibus Operating Budget Dept of Social and Health Services Children and Family Services

*Comments:*

- 1. Reduce Crisis Residential Cntrs** - Funding for Crisis Residential Centers (CRCs) is reduced. Savings are achieved by reducing the number of beds but the department must maintain geographic representation of the CRCs. (Home Security Fund-State)
- 2. Reduce Evaluation Costs** - Funding is reduced for neuropsychological testing and behavioral examinations for adults and children served by the Department of Social and Health Services (DSHS).
- 3. Reduce Regional Staffing** - The Children's Administration will reduce 244.0 FTE staff and associated funding to achieve savings. (General Fund-State, General Fund-Federal)
- 4. Reduce Behavioral Rehab Services** - Funding for Behavioral Rehabilitative Services (BRS) is reduced by 8.5 percent. These services are provided to children and youth who are behaviorally and/or emotionally disordered and whose behaviors cannot be maintained in a less intensive setting. (General Fund-State, General Fund-Federal)
- 5. Reduce Victims of Domestic Violence** - The Department of Social and Health Services (DSHS) contracts with emergency domestic violence shelters and for the state domestic violence hotline. DSHS also works with the Washington State Coalition Against Domestic Violence, which provides training and technical assistance for contracted agencies and domestic violence fatality reviews. Funding for the Victims of Domestic Violence Program is reduced. The Domestic Violence Hot Line, however, is retained.
- 6. Reduce Urinalysis Testing** - The Children's Administration will target training of social workers related to the appropriate use of urinalysis testing. A more standardized approach will result in lower utilization; therefore, funding for urinalysis testing is reduced.
- 7. Extended Foster Care** - Funding is provided to implement Second Substitute House Bill 1128 (extended foster care). The bill extends foster care services to youth who elect to stay in care to complete high school or a vocational program up to age 21. (General Fund-State, General Fund-Federal)
- 8. Reduce Intervention Services** - Intervention services will be reduced. These services provide for assessment and/or specialized services needed for a family for up to six months. (General Fund-State, General Fund-Federal)
- 9. Reduce Med. Treatment Child Care** - Funding for Medicaid Treatment Child Care (MTCC) is reduced by 5 percent. Medicaid Treatment Child Care provides intensive child development services to young children. (General Fund-State, General Fund-Federal)
- 10. Eliminate Chemical Dependency Spec.** - Funding for Chemical Dependency Professionals is eliminated. These are contracted services provided to families involved in the child welfare system.
- 11. Reduce Funding for SCRC** - Funding is reduced by 6.287 percent for the Secure Crisis Residential Centers (SCRCs) which provide temporary residential placement for runaway youth and/or youth in conflict with their families. (General Fund-State, Home Security Fund-State)
- 12. Reduce Regional Administration** - The Department of Social and Health Services is consolidating its regional structure from six to three for all programs across the state. (General Fund-State, General Fund-Federal)
- 13. Adoption Support** - Savings are achieved through setting a maximum adoption payment standard of 90 percent of the foster care maintenance payment in the same time period for future adoptions. Federal law requires that adoptive parents may not receive a monthly payment higher than what the child would have received in foster care for the same time period. Adoptive parents may also receive a tax credit for the adoption of a child. The item does not reduce current adoption assistance agreements. (General Fund-State, General Fund-Federal)
- 14. Assessment Programs** - Intensive foster care assessments and comprehensive assessments funding is suspended. The Children's Administration will work with lead agency master contractors to implement a broader approach to address barriers to permanency. (General Fund-State and General Fund-Federal)
- 15. Children Advocacy Center** - Funding for Child Advocacy Centers is reduced by 6.28 percent. Child Advocacy Centers stress coordination of investigation and intervention services by bringing together professionals and agencies as multi-disciplinary teams to create a child-focused approach to abuse cases.
- 16. Reduce Private Agency Fees** - The Children's Administration contracts with private agencies for services for family foster homes. The fees paid to these private agencies are reduced. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Children and Family Services**

**17. Leverage Fund Ed Coordinators** - State general funds are reduced to reflect the DSHS obtaining federal Title IV-E reimbursement for educational coordinators. Educational coordinators provide educational advocacy services for children in foster care. (General Fund-State, General Fund-Federal)

**18. Reduce Pediatric Interim Care** - Funding is reduced for the Pediatric Interim Care facility in Kent. This facility provides 24-hour care for substance-affected infants up to 45 days after release from the hospital.

**19. Reduce Foster Parent Child Care** - Funding for Foster Parent Employment Child Care is reduced by 8 percent. The Children's Administration will limit foster parent child care when one or more parent is not employed.

**20. Reduce Foster Parent Recruitment** - The DSHS will reduce funding for foster care recruitment by 10 percent to reflect achieving efficiencies in foster parent recruitment. (General Fund-State, General Fund-Federal)

**21. Expedite Permanency** - Permanency funding is reduced. The Children's Administration will focus on already legally free children awaiting a home study and expedite completion of home studies to move children more quickly to adoption. (General Fund-State, General Fund-Federal)

**22. Reduce Voluntary Placement Agreements** - Funding is reduced to reflect policy changes adopted by the Children's Administration regarding the utilization of Voluntary Placement Agreements (VPAs). The revised policy will reduce the utilization of VPAs. (General Fund-State, General Fund-Federal)

**23. Reduce Responsible Living Skills** - The Responsible Living Skills Program, which provides independent living services in a residential setting, is reduced. Services enable the youth to achieve competency in independent living skills and personal decision making.

**24. Increase SSI Recoveries** - Children's Administration will reduce costs by increasing the Social Security Income recoveries. As additional children are approved for Social Security Income benefits, less General Fund-State funding will be required.

**25. Basic Adoption Support Payment** - Savings are achieved through redefining which children are eligible for an adoption maintenance payment for all future adoptions. Those children who are receiving the basic foster care rate at the time of their adoption will not be eligible for an adoption maintenance payment. Federal law allows states to define which children are eligible for adoption support maintenance payments based whether the child is "hard to place." Adoptive parents may also receive a tax credit for the adoption of a child. The item does not reduce current adoption assistance agreements. (General Fund-State and General Fund-Federal)

**26. Adoption Exceptional Costs** - Funding is eliminated for adoption exceptional costs. These costs include child care, respite, and exceptional maintenance payments. These costs do not include non-recurring costs or one-time special adoption costs. (General Fund-State and General Fund-Federal)

**27. Transitional Services For Youth** - Secure Crisis Residential Centers (CRCs) non-secure CRCs, and HOPE Center funding is moved from the Home Security Fund to General Fund State. (General Fund-State and Home Security Fund-State).

**28. Performance Risk Pool** - Funds are provided for a contingency reserve, under performance based contracts, if costs related to client type composition and the number of client referrals to lead agency contractors differs from forecasted amounts. The funds can only be used as a payer of last resort and Children's is directed to utilize under expenditures to cover this risk first. (General Fund-State and General Fund-Federal)

**29. Reduce HOPE Beds** - Funding is reduced for HOPE Centers. The Children's Administration contracts for services for street youth to provide assessment and permanency planning for up to 30 days in a HOPE Center setting. (General Fund-State, Home Security Fund)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Juvenile Rehabilitation**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	987.4	201,198	216,471
2011-13 Maintenance Level	896.9	193,334	198,949
<b>Policy Non-Comp Changes:</b>			
1. Reduce Parole Services	-22.3	-4,993	-4,993
2. Close Maple Lane School	-11.2	-3,272	-3,272
3. Reduce Juvenile Court Funding	0.0	-2,328	-2,328
4. Reduce JRA Institution Costs	-50.5	-4,174	-4,174
5. Reduce Administrative Costs	-2.0	-560	-560
6. Juvenile Court ART and FFT	0.0	1,000	1,000
7. JRA ART and FFT expansion	0.0	1,000	1,000
Policy -- Non-Comp Total	-86.0	-13,327	-13,327
Total Policy Changes	-86.0	-13,327	-13,327
Total 2011-13 Biennium	810.9	180,007	185,622
Difference from 2009-11	-176.5	-21,191	-30,849
% Change from 2009-11	-17.9%	-10.5%	-14.3%

*Comments:*

**1. Reduce Parole Services** - The Juvenile Rehabilitation Administration will reduce funding for parole services to juveniles. The agency will achieve savings by reducing diagnostic services, eliminating Aggression Replacement Therapy in the community (and only providing it in institutions), increasing caseloads from 1:20 to 1:25, restructuring regional administration, and reducing lease costs.

**2. Close Maple Lane School** - Maple Lane School in Rochester will close at the end of Fiscal Year 2011. These savings occur as a result of the closure.

**3. Reduce Juvenile Court Funding** - The funding provided to county juvenile courts and participating tribes is reduced, as are DSHS administrative expenditures associated with administering the juvenile court block grant.

**4. Reduce JRA Institution Costs** - Juvenile offenders are sentenced by the courts for a minimum and a maximum length of stay. The Juvenile Rehabilitation Administration (JRA) has the authority to designate the release date for each offender within the sentence range. JRA will now release more non-violent, low-risk juvenile offenders on their minimum release date, which will result in bed savings at JRA institutions.

**5. Reduce Administrative Costs** - The Juvenile Rehabilitation Administration headquarters staffing is reduced.

**6. Juvenile Court ART and FFT** - Funding is provided to expand participation in evidence-based programs by the Juvenile Courts. \$1 million of the savings from the 60-day early release of adult offender, authorized in SSB 5891, is invested in this expansion.

**7. JRA ART and FFT expansion** - Funding is provided to expand participation in evidence-based programs by the Juvenile Rehabilitation Administration. \$1 million of the savings from the 60-day early release of adult offenders, authorized in SSB 5891, is invested in this expansion.

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	2,881.2	806,672	1,573,678
2011-13 Maintenance Level	2,882.2	940,476	1,655,707
<b>Policy Non-Comp Changes:</b>			
1. Reduce Spokane Acute Care Proviso	0.0	-750	-750
2. Close Western State Hospital Ward	-49.0	-6,644	-6,644
3. Reduce WSH Staff Costs	-30.0	-4,186	-4,186
4. Capture Program Savings	0.0	-161	-161
5. Reduce Regional Support Network Non	0.0	-17,390	-17,390
6. Reduce CSTC Operating Costs	-4.0	-324	-648
7. Reduce WIMHRT Technical Assistance	0.0	-738	-1,375
8. Medicaid for PACT	0.0	-600	0
9. Medicaid Match for PALS Diversions	0.0	-1,300	0
10. CPE Technical Adjustment	0.0	1,500	3,000
11. Integrated Behavioral Health Homes	1.0	0	5,146
12. North Central Crisis Response	0.0	400	400
13. Reduce ESH Staff Costs	-29.2	-3,638	-3,638
14. Jail-Based Competency Evaluations	-26.3	-4,350	-4,350
15. ITA Legal Costs	1.0	136	233
16. Increase License/Certification Fee	0.0	-108	0
Policy -- Non-Comp Total	-136.5	-38,153	-30,363
Total Policy Changes	-136.5	-38,153	-30,363
Total 2011-13 Biennium	2,745.8	902,323	1,625,344
Difference from 2009-11	-135.5	95,651	51,666
% Change from 2009-11	-4.7%	11.9%	3.3%

*Comments:*

**1. Reduce Spokane Acute Care Proviso** - Funding provided to the Spokane Regional Support Network to lower bed utilization at Eastern State Hospital is reduced by 25 percent.

**2. Close Western State Hospital Ward** - The number of patients who can receive treatment at Western State Hospital under the state's civil commitment laws was reduced by 30 in October 2010, to 557 per day.

**3. Reduce WSH Staff Costs** - Western State Hospital will achieve savings by managing vacancies, limiting overtime, and staff reorganization. There is to be no change in the hospital's budgeted capacity of 557 civil commitment beds and 270 forensic beds as a result of this change.

**4. Capture Program Savings** - Funding is reduced to reflect ongoing savings by the administrative group that is responsible for identification and collection of all third-party payments at Western State Hospital.

**5. Reduce Regional Support Network Non** - Community mental health allocations for persons and services not eligible for federal Medicaid matching funds are reduced by 7 percent. This results in a cumulative 18 percent reduction from the level of funding initially budgeted for such services in FY 2009. RSNs are to prioritize use of the remaining funds for crisis response, involuntary commitment, emergency hospitalization, and residential support services.

## 2011-13 Omnibus Operating Budget Dept of Social and Health Services Mental Health

**6. Reduce CSTC Operating Costs** - Operating costs at the Child Study and Treatment Center (CSTC) are reduced by 3 percent through staffing realignments, more effective use of overtime, and other operating efficiencies. There is to be no change in the center's average daily census capacity as a result of these changes. (General Fund-State, General Fund-Federal)

**7. Reduce WIMHRT Technical Assistance** - Funding is suspended for the Washington Institute for Mental Health Research and Training (WIMHRT), which provides research-based technical assistance and training for mental health professionals working in community and hospital settings. (General Fund-State, General Fund-Federal)

**8. Medicaid for PACT** - Programs for Assertive Community Treatment (PACT) teams provide intensive, multi-disciplinary assistance for persons who have experienced, or who are at high risk of, repeated psychiatric hospitalizations. Additional components of such programs are to be funded under the state/federal Medicaid program, resulting in reduced need for state-only funding for such services. (General Fund-State, General Fund-Federal)

**9. Medicaid Match for PALS Diversions** - The western Washington regional support networks (RSNs) have decided to use approximately \$4 million per year they had until March 2011 used to support the program for active living skills (PALS) program at Western State Hospital to instead provide community mental health services. It is anticipated that approximately 40 percent of the persons served and services provided with these funds will qualify for federal Medicaid match by October 2011. (General Fund-State, General Fund-Federal)

**10. CPE Technical Adjustment** - When Medicaid mental health capitation rates were re-set in 2010, some costs associated with hospitals participating in the state's certified public expenditure (CPE) payment program were omitted from the rate-setting. Funds are provided to correct this technical oversight. (General Fund-State, General Fund-Federal)

**11. Integrated Behavioral Health Homes** - The mental health program, in partnership with the medical assistance program, community mental health centers, and regional support networks, will implement projects for improving integration and coordination of behavioral health and medical care for persons with serious and persistent mental illness. The projects will build and train teams of mental health and medical professionals to provide effective diagnosis and coordinated treatment of medical and behavioral health conditions, with particular emphasis upon promotion of adherence to safe and effective medication regimes and appropriate use of primary and emergency medical care services. The projects are expected to serve an average of 750 persons with serious and persistent mental illness by the end of the first year, and an average of 2,200 persons per month by the end of the second. The non-federal share of this effort will be funded from a settlement of lawsuits involving the drug *Seroquel*. (General Fund-Local, General Fund-Federal)

**12. North Central Crisis Response** - Additional state funds are provided to assist the North Central Washington regional support network maintain crisis response and involuntary treatment services.

**13. Reduce ESH Staff Costs** - Staffing and operating costs at Eastern State Hospital (ESH) are reduced by a total of approximately 3 percent through staffing realignments, more effective use of overtime, and other operating efficiencies. There is to be no change in the hospital's average daily census capacity as a result of these changes.

**14. Jail-Based Competency Evaluations** - In accordance with Senate Bill 5114 (streamlining competency evaluations), most evaluations of defendants' mental competency to stand trial will be conducted by a single evaluator, and will be completed in jail or in another community facility rather than in the state hospitals. This is expected to permit closure of a forensic admissions ward at Western State Hospital. The department is directed to shift sufficient qualified evaluators from inpatient to outpatient evaluations so that the change will result in no net increase in the time defendants spend in local facilities awaiting competency evaluation. To allow sufficient time to assure that the necessary staff re-assignments and procedural changes are fully in place and functional, the admissions ward is not budgeted to close until January 2012.

**15. ITA Legal Costs** - Funding is provided for implementation of Senate Bill 5531 (judicial costs of involuntary treatment). The legislation requires the department to establish a per-case rate specific to each county, based upon the county's actual costs for the preceding three years, at which the county may bill for judicial, prosecutorial, and other legal costs associated with civil commitments under the Involuntary Treatment Act. Payment for these services is to be from non-Medicaid funds that would otherwise be distributed among the Regional Support Networks. (General Fund-State, General Fund-Federal)

**16. Increase License/Certification Fee** - The department is authorized to increase the fees charged for licensing and certification of community mental health agencies and residential treatment beds by 50 percent, and to deposit the revenue into a local account to offset the cost of program operation. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	3,452.5	775,340	1,922,104
2011-13 Maintenance Level	3,462.5	1,064,769	2,009,931
<b>Policy Non-Comp Changes:</b>			
1. Money Follows the Person	8.0	0	1,080
2. Reduce SOLA Costs	0.0	-64	-152
3. Reduce MH Training	0.0	-80	-120
4. Reduce Individual & Family Service	0.0	-1,228	-1,228
5. Close Residential Habilitation Ctr	-284.5	-15,090	-25,126
6. CBA IP Health Benfts Cents Per Hour	0.0	1,888	3,776
7. RHC Transition/Community Alternativ	122.5	0	27,567
8. RHC Diversions_Community Investment	42.0	0	5,484
9. Provide Community Placements	1.4	5,580	11,027
10. Reduce RHC Staff & Services	-40.0	-2,600	-5,198
11. SOLA Staffing - High Need Clients	8.0	0	0
12. Reduce Personal Care Hours	0.0	-14,382	-28,764
13. MPC Hours-Training Impact	0.0	-301	-602
14. MPC Hours-Health Care Impact	0.0	-3,025	-6,050
15. Reduce Professional Services	0.0	-1,092	-2,184
16. Capture Voluntary Placement Savings	0.0	-400	-400
17. Adult Working Policy Reform	0.0	-2,901	-2,837
18. Reduce Central Office	0.0	-102	-204
19. Reduce Field Staff & Services	-19.0	-2,122	-3,537
20. Reduce Residential Services	0.0	-3,220	-6,436
21. Adjust AFH Rates for License Fees	0.0	0	698
22. Reduce AP Health Benefit	0.0	-1,039	-2,078
23. Reduce Regional Administration	-3.0	-282	-656
24. Medicare Part D Copayments	0.0	28	56
25. Parent to Parent	0.0	150	150
26. AP rates L&I adjustment update	0.0	-7	-15
27. Delay Mandatory Training	-2.5	-12,184	-21,906
28. CBA Reduce Training Contributions	0.0	-959	-1,918
29. RHC Consolidation Reinvestment	0.0	0	12,300
30. RHC Community Capacity Start Up	0.0	0	529
31. Medicare Part D staff impacts	0.0	21	38
32. RHC Savings Trust Deposit	0.0	6,150	12,300
Policy -- Non-Comp Total	-167.1	-47,261	-34,406
Total Policy Changes	-167.1	-47,261	-34,406
Total 2011-13 Biennium	3,295.4	1,017,508	1,975,525
Difference from 2009-11	-157.1	242,168	53,421
% Change from 2009-11	-4.6%	31.2%	2.8%

## 2011-13 Omnibus Operating Budget Dept of Social and Health Services Developmental Disabilities

*Comments:*

- 1. Money Follows the Person** - The Center for Medicare & Medicaid Services (CMS) has approved additional federal funds to staff the Money Follows the Person (MFP) demonstration project. Ten long term care positions and eight developmental disability positions funded by the MFP grant will focus exclusively on transitioning clients from state institutions to community settings. (General Fund-Federal)
- 2. Reduce SOLA Costs** - State Operated Living Alternatives (SOLA) will reduce discretionary expenditures for goods and services, travel, and equipment. (General Fund-State, General Fund-Federal)
- 3. Reduce MH Training** - Training activities within the Division of Developmental Disabilities mental health program are reduced. (General Fund-State, General Fund-Federal)
- 4. Reduce Individual & Family Service** - The individual and family services program is reduced by 10 percent. These services are intended to keep families intact by providing them with assistance in caring for family members with developmental disabilities.
- 5. Close Residential Habilitation Ctr** - The Francis Haddon Morgan Center Residential Habilitation Center (RHC) is scheduled to close by December 31, 2011. The Rainier Valley School RHC will close by July 2014. Current residents will move to community residential placements or other RHCs. (General Fund-State, General Fund-Federal, State Efficiency and Restructuring Account--State)
- 6. CBA IP Health Benfts Cents Per Hour** - Funding is provided for health benefits for Individual Providers (IPs). The tentative agreement for the collectively bargained home care workers contract converts the way that health benefits are paid from a per-member-per-month payment methodology to a cents-per-hour payment methodology. Based on the total funds appropriated for IP health benefits, the base conversion went from a \$620 per-member-per-month payment to \$1.82 per hour. However, base funding for agency providers was also included in the calculation. The final cents-per-hour amount for IPs that is in the tentative agreement is \$1.96 per hour. This assumes that agency parity for health benefits is severed and that funding for agency benefits will be provided separately. (General Fund-State, General Fund-Federal)
- 7. RHC Transition/Community Alternativ** - Funding is provided to transition clients from Residential Habilitation Centers (RHC). The department is authorized to conduct individual assessments, develop support plans and transition individuals in Francis Haddon Morgan Center and Rainier School. Five RHCs will be consolidated into three. Clients may choose community placements provided in SOLAs and supported living homes or they may choose an alternative RHC. (General Fund-State, General Fund-Federal)
- 8. RHC Diversions Community Investment** - Funding is provided for new investments in the community to reduce ongoing demand for RHC services. Funding will support twelve short-term crisis and respite beds in SOLAs, mobile treatment teams, and a transition team and parent-to-parent mentors to facilitate consolidating residential habilitation centers. (General Fund-State, General Fund-Federal)
- 9. Provide Community Placements** - Funding is provided for out-of-home community residential placements for 58 individuals with developmental disabilities. These clients will need placement as they move from other placements, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)
- 10. Reduce RHC Staff & Services** - Reductions are made to Residential Habilitation Centers (RHC). The reductions will come from changes in adult training programs, food services, increased client density in houses and cottages, cottage closures, and staff layoffs. (General Fund-State, General Fund-Federal)
- 11. SOLA Staffing - High Need Clients** - Two specific clients have chosen to be placed into the SOLA program rather than continuing to be served in a RHC placement. These clients require a higher than normal level of support in order to remain safely in the community. (General Fund-State, General Fund-Federal)
- 12. Reduce Personal Care Hours** - Personal Care provides assistance with daily living activities to individuals who meet functional and financial eligibility. An average 10 percent acuity-based reduction is made to personal care service hours for adult clients receiving in-home personal care under Medicaid programs. The actual reduction will range between 6 percent and 18 percent per client depending on acuity. (General Fund-State, General Fund-Federal)



## **2011-13 Omnibus Operating Budget**

### **Dept of Social and Health Services**

#### **Developmental Disabilities**

**13. MPC Hours-Training Impact** - Contributions to the training trust to pay for training for individual providers and represented agency providers are provided based on the total number of Medicaid personal care hours worked by the providers. Since the total number of personal care hours is being reduced there is a corresponding reduction in the contributions to the training trust. (General Fund-State, General Fund-Federal)

**14. MPC Hours-Health Care Impact** - Health care contributions for individual providers are made based on the total number of Medicaid personal care hours worked by all providers. Since the total number of hours is being reduced, there is a corresponding reduction in health care contributions. (General Fund-State, General Fund-Federal)

**15. Reduce Professional Services** - The Department of Social and Health Services will assume savings in contracted professional services for therapies and technical assistance. (General Fund-State, General Fund-Federal)

**16. Capture Voluntary Placement Savings** - Voluntary Placement Program funding is aligned with past years' expenditure levels. This reduction reflects projected under-expenditures and is not expected to have a direct impact on clients.

**17. Adult Working Policy Reform** - The adult working policy for persons with a developmental disability will be reformed. Savings are achieved by allowing client choice in services. Clients between the ages of 21-64 will be allowed to utilize employment services. After nine months, individuals will have access to the community access program. (General Fund-State, General Fund-Federal)

**18. Reduce Central Office** - The Division of Developmental Disabilities' central office will reduce expenditures for travel, equipment, printing, and projects. The reduction will result in less assistance to field staff, advocates, consumers, and partners. (General Fund-State, General Fund-Federal)

**19. Reduce Field Staff & Services** - Reductions are made to case managers and case management services on the no-paid services caseload. In addition, vacant positions are not filled and reductions are made to regional office expenditures. (General Fund-State, General Fund-Federal)

**20. Reduce Residential Services** - Vendor rates are reduced for residential providers which provide care to clients with Developmental Disabilities. Community residential providers for clients with developmental disabilities include supported living, group homes, alternative living, companion homes, and licensed staff residential settings. (General Fund-State, General Fund-Federal)

**21. Adjust AFH Rates for License Fees** - Medicaid provider rates for adult family home providers are adjusted to reimburse providers for the license fees paid in on Medicaid clients. (General Fund-Local, General Fund-Federal)

**22. Reduce AP Health Benefit** - Agency parity is severed and the Department of Social and Health Services' Developmental Disabilities Division will provide reimbursement for agency provider health benefits not to exceed \$450 per member per month. (General Fund-State, General Fund-Federal)

**23. Reduce Regional Administration** - The Department of Social and Health Services is consolidating its regional structure from six to three for all programs. (General Fund-State, General Fund-Federal)

**24. Medicare Part D Copayments** - The state medical assistance program will no longer cover the cost of their Medicare Part D drug co-payments for persons who qualify for both Medicare and Medicaid. As a result, client participation will decrease and state costs for providing care will increase. (General Fund-State, General Fund-Federal)

**25. Parent to Parent** - Funding is provided for direct support to local organizations that utilize parent-to-parent networks and communication to promote access and quality of care for individuals with developmental disabilities and their families.

**26. AP rates L&I adjustment update** - Reimbursements are made to homecare agencies for the increase in average base rate costs of Labor & Industry (L&I) insurance. These statutorily required reimbursements are provided in accordance with RCW 74.39A.310. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**

**27. Delay Mandatory Training** - Funding is provided for increased basic training beginning January 1, 2011, for non-family member Individual Providers (IP) and Agency Providers (AP) only. Basic training for all other long term care workers is delayed to the 2013-15 biennium. Continuing education, is delayed to the 2013-15 biennium for all long-term care workers including IPs, with the exception that Developmental Disability residential workers that will be exempted from this requirement. Developmental Disability residential workers currently do not have requirements for continuing education and will be exempted from the increase to 12 hours for this category of training. Certification, advanced training, peer mentorship, and background checks are delayed for all long term care workers, including IPs, to the 2013-15 biennium. (General Fund-State, General Fund-Federal)

**28. CBA Reduce Training Contributions** - Contributions paid to the training partnership and for agency parity are reduced from \$0.22 cents per hour to \$0.17 cents per hour. Training is delayed. House Bill 1548 and Senate Bill 5473 (Long Term Care Worker Requirements), make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership seventeen cents (\$0.17) per paid hour worked by all home care workers. This amount is pursuant to the collective bargained agreement negotiated with the exclusive bargaining representative of individual providers.

**29. RHC Consolidation Reinvestment** - Residential habilitation centers are consolidated by closing Frances Haddon Morgan Center and Rainier School. State savings are realized due to the differential costs between institutional-based and community residential care. \$6,150,000 of the state savings is reinvested to expand community residential and respite services for Medicaid eligible individuals with developmental disabilities. (Community Residential Investment Account-State, General Fund-Federal)

**30. RHC Community Capacity Start Up** - Funding is specifically provided to facilitate the development of community residential services for supported living and state operated living alternatives. Developing additional community capacity will facilitate the consolidation of the residential habilitation centers and ease the transition of clients. (State Efficiency and Restructuring Account-State)

**31. Medicare Part D staff impacts** - The state medical assistance program will no longer cover the cost of their Medicare Part D drug co-payments for persons who qualify for both Medicare and Medicaid. As a result, client participation will decrease and state costs for providing care will increase. Additional program staff are needed to recalculate client participation. (General Fund-State, General Fund-Federal)

**32. RHC Savings Trust Deposit** - A portion of the general fund-state savings that result from the consolidation of residential habilitation centers is deposited to the community residential investment account. (General Fund-State, Community Residential Investment Account-State)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Long-Term Care**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	1,302.4	1,255,372	3,230,810
2011-13 Maintenance Level	1,341.7	1,753,796	3,526,816
<b>Policy Non-Comp Changes:</b>			
1. Money Follows the Person	10.0	0	2,544
2. NH Quality Incentive Payments	0.0	-30,000	192,000
3. Reduce AAA Unit Rate	0.0	-1,546	-3,092
4. Reduce Senior Citizens Services Act	0.0	-1,160	-1,160
5. CBA IP Health Benfts Cents Per Hour	0.0	3,766	7,532
6. Adult Day Health_COPEs	0.0	-8,618	-17,236
7. Alien Medical Long Term Placements	0.0	-2,174	-2,174
8. Reduce Personal Care Hours	0.0	-73,932	-147,864
9. MPC Hours-Training Impact	0.0	-643	-1,286
10. MPC Hours-Health Care Impact	0.0	-5,819	-11,638
11. Expand Family Caregiver Diversion	0.0	6,600	6,600
12. Family Caregiver_Reduct NH caseload	0.0	-4,356	-8,712
13. Family Caregiver_Comm client	0.0	-3,990	-7,980
14. Expand Family Caregiver_Memory Care	0.0	300	300
15. Increase AFH License Fee	0.0	-4,452	2,876
16. Adjust AFH Rates for License Fees	0.0	0	2,795
17. Increase NH License Fee	0.0	0	215
18. Vulnerable Adlts_AFH quality assura	6.8	708	1,416
19. Adjust NH Rates for License Fees	0.0	0	606
20. Reduce AP Health Benefit	0.0	-9,352	-18,703
21. Reduce Regional Administration	-5.0	-368	-856
22. Medicare Part D Copayments	0.0	656	1,312
23. AP rates L&I adjustment update	0.0	-42	-86
24. Delay Mandatory Training	-6.5	-9,941	-16,986
25. CBA Reduce Training Contributions	0.0	-2,047	-4,094
26. Reduce Kinship Care/Navigator	0.0	-340	-340
27. Medicare Part D staff impacts	10.0	783	1,425
Policy -- Non-Comp Total	15.3	-145,967	-22,586
Total Policy Changes	15.3	-145,967	-22,586
Total 2011-13 Biennium	1,357.0	1,607,829	3,504,230
Difference from 2009-11	54.6	352,457	273,420
% Change from 2009-11	4.2%	28.1%	8.5%

## 2011-13 Omnibus Operating Budget Dept of Social and Health Services Long-Term Care

*Comments:*

- 1. Money Follows the Person** - The Center for Medicare & Medicaid Services (CMS) has approved additional federal funds to staff the Money Follows the Person (MFP) demonstration project. Ten long term care positions and eight developmental disability positions funded by the MFP grant will focus exclusively on transitioning clients from state institutions to community settings. (General Fund-State, General Fund-Federal)
- 2. NH Quality Incentive Payments** - Pursuant to Substitute Senate Bill 5581 (nursing home safety net assessment), the Skilled Nursing Facility Safety Net Assessment Fund is created in the state treasury. Nursing facilities will provide the funds to leverage federal Medicaid matching funds that will be invested in Medicaid nursing facility payments. (General Fund-State, Skilled Nursing Facility Safety Net Assessment Fund-State, General Fund-Federal)
- 3. Reduce AAA Unit Rate** - The monthly rate paid to the Area Agencies on Aging (AAA) is reduced by 3 percent for each home managed for Medicaid clients. Core service contract management performed by AAAs will also be reduced by 3 percent. The client caseload ratio will increase from 1:70 to 1:72 as a result of this reduction. (General Fund-State, General Fund-Federal)
- 4. Reduce Senior Citizens Services Act** - Reductions are made to the Senior Citizens Services Act (SCSA). Through Area Agencies on Aging (AAAs), SCSA funds are used to pay for services that delay entry into Medicaid and enable people to live in their homes as long as possible. Services affected include case management, transportation, bathing assistance, minor home repair, foot care, and senior meals.
- 5. CBA IP Health Benfts Cents Per Hour** - Funding is provided for health benefits for Individual Providers (IPs). The tentative agreement for the collectively bargained home care workers contract converts the way that health benefits are paid from a per-member-per-month payment methodology to a cents-per-hour payment methodology. Based on the total funds appropriated for IP health benefits, the base conversion went from a \$620 per-member-per-month payment to \$1.82 per hour. However, base funding for agency providers was also included in the calculation. The final cents-per-hour amount for IPs that is in the tentative agreement is \$1.96 per hour. This assumes that agency parity for health benefits is severed and that funding for agency benefits will be provided separately. (General Fund-State, General Fund-Federal)
- 6. Adult Day Health\_COPES** - The Affordable Care Act implemented new Federal requirements that no longer allow 1915 (i) services to be capped beginning October 2010. Adult Day Health (ADH) is eliminated as a 1915(i) service and is re-established for long-term care clients under the 1915(c) Community Options Program Entry System (COPEs) waiver. Approximately 900 clients with developmental disabilities that are currently receiving ADH will be allowed to choose to continue the program by moving onto the long term care waiver, or they may receive the day services established within the Division of Developmental Disabilities' waiver programs. Clients with developmental disabilities may choose either a day service or an employment service. (General Fund-State, General Fund-Federal)
- 7. Alien Medical Long Term Placements** - The state provides nursing facility care for approximately 45 state-only alien medical clients who are discharged from hospitals with acute, long-term medical conditions. Of the 45 state-only funded nursing home slots, 40 will be moved into adult family homes. The DSHS will continue to provide medical coverage to maintain current levels of medical care and a consistent level of services for these clients.
- 8. Reduce Personal Care Hours** - Personal Care provides assistance with daily living activities to individuals who meet functional and financial eligibility. An average 10 percent acuity-based reduction is made to personal care service hours for adult clients receiving in-home personal care under Medicaid programs. The actual reduction will range between 6 percent and 18 percent per client depending on acuity. (General Fund-State, General Fund-Federal)
- 9. MPC Hours-Training Impact** - Contributions to the training trust to pay for training for individual providers and represented agency providers are provided based on the total number of Medicaid personal care hours worked by the providers. Since the total number of personal care hours is being reduced there is a corresponding reduction in the contributions to the training trust. (General Fund-State, General Fund-Federal)
- 10. MPC Hours-Health Care Impact** - Health care contributions for individual providers are made based on the total number of Medicaid personal care hours worked by all providers. Since the total number of hours is being reduced, there is a corresponding reduction in health care contributions. (General Fund-State, General Fund-Federal)

## **2011-13 Omnibus Operating Budget**

### **Dept of Social and Health Services**

### **Long-Term Care**

- 11. Expand Family Caregiver Diversion** - Investments are made in the Family Caregiver Support Program (FCSP), including specialized caregiver support for people with Alzheimer's disease. The FCSP is a service available to unpaid caregivers of adults who need care. Providing these caregivers with information and connecting them to other resources may help clients remain in their homes and may delay entry into more costly long-term care services. The Washington Insitute for Public Policy will conduct a review of the outcomes of this General Fund-State investment in diverting individuals from publicly funded nursing home and residential long term care services.
- 12. Family Caregiver\_Reduce NH caseload** - Savings are assumed by reducing the number of nursing home funded beds by 110. General Fund-State savings will be reinvested into the Family Caregiver program. (General Fund-State, General Fund-Federal)
- 13. Family Caregiver\_Reduct Comm client** - Savings are assumed by reducing the number of LTC residential funded beds by 190. General Fund-State savings will be reinvested into the Family Caregiver program. (General Fund-State, General Fund-Federal)
- 14. Expand Family Caregiver\_Memory Care** - Investments are made for specialized caregiver support for people with Alzheimer's disease.
- 15. Increase AFH License Fee** - Pursuant to Substitute Senate Bill 5092 initial home license fees for adult family homes are increased to \$2,750 per home and annual renewal license fees are established in the biennial appropriations act. (General Fund-State, General Fund-Local, General Fund-Federal)
- 16. Adjust AFH Rates for License Fees** - Medicaid provider rates for adult family home providers are adjusted to reimburse providers for the license fees paid in on Medicaid clients. (General Fund-Local, General Fund-Federal)
- 17. Increase NH License Fee** - Nursing home license fees are increased to cover the costs of licensing and inspection. (General Fund-Private Local, General Fund-Federal)
- 18. Vulnerable Adlts\_AFH quality assura** - Funding is provided for additional investigations and quality assurance in adult family homes. (General Fund-Private Local, General Fund-Federal)
- 19. Adjust NH Rates for License Fees** - Nursing home rates are increased for publicly funded beds to compensate for increases in licensing fees. (General Fund-Private Local, General Fund-Federal)
- 20. Reduce AP Health Benefit** - Agency parity is severed and the Department of Social and Health Services will provide reimbursement for agency provider health benefits not to exceed \$450 per member per month. (General Fund-State, General Fund-Federal)
- 21. Reduce Regional Administration** - The Department of Social and Health Services is consolidating its regional structure from six to three for all programs. (General Fund-State, General Fund-Federal)
- 22. Medicare Part D Copayments** - The state is discontinuing the reimbursement of co-payments for prescription drug purchases made by qualifying dually eligible Medicare/Medicaid clients in the Medicare Part D program. (General Fund-State, General Fund-Federal)
- 23. AP rates L&I adjustment update** - Reimbursements are made to homecare agencies for the increase in average base rate costs of Labor & Industry (L&I) insurance. These statutorily required reimbursments are provided in accordance with RCW 74.39A.310. (General Fund-State, General Fund-Federal)
- 24. Delay Mandatory Training** - Funding is provided for increased basic training beginning January 1, 2011, for non-family member Individual Providers (IP) and Agency Providers (AP) only. Basic training for all other long term care workers is delayed to the 2013-15 biennium. Continuing education, is delayed to the 2013-15 biennium for all long-term care workers including IPs, with the exception that Developmental Disability residential workers that will be exempted from this requirement. Developmental Disability residential workers currently do not have requirements for continuing education and will be exempted from the increase to 12 hours for this category of training. Cerfication, advanced training, peer mentorship, and background checks are delayed for all long term care workers, including IPs, to the 2013-15 biennium. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Long-Term Care**

**25. CBA Reduce Training Contributions** - Contributions paid to the training partnership and for agency parity are reduced from \$0.22 cents per hour to \$0.17 cents per hour. Training is delayed. House Bill 1548 and Senate Bill 5473 (Long Term Care Worker Requirements), make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership seventeen cents (\$0.17) per paid hour worked by all home care workers. This amount is pursuant to the collective bargained agreement negotiated with the exclusive bargaining representative of individual providers. (General Fund-State, General Fund-Federal)

**26. Reduce Kinship Care/Navigator** - The Kinship Caregiver Support and Kinship Navigator programs are reduced by approximately 10 percent.

**27. Medicare Part D staff impacts** - The state medical assistance program will no longer cover the cost of their Medicare Part D drug co-payments for persons who qualify for both Medicare and Medicaid. As a result, client participation will decrease and state costs for providing care will increase. Additional program staff are needed to recalculate client participation. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Economic Services Administration**  
 (Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	4,191.1	1,145,701	2,425,685
2011-13 Maintenance Level	4,240.5	1,257,562	2,357,188
<b>Policy Non-Comp Changes:</b>			
1. Collective Bargaining Agreement	0.0	641	641
2. Eliminate Child Support Pass Thru	0.0	-18,776	-37,552
3. Elimination - IRS Re-Distribution	0.0	-6,274	-12,550
4. Reduce Regional Administration	-3.0	-284	-578
5. Disability Lifeline	0.0	-184,303	-184,303
6. Naturalization Program	0.0	-2,370	-2,370
7. State Food Assistance	0.0	-16,801	-16,801
8. Refugee Employment Svcs	-2.0	-5,002	-5,002
9. Reduce Administrative Costs	-32.5	-2,941	-4,420
10. Refugee Grant	0.0	0	-707
Policy -- Non-Comp Total	-37.5	-236,110	-263,642
Total Policy Changes	-37.5	-236,110	-263,642
Total 2011-13 Biennium	4,203.0	1,021,452	2,093,546
Difference from 2009-11	11.9	-124,249	-332,139
% Change from 2009-11	0.3%	-10.8%	-13.7%

*Comments:*

**1. Collective Bargaining Agreement** - The Office of Financial Management and Service Employees International Union 775 have agreed to a settlement proposal regarding homecare worker healthcare, training, and certification testing. Funding is provided for provisions related to Service Employees International Union 925, whose members are also impacted by this proposal.

**2. Eliminate Child Support Pass Thru** - Funding is reduced to reflect the suspension of the child support pass-through which was authorized under the Federal Deficit Reduction Act of 2005. (General Fund-State, General Fund-Federal)

**3. Elimination - IRS Re-Distribution** - Funding is reduced to reflect the continued suspension of the Federal Deficit Reduction Act of 2005 which allows states to distribute child support collections made through federal tax intercepts to families. (General Fund-State, General Fund-Federal)

**4. Reduce Regional Administration** - Funding is reduced due to the Department of Social and Health Services (DSHS) consolidating its regional structure from six regions to three for all programs across the state. (General Fund-State, General Fund-Federal)

**5. Disability Lifeline** - Savings is assumed from several changes made to the Disability Lifeline (DL) cash programs including DL-Unemployable (DL-U), DL-Expedited (DL-X), and DL-Other. The cash benefit for the DL-Unemployable is eliminated. Homeless DL-U clients will be provided priority for housing resources funded by the Home Security Fund in the Department of Commerce. The DL-X cash program is reformed by creating two separate components - a housing component for homeless clients and a non-housing component for clients with shelter. The housing component clients will be eligible for a housing voucher of up to \$674 per month per client and \$50 cash per month. The state can be reimbursed by the federal government for successful SSI applicants. The non-housing component and the DL-Other cash program will continue to receive the cash benefit at the FY 2011 reduced levels.

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Economic Services Administration**

**6. Naturalization Program** - Funding is reduced for the Naturalization Program, which provides services that prepare low-income refugees and legal immigrants for U.S. citizenship testing.

**7. State Food Assistance** - Funding is reduced for the State Food Assistance Program. The DSHS will achieve savings by reducing the benefit amount by 50 percent in the second year of the biennium only. This savings is based on resolution of legal issues that would allow this reduction to be implemented at that time.

**8. Refugee Employment Svcs** - State general funds are reduced for Refugee Employment Services. These services include employment placement assistance, English as a Second Language training, job skills training, job search workshops, and job retention services.

**9. Reduce Administrative Costs** - The Economic Services Administration will achieve savings from administrative reductions. (General Fund-State, General Fund-Federal)

**10. Refugee Grant** - Funding is reduced for refugee assistance grants by 15 percent. The Refugee Cash Assistance grant is tied to the Temporary Assistance for Needy family (TANF) grant standards. The TANF grant standards were reduced by 15 percent in FY 2011.



**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Alcohol & Substance Abuse**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	86.3	164,375	334,326
2011-13 Maintenance Level	84.3	177,279	320,681
<b>Policy Non-Comp Changes:</b>			
1. Reduce Chemical Dependency Services	0.0	-12,000	-12,000
2. Reduce Regional Administration	-3.0	-330	-500
3. Reduce Administrative Staff	-5.0	-480	-754
4. Disability Lifeline	0.0	3,782	3,782
5. Increase License/Certification Fee	0.0	-1,454	0
6. DL & ADATSA-Impl Fed Waiver 1115	0.0	-16,110	0
7. Reduce Tribal Administrative Costs	0.0	-61	-61
Policy -- Non-Comp Total	-8.0	-26,653	-9,533
Total Policy Changes	-8.0	-26,653	-9,533
Total 2011-13 Biennium	76.3	150,626	311,148
Difference from 2009-11	-10.0	-13,749	-23,178
% Change from 2009-11	-11.6%	-8.4%	-6.9%

*Comments:*

- 1. Reduce Chemical Dependency Services** - Funding is reduced for outpatient and residential chemical dependency services. Funding from the Substance Abuse and Prevention (SAPT) block grant is reallocated from residential services to offset the General Fund-State reductions to outpatient and detoxification services. The Department will amend contract language to require counties to maintain chemical dependency assessments, outpatient treatment, opiate and detoxification services for pregnant and parenting women, Medicaid and low-income clients.
- 2. Reduce Regional Administration** - The Department of Social and Health Services is consolidating its regional structure from six to three for all programs across the state. (General Fund-State, General Fund-Federal)
- 3. Reduce Administrative Staff** - Five administrative staff positions are eliminated. (General Fund-State, General Fund-Federal)
- 4. Disability Lifeline** - The Department of Social and Health Services (DSHS) is funded \$3,782,000 GF-State in the 2011-13 Biennial Budget for the increased caseload for Disability Lifeline clients..
- 5. Increase License/Certification Fee** - The Department will establish licensing and certification fees at an amount adequate to reimburse costs for its certification and regulation activities for approved chemical dependency treatment programs. (General Fund-State, General Fund-Local)
- 6. DL & ADATSA-Impl Fed Waiver 1115** - The Department has implemented a federal waiver for individuals served by the Disability Lifeline (DL) and Alcohol and Drug Addiction Treatment Support Act (ADATSA). The waiver allows the Department to draw federal matching funds for treatment services provided to these populations and reduces the state funding required to serve them. (General Fund-State, General Fund-Federal)
- 7. Reduce Tribal Administrative Costs** - State support for tribal administration expenses is reduced from a maximum of 10 percent to eight percent per year.

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Medical Assistance Payments**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	1,167.2	3,487,176	9,894,438
2011-13 Maintenance Level	1,125.3	4,853,060	11,181,903
<b>Policy Non-Comp Changes:</b>			
1. Access to Child Dentistry	0.0	800	800
2. Children's Health Program DSH	1.0	-1,332	198
3. Prior Auth - Advanced Imaging	6.0	-2,235	-4,128
4. Prior Auth - Surgical Procedures	0.5	-1,469	-3,086
5. Emergency Room Utilization	0.0	-32,960	-71,721
6. Medication Practice Improvement	0.0	-3,060	-4,959
7. Cesarean Section Births	0.0	-715	-1,588
8. Hospital Inpatient	0.0	-83,835	-167,725
9. Hospital Outpatient	0.0	-26,639	-53,313
10. Hospital Safety Net Assessments	0.0	-40,000	0
11. Basic Health Plan Children	0.0	3,362	6,262
12. Premiums	0.0	-8,805	-19,383
13. RHC Prenatal & Well-Child Visits	0.0	2,860	5,720
14. Drug Utilization Management	2.5	-3,500	-6,300
15. Drug Co-Pays	0.0	-10,324	-20,648
16. Wheelchair Selective Contracting	0.5	-657	-1,315
17. Transportation Co-Pays	0.0	-1,869	-3,895
18. Chronic Care Medical Homes	2.0	346	10,282
19. Disability Lifeline	0.0	-50,610	-93,449
20. ADATSA	0.0	-2,536	-5,618
21. Federal Cancer & Dialysis Match	0.0	-23,908	0
22. Adult Hearing	0.0	-1,502	-3,014
23. Adult Vision	0.0	-3,123	-6,161
24. Adult Therapies	0.0	-4,144	-8,196
25. Durable Medical Equipment (DME)	0.5	-2,908	-5,823
26. SSI Managed Care	0.0	-7,679	-16,203
27. Interpreter Services	0.0	-2,758	-8,172
28. School Based Medical Services	6.0	-9,330	1,032
29. Medicare Part D Copayments	-0.1	-14,004	-14,043
30. Podiatric Physician Reimbursement	0.0	-2,005	-3,958
31. Children's Health Program	-0.6	-1,524	-1,558
32. Adult Dental	0.0	-28,631	-57,539
33. FQHC Payment methodology	0.0	-48,262	-99,060
34. Healthy Options Rates	0.0	-27,022	-57,427
35. Reduce Maternity Support program	0.0	-14,095	-28,034
36. Tobacco Cessation Funding	0.0	4,813	0
37. CHP Enrollment Cap	0.0	-4,765	-5,451
38. Health Info Technology Implement	9.0	224	2,152
39. Program Integrity	10.0	-39,774	-79,357
40. Medicaid Airlift Srvcs Supp Pmt Pgm	0.0	0	5,854
41. Administrative Reduction	-42.0	-4,673	-12,678
42. Cowlitz County Integration	0.3	36	70
43. Medicaid Fraud Enforcement	2.0	-4,400	11,030

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Medical Assistance Payments**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
44. Medicaid Demonstration Waiver	1.8	351	702
45. Children's Toll-Free Hotline	0.0	140	280
Policy -- Non-Comp Total	-0.7	-502,121	-819,420
Total Policy Changes	-0.7	-502,121	-819,420
Total 2011-13 Biennium	1,124.7	4,350,939	10,362,483
Difference from 2009-11	-42.6	863,763	468,045
% Change from 2009-11	-3.7%	24.8%	4.7%

*Comments:*

**1. Access to Child Dentistry** - Funding for local outreach, case management, and coordination for the Access to Baby and Child Dentistry program is transferred from the Department of Health to the medical assistance program.

**2. Children's Health Program DSH** - The Department will use federally-matched Disproportionate Share Hospital (DSH) funds to reimburse hospitals for non-emergency inpatient and outpatient care for children who are not eligible for federal Title XIX or Title XXI matching funds due to their immigration status. (General Fund-State, General Fund-Federal)

**3. Prior Auth - Advanced Imaging** - The medical assistance program will initiate increased medical necessity review of advanced imaging technologies such as CT and PET scans, magnetic resonance imaging, and cardio nuclear imaging. This is expected to result in an approximately 20 percent reduction in expenditures on such services. (General Fund-State, General Fund-Federal)

**4. Prior Auth - Surgical Procedures** - The medical assistance program will contract for medical necessity review and prior authorization of selected orthopedic, spinal, and nerve surgeries. This is expected to reduce expenditures for such surgeries by approximately 20 percent when fully implemented. (General Fund-State, Hospital Safety Net Assessment Account-State, General Fund-Federal)

**5. Emergency Room Utilization** - Effective July 1, 2011, the medical assistance program will pay for no more than three emergency room visits for a non-emergent condition per enrollee per year. Hospitals may directly bill enrollees for the fourth and subsequent visits for non-emergent conditions, and are encouraged to work with enrollees and primary care providers to avoid earlier such visits. Non-emergent conditions include ear infections, colds, sore throats, sinusitis, dermatitis, sunburn, migraines and other headaches, and joint or back pain. (General Fund-State, General Fund-Federal, Hospital Safety Net Assessment Account-State)

**6. Medication Practice Improvement** - The medical assistance program will partner with community mental health centers, other prescribers of adult ant-psychotic medications, and public schools of medicine and pharmacy to improve prescriptive practice and adherence with regard to the safe and effective use of antipsychotic and other medications used in the treatment of serious and persistent mental illness. The effort will include development and delivery of standard protocols and practices regarding best and promising practices; development of metrics and production of peer-comparison feedback reports for prescribers and mental health centers regarding medication adherence, poly-pharmacy, excessive dosing, and off-label use; and establishment of an access line through which community practitioners can obtain second opinion consultations regarding cases flagged for additional utilization review. These efforts, the non-federal share of which is to be funded with \$300,000 obtained through settlement of lawsuits involving the drug *Seroquel*, are expected to result in an approximately 6 percent reduction in state expenditures for adult mental health medications over the course of the 2011-13 biennium. (General Fund-State, General Fund-Local, General Fund-Medicaid)

**7. Cesarean Section Births** - The medical assistance program will partner with obstetricians, gynecologists, family practitioners, a health sciences university or universities, and other state and private purchasers to develop and deliver a curriculum based on the current literature and best practices regarding induced, cesarean section, and post-cesarean births. This, together with metrics development and practitioner feedback reporting, is expected to result in a 20 percent reduction in the number of publicly-funded births that would otherwise be delivered by cesarean section, lower birth and post-partum costs, and improved birth outcomes. (General Fund-State, Hospital Safety Net Assessment Account-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Medical Assistance Payments**

**8. Hospital Inpatient** - Hospital inpatient payment rates, most of which were increased by 17.7 percent during the 2010 session, are reduced by 8 percent effective July 1, 2011. The rate reduction applies only to non-governmental, non-rural hospitals. This reduction is based upon analysis showing that Medicaid inpatient payment rates for such hospitals are presently an average of 6 percent higher than the federal Medicare program would pay for the same service. (General Fund-State, General Fund-Federal)

**9. Hospital Outpatient** - Hospital outpatient payment rates, most of which were increased by 42 percent in the 2010 session, are reduced by 7 percent effective July 1, 2011. The rate reduction applies only to non-governmental, non-rural hospitals. This reduction is based upon analysis showing that Medicaid outpatient payment rates for such hospitals are presently an average of 5 percent higher than the federal Medicare program would pay for the same service. (General Fund-State, General Fund-Federal)

**10. Hospital Safety Net Assessments** - Revenue to the hospital safety net assessment account exceeds projected expenditures. The excess fund balance is used to cover the cost of hospital services that would otherwise be funded from the state general fund.

**11. Basic Health Plan Children** - Coverage and funding for approximately 1,700 children who had previously been covered under the basic health plan (BHP) were transferred to the medical assistance Apple Health for Kids program in the second 2011 supplemental operating budget. (General Fund-State, General Fund-Federal, Hospital Safety Net Assessment Fund-State)

**12. Premiums** - The medical assistance program will seek a federal Medicaid waiver to allow the state to charge (1) \$10 monthly premiums for medical coverage of children with gross family incomes between 150-200% of the federal poverty level; (2) to increase by \$10 per month the \$20 and \$30 monthly premiums that are presently charged families with incomes between 200-250% and 250-300% of the poverty level, respectively; and (3) to charge \$200-\$300 delivery fees on an income-adjusted basis for births to families with gross incomes between 150-300% of the poverty level. (General Fund-State, General Fund-Federal)

**13. RHC Prenatal & Well-Child Visits** - Federally-qualified rural health clinics (RHCs) will be paid their standard cost-related encounter rate for prenatal and well-child services provided to women and children enrolled in the state Medicaid and State Children's Health Insurance programs. Additionally, such visits are to be considered eligible for the standard encounter rate for purposes of reconciling managed care enhancement payments for 2009 and 2010. (General Fund-State, General Fund-Federal)

**14. Drug Utilization Management** - The medical assistance program will increase efforts to promote more cost-effective drug utilization. Efforts will focus upon drugs where there is evidence of over-utilization, off-label use, excessive dosing, duplicative therapy, or opportunities to shift utilization to less expensive, equally effective formulations. (General Fund-State, General Fund-Federal)

**15. Drug Co-Pays** - The medical assistance program will seek a federal Medicaid waiver to allow implementation during the second year of the 2011-13 biennium of enforceable co-payments that will promote more cost-effective use of prescription drugs. The co-payments are expected to apply to all medical assistance enrollees, and are expected to include a tiered strategy under which there would be no co-pay for most generic drugs; a \$15 co-pay for preferred brand-name drugs; and 50 percent co-insurance for non-preferred drugs. (General Fund-State, General Fund-Medicaid)

**16. Wheelchair Selective Contracting** - The medical assistance program will competitively contract with manufacturers and/or distributors of wheelchairs. The competitive bidding process is to be completed no later than July 2012. (General Fund-State, General Fund-Medicaid)

**17. Transportation Co-Pays** - The medical assistance program shall seek a federal Medicaid waiver to charge a \$1 per-trip co-payment for each of the 3.5 million non-emergency trips to medical settings for which it pays annually. (General Fund-State, General Fund-Federal)

**18. Chronic Care Medical Homes** - Funding is provided for development and implementation of primary care medical homes for persons with multiple chronic conditions. These efforts are expected to avoid and reduce future medical costs by assuring more coordinated and consistent care for persons with multiple chronic medical and behavioral health conditions. Current state funding will be leveraged with the enhanced federal match available for such projects under the Patient Protection and Affordable Care Act to provide primary medical homes for an average of 1,500 persons per month during FY 2012 and an average of 3,500 during FY 2013. (General Fund-State, General Fund-Federal)

**19. Disability Lifeline** - Enrollment in the medical component of the Disability Lifeline program is limited to an average of 12,650 persons per month during FY 2012 and an average of 11,750 per month during FY 2013. This is to be accomplished by limiting new admissions to the program until the capped enrollment level of 11,750 is reached, which is expected to occur in approximately October 2011. (General Fund-State, General Fund-Federal).

## 2011-13 Omnibus Operating Budget

### Dept of Social and Health Services

### Medical Assistance Payments

**20. ADATSA** - New admissions to the Alcoholism and Drug Addiction Treatment and Support Act (ADATSA) program are frozen until program enrollment reaches 3,100, after which the program will operate at that average monthly enrollment level through the end of the 2011-13 biennium. (General Fund-State, General Fund-Federal)

**21. Federal Cancer & Dialysis Match** - The federal government is expected to approve the state's proposal that cancer and kidney dialysis treatment for persons who do not qualify for full-scope Medicaid coverage because of their immigration status should qualify for federal matching funds under the alien emergency medical provisions of the Medicaid program. (General Fund-State, General Fund-Federal)

**22. Adult Hearing** - The medical assistance program will not pay for adult hearing aids and devices during the 2011-13 biennium. (General Fund-State, General Fund-Federal)

**23. Adult Vision** - The medical assistance program will not pay for adult eyeglasses during the 2011-13 biennium. As provided in Senate Bill 5352, medical assistance recipients will be able to purchase eyeglasses from optical providers at the discounted correctional industries production rate. (General Fund-State, General Fund-Federal)

**24. Adult Therapies** - The medical assistance program will limit coverage of occupational, physical, and communication disorder therapies to 12 visits per year for adults with injuries to the brain, hips, knees, or spine, and to six visits per year for persons with all other injuries. (General Fund-State, General Fund-Federal)

**25. Durable Medical Equipment (DME)** - The medical assistance program will competitively contract with manufacturers and/or distributors of nutritional supplements and incontinence supplies. The competitive contracting process is to be completed no later than January 2012. (General Fund-State, General Fund-Medicaid)

**26. SSI Managed Care** - During the second year of the 2011-13 biennium, the medical assistance program plans to transition all elderly and disabled supplemental security income (SSI) recipients into either fully capitated medical managed care or into primary care medical homes operating on a risk-sharing basis. This is expected to result in reduced expenditures through more cost-effective care management, coordination, and delivery. (General Fund-State, General Fund-Federal)

**27. Interpreter Services** - No later than January 2012, the medical assistance program will replace the current system for delivery of spoken-language interpreter services with a more cost-effective one. Under the new system, one or two specialty contractors, operating within state-defined protocols for service quality, appropriateness, and timeliness, will be responsible for selecting and arranging the most cost-effective method for delivery of spoken-language interpretation appropriate to the patient's medical needs and the service-delivery setting. Such methods may include telephonic or video remote services for which the contractor sub-contracts with a qualified provider of such services, or face-to-face interpreter services for which the contractor sub-contracts with an in-state language access provider certified by the state. (General Fund-State, General Fund-Federal)

**28. School Based Medical Services** - The medical assistance program will initiate a new intergovernmental transfer program under which the state and school districts will each provide half of the required non-federal matching funds for therapies and other qualifying medical services provided to Medicaid-eligible children. (General Fund-State, General Fund-Federal)

**29. Medicare Part D Copayments** - The state medical assistance program will no longer cover the cost of their Medicare Part D drug co-payments for persons who qualify for both Medicare and Medicaid.

**30. Podiatric Physician Reimbursement** - The medical assistance program will reimburse for adult foot care only when it is medically necessary to treat an acute condition or for non-acute conditions for at-risk clients. The program will distribute a list of diagnosis codes eligible for reimbursement. Treatment for other conditions may be reviewed for medical necessity using the exception to rule process. (General Fund-State, General Fund-Federal)

**31. Children's Health Program** - As provided in Senate Bill 5929, the Children's Health Program (CHP), which provides medical and dental coverage for children ineligible for federal funding, will no longer provide subsidized coverage for children with family incomes over 200 percent of the federal poverty level. Families may continue to enroll in the program by paying a premium equal to the average state cost per enrollee with income under 200 percent of poverty.

## 2011-13 Omnibus Operating Budget Dept of Social and Health Services Medical Assistance Payments

**32. Adult Dental** - Funding is reduced for preventive and restorative dental care for adult recipients of state medical assistance. Preventive and restorative dental care will continue to be available for Medicaid recipients who are pregnant; who reside in a nursing home or intermediate care facility; or who receive long-term care services under one of the Medicaid home- and community-based services waivers. Only emergency dental care will be covered for other adult medical assistance recipients. (General Fund-State, General Fund-Federal)

**33. FQHC Payment methodology** - Federal law requires that federally-qualified health centers (FQHCs) and rural health centers (RHCs) be paid a cost-related per visit rate for services to persons covered by the Medicaid and State Children's Health Insurance (SCHIP) programs. In 2009, the medical assistance program replaced the prospective payments system (PPS) that was based on 2001 costs adjusted by a national measure of medical inflation with an alternative payment methodology (APM) that has resulted in higher state and federal payment rates and expenditures. The program is to adopt a new payment methodology effective July 1, 2011 under which the APM will be reduced by an average of approximately 16.3 percent. This is expected to result in an approximately 9 percent reduction in total Medicaid and SCHIP payments to the clinics. (General Fund-State, General Fund-Federal)

**34. Healthy Options Rates** - The medical assistance program will place significant emphasis upon price in the 2012 competitive procurement for health insurers to deliver services under the existing Healthy Options managed care program for non-disabled children and adults. This is expected to result in lower payments than would occur under the baseline system of negotiated rate-setting. (General Fund-State, General Fund-Federal)

**35. Reduce Maternity Support program** - The Maternity Support Services (MSS) program provides professional observation, assessment, education, intervention, and counseling for pregnant and postpartum women. Funding for this program is reduced by approximately 35 percent. The department will prioritize evidence-based practices, and it will continue to target the available funds toward pregnant women with the highest risk of poor birth outcomes. (General Fund-State, General Fund-Federal)

**36. Tobacco Cessation Funding** - Funding for smoking cessation services is shifted among accounts. (General Fund-State, Tobacco Prevention and Control Account-State)

**37. CHP Enrollment Cap** - Enrollment in the Children's Health Program (CHP) is limited to an average of 23,300 children per month during FY 2012 and an average of 22,500 per month during FY 2013. As provided in Senate Bill 5929, this is to be accomplished by limiting new admissions to the program until the capped enrollment level of 22,500 is reached, which is expected to occur in January 2012. CHP provides medical and dental coverage for children with family incomes below 200 percent of the federal poverty level who are ineligible for federally-funded programs. (General Fund-State, General Fund-Federal)

**38. Health Info Technology Implement** - Funding is provided to implement the provider incentive payments and other initiatives related to the plan for increased use of electronic billings and medical records in the state Medicaid program. (General Fund-State, General Fund-Federal)

**39. Program Integrity** - The medical assistance program has contracted with a private firm on a contingency basis to identify additional recipients who may have private or other public insurance coverage that can pay for their medical care. This is expected to result in an approximately 10 percent increase in the number of recipients for whom such coverage is identified, for a net state savings of approximately \$24 million. Funding is also provided for additional audit and benefit coordination staff who are expected to recover and avoid approximately \$14 million of state medical expenditures. (General Fund-State, General Fund-Federal)

**40. Medicaid Airlift Svcs Supp Pmt Pgm** - Funding for medical airlift services is increased by using local funds to collect federal Medicaid match. (General Fund-Federal, General Fund-Private/Local)

**41. Administrative Reduction** - Because of hiring freezes and other cost reduction efforts, the medical assistance program is operating at 4 percent below the level budgeted for FY 2011. Funds are reduced to reflect continued operation at this reduced level. (General Fund-State, General Fund-Federal)

**42. Cowlitz County Integration** - Funds are provided for the department to provide administrative assistance and data analysis that will facilitate and support integrated delivery of medical and behavioral health services in Cowlitz County. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Medical Assistance Payments**

**43. Medicaid Fraud Enforcement** - Funds are provided for implementation of Senate Bill 5458. The bill establishes new tools for detecting and prosecuting Medicaid fraud, and new penalties for engaging in it. Additionally, to better track the effectiveness of fraud enforcement efforts, funds recovered from fraudulent activities will be deposited into a new state account that is to be used only for payment of fraud enforcement activities and Medicaid services. (General Fund-State, Medicaid Fraud Penalty Account-State, General Fund-Federal)

**44. Medicaid Demonstration Waiver** - As provided in Senate Bill 5596, the medical assistance program is to develop and obtain federal approval for a demonstration project that will allow the state greater flexibility in management of its Medicaid program. The project is to include flexibility to provide a modified benefit package modeled on the essential benefits package proposed for national health reform; to differentiate benefits based on enrollee age, disability, and medical condition; to implement reasonable and enforceable cost-sharing; to streamline and more frequently verify eligibility determination; and to adopt new payment mechanisms that contain costs while improving health. Funds are provided for staff and contractors to develop alternative program approaches; to advise policy-makers on their fiscal, enrollee, and delivery system impacts; and to work with federal officials to secure project approval by the second year of the biennium. (General Fund-State, General Fund-Federal)

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

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Vocational Rehabilitation**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	322.6	20,404	134,341
2011-13 Maintenance Level	322.1	25,929	138,206
<b>Policy Non-Comp Changes:</b>			
1. Eliminate Service Center Funding	0.0	0	480
2. Reduce Basic Support Grant	0.0	-2,479	-11,639
3. Leverage Fed Funds Basic Support	0.0	0	1,800
Policy -- Non-Comp Total	0.0	-2,479	-9,359
Total Policy Changes	0.0	-2,479	-9,359
Total 2011-13 Biennium	322.1	23,450	128,847
Difference from 2009-11	-0.5	3,046	-5,494
% Change from 2009-11	-0.2%	14.9%	-4.1%

*Comments:*

**1. Eliminate Service Center Funding** - General Fund-State funding for the Deaf-Blind Service Center is eliminated. Funding will be provided from the Telecommunications Devices for the Hearing and Speech Impaired Account and administered by the Office of Deaf and Hard of Hearing. (Telecommunications Devices for the Hearing and Speech Impaired Account-State)

**2. Reduce Basic Support Grant** - Across-the-board reductions are made to the Division of Vocational Rehabilitation. The General Fund-State reduction will reduce expenditures used to generate federal match dollars for the Basic Support Grant. The division will still satisfy federal maintenance of effort requirements. (General Fund-State, General Fund-Federal)

**3. Leverage Fed Funds Basic Support** - The Basic Support grant used to provide employment services to persons with disabilities is matched by the federal government at an 80 percent match rate. Telecommunication and hearing device funds will be used to leverage federal funding and to allow the Basic Support program to grow slightly above maintenance of effort levels. An investment of \$300,000 of the Telecommunications Devices for the Hearing and Speech Impaired account funds is used to leverage \$1,500,000 in Federal funds for the Basic Support Grant. (General Fund-State, Telecommunications Devices for the Hearing and Speech Impaired Account-State, General Fund-Federal)



**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Administration/Support Svcs**  
 (Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	565.6	62,986	115,248
2011-13 Maintenance Level	464.9	60,951	105,717
<b>Policy Non-Comp Changes:</b>			
1. Eliminate Family Policy Council	-0.5	-2,800	-2,800
2. Eliminate Council for Children	-7.0	-2,276	-2,276
3. Collective Bargaining Agreement	0.0	135	202
4. Establish Community Initiative	0.0	500	500
5. Additional OFA Investigators	4.4	0	901
6. ProviderOne Implementation	0.0	470	915
7. Reduce Administrative Costs	-21.0	-2,072	-2,558
8. Use Performance Audit for DFI	0.0	-3,911	0
9. Community Initiative Funding	0.0	1,400	2,800
Policy -- Non-Comp Total	-24.1	-8,554	-2,316
Total Policy Changes	-24.1	-8,554	-2,316
Total 2011-13 Biennium	440.8	52,397	103,401
Difference from 2009-11	-124.8	-10,589	-11,847
% Change from 2009-11	-22.1%	-16.8%	-10.3%

*Comments:*

- 1. Eliminate Family Policy Council** - Statutory authority for the Family Policy Council is eliminated. Authority will be retained for local networks through the Community Initiative.
- 2. Eliminate Council for Children** - The Council on Children and Families is eliminated. Some of the functions will continue through the Community Initiative.
- 3. Collective Bargaining Agreement** - The Office of Financial Management and Service Employees International Union 775 have agreed to a settlement proposal regarding homecare worker healthcare, training and certification testing. (General Fund-State, General Fund-Federal)
- 4. Establish Community Initiative** - The Department of Social and Health Services shall establish a public-private partnership that helps address the needs of high-risk children and families. The Department is authorized to develop partnerships and a new model for financing network community capacity building and reducing adverse childhood experiences. One-time state funding is provided to start up the initiative.
- 5. Additional OFA Investigators** - Additional resources are provided for TANF and other fraud investigations. (Performance Audit of Government Account)
- 6. ProviderOne Implementation** - Funding is provided for the Social Service Payment System data conversion and transition to ProviderOne. (General Fund-State, General Fund-Federal)
- 7. Reduce Administrative Costs** - The Department of Social and Health Services will make administrative reductions in operations support and services, planning performance and accountability, research and data analysis, and internal control staff. (General Fund-State, General Fund-Federal)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Administration/Support Svcs**

**8. Use Performance Audit for DFI** - Funding for the Division of Fraud Investigations is transferred on a one-time basis to the Performance Audit of State Government Account. The primary work of the division is focused on child support, TANF, and other eligibility and program enforcement work of the Department of Social and Health Services. (General Fund-State, Performance Audit of Government Account)

**9. Community Initiative Funding** - Funding is provided for the department to secure matching private funds to allocate to the community networks to provide training and services related to adverse childhood events. (General Fund-State, General Fund-Local)

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Special Commitment Center**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	425.4	95,749	95,749
2011-13 Maintenance Level	462.0	100,234	100,234
<b>Policy Non-Comp Changes:</b>			
1. Reduce Administrative Staff	-22.8	-3,268	-3,268
2. Reduce SCC Programs	-4.0	-1,122	-1,122
3. Fund McNeil Island Operations	35.3	6,050	6,050
4. In re Detention/David T. McCuiston	0.0	17,956	17,956
5. Reduce SCTF Staffing Ratios	-35.9	-3,826	-3,826
6. Pharmaceutical Savings	0.0	-380	-380
7. Reduce Legal Costs	0.0	-3,466	-3,466
Policy -- Non-Comp Total	-27.4	11,944	11,944
Total Policy Changes	-27.4	11,944	11,944
Total 2011-13 Biennium	434.6	112,178	112,178
Difference from 2009-11	9.2	16,429	16,429
% Change from 2009-11	2.2%	17.2%	17.2%

*Comments:*

**1. Reduce Administrative Staff** - Funding is reduced for administrative staffing positions at the Special Commitment Center (SCC).

**2. Reduce SCC Programs** - The Special Commitment Center will reduce funding for a number of programs including mailroom services, visitor center hours, recreation programming, clinical internships, and Advanced Registered Nurse Practitioner nursing services.

**3. Fund McNeil Island Operations** - McNeil Island Corrections Center is scheduled to close on April 1, 2011. The Department of Corrections currently funds the staff necessary for marine and island operations. The staff necessary to continue these functions are transferred to the Department of Social and Health Services.

**4. In re Detention/David T. McCuiston** - Funding is provided to pay for increased legal services related to increased legal expenses resulting from the Washington Supreme Court's ruling in *In re Detention of McCuiston* concerning the due process rights of sexually violent predators. The case is scheduled for reconsideration by the Washington Supreme Court.

**5. Reduce SCTF Staffing Ratios** - Funds are reduced to reflect a modification in the staffing models for the Secure Community Transitional Facilities (SCTFs). The staffing models for the SCTF operated by the Special Commitment Center are mandated in statute.

**6. Pharmaceutical Savings** - Funding is reduced to reflect a 20 percent savings associated with utilization of generic prescriptions and efficiencies in procurement.

**7. Reduce Legal Costs** - Savings are assumed to reflect SSB 5202 (sexually violent predators). The savings are based on a reduction in the number of cases by one-third.

**2011-13 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Payments to Other Agencies**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	123,446	180,018
2011-13 Maintenance Level	0.0	127,742	183,578
<b>Policy Non-Comp Changes:</b>			
1.    McCuistion Litigation	0.0	4,544	4,544
Policy -- Non-Comp Total	0.0	4,544	4,544
Total Policy Changes	0.0	4,544	4,544
Total 2011-13 Biennium	0.0	132,286	188,122
Difference from 2009-11	0.0	8,840	8,104
% Change from 2009-11	0.0%	7.2%	4.5%

*Comments:*

**1. McCuistion Litigation** - Funding is provided to pay for legal services required by the Washington Supreme Court decision for the In re Detention of David T. McCuistion case concerning the due process rights of sexually violent predators.

**2011-13 Omnibus Operating Budget**  
**Columbia River Gorge Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	9.6	881	1,756
2011-13 Maintenance Level	9.6	929	1,860
<b>Policy Non-Comp Changes:</b>			
1. Reduced Staffing and Expenses	-1.6	-100	-200
2. Savings from Consolidation	0.0	-300	-600
Policy -- Non-Comp Total	-1.6	-400	-800
Total Policy Changes	-1.6	-400	-800
Total 2011-13 Biennium	8.0	529	1,060
Difference from 2009-11	-1.6	-352	-696
% Change from 2009-11	-16.8%	-40.0%	-39.6%

*Comments:*

**1. Reduced Staffing and Expenses** - The Columbia River Gorge Commission will reduce staffing and commensurate salaries. Additional savings will be found through reductions in goods and services. All reductions are ongoing. General Fund-State reductions are matched by equal reductions in General Fund-Private/Local, which represents the Oregon share of the reduction, as required by the Columbia River Gorge Compact. (General Fund-State, General Fund-Private/Local)

**2. Savings from Consolidation** - Pursuant to SB 5669, savings are achieved by absorbing the Columbia River Gorge Commission into the Department of Ecology.

**2011-13 Omnibus Operating Budget**  
**Department of Ecology**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,548.5	111,277	446,022
2011-13 Maintenance Level	1,557.6	120,487	454,082
<b>Policy Non-Comp Changes:</b>			
1. Pollution Liability Agency Tenancy	0.0	-38	-96
2. Move Federal Authority to Capital	0.0	0	-5,000
3. Reduce Biosolids Program Funding	0.0	0	-400
4. Cont'd Pollution Control Fund Shift	0.0	-5,000	0
5. Stabilize Oil Spill Prevention Acct	0.0	0	0
6. Cont'd Watershed Planning Reduction	-1.0	-1,000	-1,000
7. Cont'd Flood Control Grant Reduc.	0.0	0	-2,000
8. Continued Litter Pickup Reduction	-2.0	0	-4,000
9. Reduce Air Pollution Control Acct	0.0	0	-946
10. Reduce Grass Seed Account	0.0	0	-11
11. Agricultural Burning Fees	1.5	0	276
12. New Air Emission Source Review Fees	0.8	0	200
13. Implementing the Ban on Bisphenol A	0.3	0	90
14. Brake Friction Material Ban	1.4	0	288
15. Complying w/ Air Quality Standards	5.8	0	1,504
16. Pre-Payment Agreement Authority	2.3	0	588
17. Teck Cominco Litigation Support	0.0	0	500
18. Keeping Toxins Out of Puget Sound	5.8	0	1,996
19. Mercury-Containing Lights	1.3	0	2,170
20. Protecting Washington Shorelines	3.1	0	3,558
21. Water Quality Permit Fee Revision	0.0	0	755
22. Completed Reclaimed Water Work Red	-2.3	-570	-570
23. Local Shoreline Grants Fund Shift	0.0	-4,500	0
24. Reducing Fee-Supported Air Programs	-2.2	-491	-491
25. Continued Water Rights Reduction	-11.7	-2,880	-2,880
26. Completed Climate Task Reduction	-0.8	-407	-407
27. Water permit fees	0.0	-2,778	-2,778
28. Watershed plan. reduc for backlog	0.0	-2,150	-2,150
29. PPG reduction	0.0	0	-1,430
30. Water resources program reductions	0.0	-1,752	-1,752
31. Watershed increase for backlog	0.0	2,150	2,150
32. Puget sound corps	0.0	644	644
33. Oil Spill Program	0.0	0	463
34. Consolidating Administration	-7.6	-1,112	-1,112
35. Executive Reduction	0.0	-90	-90
36. Administrative Reduction	0.0	-389	-389
Policy -- Non-Comp Total	-5.2	-20,363	-12,320
Total Policy Changes	-5.2	-20,363	-12,320
Total 2011-13 Biennium	1,552.4	100,124	441,762
Difference from 2009-11	3.9	-11,153	-4,260
% Change from 2009-11	0.3%	-10.0%	-1.0%

## 2011-13 Omnibus Operating Budget Department of Ecology

### Comments:

- 1. Pollution Liability Agency Tenancy** - Funding is reduced after the Pollution Liability Insurance Agency (PLIA) moves to the Department of Ecology headquarters building in Lacey. Co-location is expected to save about \$60,000 per fiscal year in Fiscal Year 2014 and beyond. (General Fund-State, State Toxics Control Account-State, various other accounts)
- 2. Move Federal Authority to Capital** - Federal expenditure authority is removed from the operating budget on an ongoing basis for federal grants related to the Shorelands Program that are capital in nature. In the future, expenditure authority for these grants will be addressed in the capital budget. (General Fund-Federal)
- 3. Reduce Biosolids Program Funding** - Anticipated revenue into the Biosolids Permit Account will not be sufficient to support the 2011-13 biennium carryforward level of expenditure authority. Therefore, funding is reduced by \$400,000 in Fiscal Year 2012 to balance the account and better equalize per-fiscal year spending over the long term. (Biosolids Permit Account-State)
- 4. Cont'd Pollution Control Fund Shift** - Continuing a budget change initiated in the 2010 supplemental operating budget, the General Fund-State portion of activities that support cleaning up polluted waters, controlling stormwater pollution, and preventing point source and non-point source pollution is shifted, on a one-time basis, to the State Toxics Control Account. (General Fund-State, State Toxics Control Account-State)
- 5. Stabilize Oil Spill Prevention Acct** - The Department of Ecology provides spill prevention and preparedness services to protect Puget Sound, the outer coast, the Columbia River and other inland waters from such incidents. These activities are funded through the Oil Spill Prevention Account. This account is projected to be in shortfall during the 2011-13 biennium. In order to stabilize long-term program funding, expenditure authority for oil spill prevention and response activities is shifted, on an ongoing basis, from the Oil Spill Prevention Account to the State Toxics Control Account. (State Toxics Control Account-State, Oil Spill Prevention Account-State)
- 6. Cont'd Watershed Planning Reduction** - Funding and FTE staff are reduced on an ongoing basis for watershed planning technical assistance and grants to local governments, continuing a reduction begun during Fiscal Year 2011.
- 7. Cont'd Flood Control Grant Reduc.** - Ecology administers the Flood Control Assistance Account Program, providing grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management planning. Due to the General Fund-State revenue shortfall, the \$2.0 million Flood Control Assistance Account Program reduction initiated during the 2009-11 biennium is continued in the 2011-13 biennium. (Flood Control Assistance Account-State)
- 8. Continued Litter Pickup Reduction** - The Waste Reduction, Recycling, and Litter Control Account funds litter prevention and pickup activity within the Department of Ecology. Funding and FTE staff for this activity are reduced on a one-time basis, continuing \$4.0 million of a \$6.0 million reduction begun during the 2009-11 biennium. Remaining resources will allow the agency to operate a substantially scaled-back litter pickup program. (Waste Reduction, Recycling, and Litter Control Account-State)
- 9. Reduce Air Pollution Control Acct** - Expenditure authority is reduced on a one-time basis to reflect a delay in greenhouse gas reporting. (Air Pollution Control Account-State)
- 10. Reduce Grass Seed Account** - Expenditure authority is reduced on an ongoing basis to match anticipated fund balance in the Special Grass Seed Burning Research Account. This reduction will result in less capacity to research alternatives to grass seed burning. (Special Grass Seed Burning Research Account-State)
- 11. Agricultural Burning Fees** - Funding and FTE staff are increased on an ongoing basis to match expected fee revenue. A separate budget adjustment reduces General Fund-State support for this program. (Air Pollution Control Account-State)
- 12. New Air Emission Source Review Fees** - The 2009-11 biennial operating budget directed the DOE to increase fees to recover the costs of this program. Funding and FTE staff are increased on an ongoing basis to match anticipated fee revenue. A separate budget adjustment reduces General Fund-State support for this program. (Air Pollution Control Account-State)
- 13. Implementing the Ban on Bisphenol A** - Chapter 140, Laws of 2010 (SSB 6248) placed a ban on Bisphenol A, used in baby bottles and sport bottles, effective July 1, 2011. Ongoing funding and FTE staff are provided for the DOE to implement bill provisions for manufacturer notification, complaint investigation, and enforcement. (State Toxics Control Account-State).

## 2011-13 Omnibus Operating Budget

### Department of Ecology

**14. Brake Friction Material Ban** - Chapter 147, Laws of 2010 (SSB 6557) instituted a phased ban on certain brake friction material concentrations, and directed the DOE to initiate the first phase of a brake friction material ban, including developing pad-content certification criteria by December 2012. The DOE will begin receiving manufacturer pad-content data triennially beginning January 2013, and will begin documenting baseline levels of certain chemicals used in brake pads by July 2013. One-time funding and FTE staff are provided to carry out these tasks. (State Toxics Control Account-State)

**15. Complying w/ Air Quality Standards** - During the 2011-13 biennium, the U.S. Environmental Protection Agency is expected to adopt tougher air quality standards. The DOE anticipates that several areas of the state will be at risk for violating the new standards, including the greater Puget Sound area, Yakima, Darrington, and potentially Spokane and Clark counties. Ongoing funding and FTE staff are provided for the DOE to identify sources that contribute to each community's pollution levels, and develop and implement strategies that will keep these areas in compliance with federal law. (General Fund-Federal, State Toxics Control Account-State)

**16. Pre-Payment Agreement Authority** - Ongoing funding and FTE staff are provided for Ecology to negotiate and carry out pre-payment agreements that materialize in the 2011-13 biennium and beyond. These costs will be paid for by the parties who request services. (State Toxics Control Account-Private/Local)

**17. Teck Cominco Litigation Support** - One-time funding is provided for continuing Attorney General services and expert-witness costs associated with the Pakootas et al. v. Teck Cominco, Ltd., case concerning a toxic cleanup site on the Upper Columbia River. The Department of Ecology and the Confederated Tribes of the Colville Reservation are co-plaintiffs in this litigation. It addresses the liability under federal law for cleanup and natural resource restoration costs at a smelter complex located in British Columbia, Canada. (State Toxics Control Account-State)

**18. Keeping Toxins Out of Puget Sound** - The DOE partners with local governments to help businesses correct practices related to hazardous waste management, spill prevention, stormwater pollution, and other environmental rules. Ongoing funding and FTE staff are provided to manage the DOE's portion of these activities. Ongoing grant funding of \$1 million is provided from the Local Toxics Control Account to support local government staff to conduct hazardous waste and stormwater technical assistance visits. (State Toxics Control Account-State, Local Toxics Control Account-State)

**19. Mercury-Containing Lights** - Ongoing funding from the Product Stewardship Programs Account and full-time equivalent staff are provided for such tasks as establishing rules for mercury-light recycling plans and collection systems, and compiling a database of private sector, recycling program implementors. Ongoing funding from the State Toxics Control Account and FTE staff are also provided for enforcement of a June 2012 ban on the sale of bulk mercury. (Product Stewardship Programs Account-Nonappropriated, State Toxics Control Account-State)

**20. Protecting Washington Shorelines** - The Department is provided \$3.6 million and 3.1 FTE staff for the shoreline master program updates during the 2011-13 biennium. During the 2013-15 biennium, the funding level will reduce to \$2.9 million as the last remaining jurisdictions will complete their shoreline updates. (State Toxics Control Account-State, Local Toxics Control Account-State)

**21. Water Quality Permit Fee Revision** - The DOE is designated by the U.S. Environmental Protection Agency as the state agency responsible for implementing federal and state water pollution control laws and regulations. Wastewater and stormwater discharges are regulated primarily by wastewater discharge permits, which stipulate specific limits and conditions of allowable discharge. RCW 90.48.465 requires that permit fee revenue cover the cost of the permit program and that the fee schedule be adjusted biennially. The DOE will increase fees by the fiscal growth factor during 2011-13. (Water Quality Permit Account-State)

**22. Completed Reclaimed Water Work Red** - Funding and FTE staff are eliminated to reflect completion of one-time tasks required by reclaimed water legislation enacted during the 2006 and 2007 legislative sessions.

**23. Local Shoreline Grants Fund Shift** - Base funding of \$4.5 million is shifted permanently from General Fund-State to the Local Toxics Control Account for grants to local governments engaged in Shoreline Master Program updates. (General Fund-State, Local Toxics Control Account-State)

**24. Reducing Fee-Supported Air Programs** - General Fund-State support and FTE staff are reduced on an ongoing basis for three activities within the Department of Ecology's Air Quality Program: woodstove education and enforcement, agricultural burning regulation, and new air emission source review. Recent fee increases for agricultural burning and new air emission source review allow funding from dedicated accounts to be increased, thereby reducing the need for General Fund-State subsidies for these programs.



## 2011-13 Omnibus Operating Budget Department of Ecology

- 25. Continued Water Rights Reduction** - Funding and FTE staff are reduced on a one-time basis to continue the water right processing reduction initiated during the 2009-11 biennium into the 2011-13 biennium.
- 26. Completed Climate Task Reduction** - Funding and FTE staff are reduced on an ongoing basis to reflect completion of one-time tasks required by Chapter 14, Laws of 2008.
- 27. Water permit fees** - General Fund-State support for water permit processing is reduced. This reduction may be offset by fee revenue as state in SB 5536.
- 28. Watershed plan. reduc for backlog** - \$2,150,000 is reduced in GFS from watershed planning the the Shorelands and Environmental Assistance Program. This reduction will be repurposed in the Water Resources Program explicitly for the purpose of addressing the backlog of unprocessed water rights applications.
- 29. PPG reduction** - During the 2009-2011 biennium, the legislature suspended funding for public participation grants from the model toxics account. For the 2011-2013 biennium, public participation grants are reduced to .5 percent. (State Toxics Control Account)
- 30. Water resources program reductions** - The watershed planning program in the shorelands and environmental assistance program in the department of ecology is reduced by \$1,752,000.
- 31. Watershed increase for backlog** - \$2,150,000 in GFS is transferred from watershed planning in the shorelands and environmental assistance program to the water resources program explicitly for addressing the backlog of unprocessed water rights applications.
- 32. Puget sound corps** - Funding and FTEs are transferred from the Department of Natural Resources' Washington Conservation Corps(WCC) to the DOE pursuant to Substitute House Bill 1294 (Puget Sound corps).
- 33. Oil Spill Program** - Pursuant to HB 1186, the state toxics control account is increased by \$463,000
- 34. Consolidating Administration** - Funding and FTEs are reduced from the budget for the department of ecology for administrative consolidation. The department is encouraged to coordinate and collaborate with other natural resources agency staff to satisfy administrative requirements and duties.
- 35. Executive Reduction** - Funding is reduced from the budget for executive administrative staff. This reduction represents 15 percent of the general fund-state appropriation and reflects the associated administrative reduction.
- 36. Administrative Reduction** - This additional administrative reduction reflects the agency proposed level of reduction less the administrative and executive consolidation and efficiencies outlined above. The total administrative reduction for DOE shall be \$1.5 million

**2011-13 Omnibus Operating Budget**  
**WA Pollution Liab Insurance Program**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	6.0	0	1,639
2011-13 Maintenance Level	6.0	0	1,657
<b>Policy Non-Comp Changes:</b>			
1. Preparation for Consolidation	0.0	0	26
2. Lease Rate Adjustments	0.0	0	72
Policy -- Non-Comp Total	0.0	0	98
Total Policy Changes	0.0	0	98
Total 2011-13 Biennium	6.0	0	1,755
Difference from 2009-11	0.0	0	116
% Change from 2009-11	0.0%	0.0%	7.1%

*Comments:*

**1. Preparation for Consolidation** - Pursuant to executive request legislation consolidating the PLIA into the Department of Ecology, one-time funding of \$26,000 is provided during Fiscal Year 2012 for mailing costs associated with pre-consolidation notification of approximately 50,000 participants in PLIA's Oil Heat Insurance Liability Program. (Heating Oil Pollution Liability Trust Account-Nonappropriated)

**2. Lease Rate Adjustments** - One-time funding of \$100,000 is provided to co-locate the Pollution Liability Insurance Agency (PLIA) with the Department of Ecology at Ecology's headquarters building in Lacey. In addition, funding is reduced on an ongoing basis to reflect PLIA's share of co-location savings of \$28,000 per biennium, starting in Fiscal Year 2012. On a statewide basis, co-location is expected to save about \$60,000 per fiscal year in Fiscal Year 2014 and beyond. (Pollution Liability Insurance Program Trust Account-State; Heating Oil Pollution Program Trust Account-Non-Appropriated)

**2011-13 Omnibus Operating Budget**  
**State Parks and Recreation Comm**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	732.7	43,487	151,172
2011-13 Maintenance Level	733.4	68,226	154,616
<b>Policy Non-Comp Changes:</b>			
1. Parks Maint & Access Improvements	0.0	20,000	20,000
2. Make State Parks Self-Sustaining	-33.4	-67,064	-10,037
3. Increase Boater Education	0.0	0	38
4. Consolidating Administration	-6.2	-747	-747
5. Executive Reduction	0.0	-162	-162
6. Increase Winter Rec Maintenance	0.0	0	238
Policy -- Non-Comp Total	-39.6	-47,973	9,330
Total Policy Changes	-39.6	-47,973	9,330
Total 2011-13 Biennium	693.8	20,253	163,946
Difference from 2009-11	-38.9	-23,234	12,774
% Change from 2009-11	-5.3%	-53.4%	8.5%

*Comments:*

**1. Parks Maint & Access Improvements** - Funds are provided on a one-time basis for maintenance and operation, and to improve accessibility to recreational activities in parks that provide opportunities for boaters and off-road vehicle users. (Recreation Resources Account-State, Nonhighway and Off-Road Vehicle Activities Program Account-State)

**2. Make State Parks Self-Sustaining** - Funding is reduced for parks operations and maintenance. The reduction will be backfilled with fee revenue pursuant to SB 5622 (General Fund-State, Parks Renewal and Stewardship Account-State)

**3. Increase Boater Education** - The State Parks and Recreation Commission (Parks) funds mandatory boater education through boater registration fees. Ongoing funding is provided to spend anticipated additional fee revenue resulting from an increase in registrations. (Boating Safety Education Certification Account-Non-Appropriated)

**4. Consolidating Administration** - Funding and FTEs are reduced from the budget for the Washington state parks and recreation commission for administrative consolidation. The commission is encouraged to coordinate and collaborate with other natural resources agency staff to satisfy administrative requirements and duties.

**5. Executive Reduction** - Funding is reduced from the budget for executive administrative staff. This reduction represents 15 percent of the general fund-state appropriation and reflects the associated administrative reduction.

**6. Increase Winter Rec Maintenance** - Parks funds access to trails for cross-country skiing, snowshoeing, dog sledding, and snow play through fees in designated "Sno-Park" parking areas adjacent to trails. Parks increased Sno-Park fees during the 2009-11 biennium in order to maintain the non-motorized winter recreation trail system. Ongoing expenditure authority is provided to spend the additional fee revenue projected to be generated. (Winter Recreation Program Account-State)

**2011-13 Omnibus Operating Budget**  
**Rec and Conservation Funding Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	23.6	2,966	17,887
2011-13 Maintenance Level	20.9	2,438	17,548
<b>Policy Non-Comp Changes:</b>			
1. Revised Savings Assumption: SACS	0.0	21	105
2. Revised Savings Assumption: PSP/RCO	0.0	14	250
3. Reduce Recreation Grant Management	-0.7	0	-391
4. Reduce Agency Administrative Costs	-0.9	-151	-151
5. Extend Invasive Species Council	0.7	-44	56
6. Reduce Forest and Fish Grants	0.0	0	-7,146
7. Salmon Funding and Other Reductions	0.0	-244	-244
Policy -- Non-Comp Total	-0.9	-404	-7,521
Total Policy Changes	-0.9	-404	-7,521
Total 2011-13 Biennium	20.0	2,034	10,027
Difference from 2009-11	-3.6	-932	-7,860
% Change from 2009-11	-15.1%	-31.4%	-43.9%

*Comments:*

**1. Revised Savings Assumption: SACS** - The Recreation and Conservation Office's (RCO) 2010 supplemental budget assumed savings from RCO transferring two full-time employees to Small Agency Client Services (SACS). Based on updated information, only one full-time employee was eliminated at RCO. Ongoing funding is corrected. (General Fund-State, General Fund-Federal, Recreation Resources Account-State, Nonhighway Off-Road Vehicle Activities Program Account-State)

**2. Revised Savings Assumption: PSP/RCO** - In the 2010 supplemental budget the Recreation and Conservation Office and the Puget Sound Partnership were directed to combine back-office functions where possible. Initial assumptions of savings were higher than actually achievable. Ongoing funding is adjusted to reflect actual savings. (General Fund-State, General Fund-Federal, Recreation Resources-State, Nonhighway Off-Road Vehicle Activities Program Account-State)

**3. Reduce Recreation Grant Management** - During the 2009-11 biennium, the Recreation and Conservation Office (RCO) oversaw fewer new grant projects. Therefore, RCO requires less funding to manage ongoing aspects of these grants. This is a one-time reduction. (Recreation Resources Account-State, Nonhighway Off-Road Vehicle Activities Program Account-State)

**4. Reduce Agency Administrative Costs** - During the 2011-13 biennium, the Recreation and Conservation Office will manage fewer grants and councils; as a result, fewer administrative services will be needed. This ongoing reduction will not impact administration of remaining activities.

**5. Extend Invasive Species Council** - The Washington Invasive Species Council is scheduled to expire on December 31, 2011. The expiration date is pushed back to June 30, 2017, pursuant to House Bill 1413 (invasive species council) in order to maintain cooperative action by federal, state, tribal, local, and non-governmental partners on invasive species. Participating governmental and non-governmental partners will contribute to the staffing of the council through interagency agreements. Additional ongoing funding is provided through the Vessel Response Account. (General Fund-State, Vessel Response Account-State)

**6. Reduce Forest and Fish Grants** - The RCO will reduce ongoing federal expenditure authority related to the Department of Natural Resources' Forest and Fish Rules Agreements, which is projected to exceed contract balances for the 2011-13 biennium. This funding was provided to the RCO by the National Oceanic and Atmospheric Administration as part of the Pacific Coastal Salmon Recovery Funds. These funds must be fully expended by May 2011. (General Fund-Federal)

## **2011-13 Omnibus Operating Budget Rec and Conservation Funding Board**

**7. Salmon Funding and Other Reductions** - Shift funding for support of both the salmon recovery lead entity program and the Salmon Recovery Funding Board's (SRFB) Technical Review Panel from General Fund-State to General Fund-Federal.

**2011-13 Omnibus Operating Budget**  
**Environ & Land Use Hearings Office**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	8.8	2,212	2,212
2011-13 Maintenance Level	19.3	5,484	5,484
<b>Policy Non-Comp Changes:</b>			
1. Reduce Staffing and Other Costs	-1.0	-516	-516
Policy -- Non-Comp Total	-1.0	-516	-516
Total Policy Changes	-1.0	-516	-516
Total 2011-13 Biennium	18.3	4,968	4,968
Difference from 2009-11	9.5	2,756	2,756
% Change from 2009-11	108.0%	124.6%	124.6%

*Comments:*

**1. Reduce Staffing and Other Costs** - Funding and FTE staff are reduced on an ongoing basis to reflect a variety of savings measures, including eliminating attorney positions, implementing voluntary leave without pay, downshifting staff time, and taking reductions in goods and services.

**2011-13 Omnibus Operating Budget**  
**State Conservation Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	17.6	14,803	15,981
2011-13 Maintenance Level	17.6	15,188	16,367
<b>Policy Non-Comp Changes:</b>			
1. Conservation District Efficiencies	0.0	-400	-400
2. Vacancy, Temp Layoff, Reduce Grants	-0.6	-585	-585
Policy -- Non-Comp Total	-0.6	-985	-985
Total Policy Changes	-0.6	-985	-985
Total 2011-13 Biennium	17.0	14,203	15,382
Difference from 2009-11	-0.6	-600	-599
% Change from 2009-11	-3.4%	-4.1%	-3.8%

*Comments:*

**1. Conservation District Efficiencies** - The Conservation Commission will reduce pass-through monies to conservation districts to encourage administrative efficiencies. While the type of efficiencies is at the discretion of the commission and districts, merging districts along county lines or into broader ecoregions is encouraged.

**2. Vacancy, Temp Layoff, Reduce Grants** - Funding and FTE are reduced to achieve administrative efficiencies. Commission will absorb vacancies.

**2011-13 Omnibus Operating Budget**  
**Dept of Fish and Wildlife**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	1,385.9	75,600	327,844
2011-13 Maintenance Level	1,438.4	81,663	339,299
<b>Policy Non-Comp Changes:</b>			
1. Oil Spill Account Shortfall	0.0	0	-223
2. Puget Sound Federal Funds	0.0	0	18,000
3. Extend Aquatic Invasives Fee	0.0	0	138
4. Reduce Back-Office Functions	-5.7	-1,046	-1,046
5. Reduce Salmonid Recovery Technical	-1.2	-200	-200
6. Eliminate Dangerous Wildlife Specia	-1.0	-210	-210
7. Increased IT Security Requirements	0.5	239	478
8. Conduct Critical Asset Maintenance	1.0	0	500
9. Inc Hunting & Fishing License Fees	5.5	-3,594	2,849
10. Shift Funding for Rules Officer	0.0	-158	0
11. Reduce Winter Elk Feeding	0.0	-300	-300
12. Reduce Habitat Research	0.0	-82	-82
13. Reduce Statewide Habitat Coord	-0.4	-63	-63
14. Eliminate Fish Passage Coordinator	-1.0	-166	-166
15. Eliminate Major Projects Manager	-0.7	-138	-138
16. Eliminate Aquatic Edu Activities	-1.3	-221	-221
17. Reduce Fish Management Capabilities	-2.5	-300	-300
18. Eliminate Remaining Full-Time Pilot	0.0	-148	-148
19. Absorb Higher Unemployment Costs	0.0	-376	-376
20. Reduce Technology Costs	0.0	-240	-240
21. Reduce Hatchery Operations	-0.9	-200	-200
22. Shift Funds for Eco-Region Planner	0.0	-186	0
23. Administrative Consolidation	-7.6	-744	-744
24. Executive Reduction	0.0	-49	-49
25. Grizzly bear outreach program	0.0	75	75
26. HPA Fees	0.0	-2,551	-1,051
27. Discover Washington Pass	0.0	-450	7,118
28. Reduce Regional Directors	-2.0	-116	-116
Policy -- Non-Comp Total	-17.3	-11,224	23,285
Total Policy Changes	-17.3	-11,224	23,285
Total 2011-13 Biennium	1,421.1	70,439	362,584
Difference from 2009-11	35.2	-5,161	34,740
% Change from 2009-11	2.5%	-6.8%	10.6%



## 2011-13 Omnibus Operating Budget Dept of Fish and Wildlife

### Comments:

- 1. Oil Spill Account Shortfall** - Continues a funding reduction initiated in the 2009-11 biennium that will be ongoing. (Oil Spill Prevention Account)
- 2. Puget Sound Federal Funds** - The Department of Fish and Wildlife (DFW) is entering into an agreement with the U.S. Environmental Protection Agency (EPA) to protect and restore marine and nearshore habitats of Puget Sound, which are critical to the Sound's health. Funding provided by the EPA will be distributed to state and local partners through a competitive process to fund projects that improve the effectiveness of existing regulatory and stewardship programs, implement protection and restoration projects, prevent or reduce the threats posed by invasive species and oil spills, and address ecosystem problems. (General Fund-Federal)
- 3. Extend Aquatic Invasives Fee** - The \$1.50 fee on watercraft registrations to fund aquatic invasive species checkpoints and development of management plans expires on June 30, 2012. SB 5036 removes the sunset date. Funding is increased on an ongoing basis to match anticipated fee revenue. (Aquatic Invasive Species Prevention Account-State)
- 4. Reduce Back-Office Functions** - As part of the Department of Fish and Wildlife's 10 percent General Fund-State reductions, several back-office positions are eliminated: an accounting position, a position in the director's office, a receptionist, fleet manager, and an administrative assistant in the Habitat Program. Other cuts include reducing purchasing and contracts and eliminating vehicle replacement for the 2011-13 biennium. The \$128,000 vehicle replacement reduction is a one-time reduction while all other reductions are ongoing.
- 5. Reduce Salmonid Recovery Technical** - This reduction eliminates 10 percent of statewide technical assistance provided to nine local governments and 11 non-government organizations
- 6. Eliminate Dangerous Wildlife Specia** - This reduction eliminates the dangerous wildlife specialist in western Washington.
- 7. Increased IT Security Requirements** - Ongoing funding is provided for the Department of Fish and Wildlife to upgrade information technology (IT) systems and processes in order to comply with a directive from the State Information Services Board (General Fund-State, Wildlife Account-State)
- 8. Conduct Critical Asset Maintenance** - The maintenance budget for the Department of Fish and Wildlife's facilities is increased on an ongoing basis to reduce the estimated \$13.3 million deferred maintenance backlog, reduce future capital budget requests for repairs and replacement of assets that are unusable, create utility efficiencies, and provide safe facilities for staff and the public. (State Wildlife Account-State)
- 9. Inc Hunting & Fishing License Fees** - Pursuant to SB 5385, hunting and fishing license permit fees will change and some permit revenues that previously were deposited into the general fund-state account will be deposited into the state wildlife account. 40 percent of fees will either decrease or be eliminated. On average, the fees will increase by 16 percent for residents; 12 percent for non-residents, 2 percent for youths; and decrease by 4 percent for persons with disabilities and veterans. (General Fund-State, State Wildlife Account-State)
- 10. Shift Funding for Rules Officer** - Funding for this position is shifted on an ongoing basis from General Fund-State to the Fish and Wildlife Enforcement Reward Account. (General Fund-State, Fish and Wildlife Enforcement Reward Account-State)
- 11. Reduce Winter Elk Feeding** - This one-time 50 percent reduction to the winter elk feeding budget will result in the continued closure of the West Valley or Tieton feeding site through the 2011-13 biennium. This site is adjacent to private land and orchards, and is currently fenced to keep elk out of the orchards.
- 12. Reduce Habitat Research** - This one-time reduction eliminates funding for a project to improve forest habitats to benefit wildlife in the Sinlahekin Wildlife Area and reduces habitat research and monitoring activities on other DFW lands throughout the state.
- 13. Reduce Statewide Habitat Coord** - This ongoing reduction in Fiscal Year 2013 eliminates funding for the biologist currently serving on this group. Loss of this position will reduce coordination among agencies and non-governmental organizations to maintain wildlife passage in transportation planning, climate change adaptation, and biodiversity conservation.
- 14. Eliminate Fish Passage Coordinator** - . Funding is reduced on an ongoing basis for one of two positions, thereby increasing the time between project assessment and barrier replacement as well as the total number of projects reviewed for program suitability.

## 2011-13 Omnibus Operating Budget Dept of Fish and Wildlife

**15. Eliminate Major Projects Manager** - This ongoing reduction eliminates the Major Projects Section Manager and merges remaining staff into the Renewable Energy Section.

**16. Eliminate Aquatic Edu Activities** - Funding and FTE are reduced for Education activities.

**17. Reduce Fish Management Capabilities** - This ongoing reduction eliminates two fish and wildlife biologist positions and a part-time administrative support position. This reduction may cause a delay of one to two years in the completion of regional steelhead management plans. Reduced staffing will eliminate work currently funded by the state general fund to evaluate chinook and coho salmon release strategies from south Puget Sound hatcheries.

**18. Eliminate Remaining Full-Time Pilot** - With reductions in aircraft owned and operated by state agencies, the Department of Fish and Wildlife will shift its remaining pilot position from full-time to intermittent status. Ongoing savings will be realized.

**19. Absorb Higher Unemployment Costs** - The WDFW uses hundreds of seasonal employees, primarily to assist fish hatcheries when fish are returning to or leaving the facilities and to monitor fish and wildlife populations. As a result of the economic downturn, these seasonal employees have not found work during the offseason, and have drawn unemployment. This has increased the agency's unemployment costs by 50 percent. The agency absorbed these higher costs in the current biennium and will continue to do so on a one-time basis during the 2011-13 biennium.

**20. Reduce Technology Costs** - As an ongoing reduction, the Department of Fish and Wildlife will lower desktop lease costs by moving to server-based applications.

**21. Reduce Hatchery Operations** - Funding is reduced for seasonal personnel, office supplies, and vehicle fuel.

**22. Shift Funds for Eco-Region Planner** - The Department of Fish and Wildlife is seeking grant funding from the U.S. Environmental Protection Agency to replace current state funding for an Eco-Regional Planner. This position provides guidance documents and electronic maps that help local governments identify critical areas for protection of fish and wildlife under the Growth Management Act and the Shoreline Management Act. Funding is shifted on an ongoing basis to reflect this change. (General Fund-State, General Fund-Federal)

**23. Administrative Consolidation** - Funding and FTEs are reduced to reflect the administrative consolidation defined in Sec 101 and 102 of the SB 5669.

**24. Executive Reduction** - Funding is reduced from the budget for executive administrative staff. This reduction represents 15 percent of the general fund-state appropriation and reflects the associated administrative reduction defined in Sec 101 and 102 of SB 5669

**25. Grizzly bear outreach program** - One-time funding is provided to a community-based organization to disseminate information about grizzly bears in the North Cascades.

**26. HPA Fees** - Pursuant to SB 5862, the department shall recover fees related to the administrative costs of the hydraulic project approval permits (General Fund-State, Hydraulic Permit Approval Account)

**27. Discover Washington Pass** - Pursuant to SB 5622 (Discover Washington Pass), DFW shall issues annual and day-use passes to recreational users of state lands. Revenues from the passes shall be deposited into the State Wildlife Account

**28. Reduce Regional Directors** - Pursuant to SB 5669, natural resources agencies shall no longer have more than 4 regional offices and directors. Funding is reduced to reflect this change.

**2011-13 Omnibus Operating Budget**  
**Puget Sound Partnership**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	37.4	6,007	14,508
2011-13 Maintenance Level	38.7	5,955	14,829
<b>Policy Non-Comp Changes:</b>			
1. Puget Sound Federal Funding	2.0	0	1,980
2. Reduce Agency Costs & Activities	0.0	-373	-373
3. Local Education Grant	0.0	0	25
4. Reduce LID and Stormwater TA	0.0	-130	-130
5. Terminate Invasive Species IA w/DFW	0.0	-296	-296
Policy -- Non-Comp Total	2.0	-799	1,206
Total Policy Changes	2.0	-799	1,206
Total 2011-13 Biennium	40.7	5,156	16,035
Difference from 2009-11	3.4	-851	1,527
% Change from 2009-11	9.0%	-14.2%	10.5%

*Comments:*

**1. Puget Sound Federal Funding** - Additional federal expenditure authority is provided for new grant monies. Specific work to be completed with those grants includes tracking progress in implementing the Action Agenda, completing the 2011-13 Biennial Science Work Plan and the 2012 Puget Sound Science Update, implementing the Puget Sound Monitoring Program, and providing grants to local organizations to carry out the Action Agenda at the local level. (General Fund-Federal)

**2. Reduce Agency Costs & Activities** - The Puget Sound Partnership will reduce agency costs and activities, not to include grants to local entities. These ongoing reductions will restrict the ability of the Partnership to implement several near-term actions within the Puget Sound Action Agenda. (General Fund-State, General Fund-Federal)

**3. Local Education Grant** - During the 2009-11 Biennium the Puget Sound Partnership received a local grant for its education and outreach work, specifically benefitting its online collaboration tool. This appropriation allows the expenditure of the remainder of that grant. (General Fund - Private/Local)

**4. Reduce LID and Stormwater TA** - In the current Biennium the Partnership received funding to provide training and other assistance to local governments and private developers on the use of Low Impact Development Stormwater techniques (LID). As this program has matured and the use of LID techniques has become more prevalent the need for these services has been reduced. The Partnership will reduce these services by 30%. GF-S would be cut with a backfill of existing State Toxics Control Account which would now be used for agency operations. Supports Action Agenda Near Term Action (NTA C.2.N3 and C.2.N2).

**5. Terminate Invasive Species IA w/DFW** - Cancels Inter Agency Agreement with WDFW which supports 1.7 FTE working on invasive species issues including Tunicate control. Maintains \$6,000 for the biennium for PSP contribution to RCO for the Invasive Species Council. GF-S would be cut with a backfill of existing ALEA which would now be used for agency operations. Supports Action Agenda Near Term Action (NTA A.5.N4).

**2011-13 Omnibus Operating Budget**  
**Department of Natural Resources**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,365.9	86,335	375,203
2011-13 Maintenance Level	1,369.9	81,993	367,823
<b>Policy Non-Comp Changes:</b>			
1. Lease Rate Adjustment	0.0	-43	-155
2. Increase Nursery Planting & Harvest	0.0	0	1,800
3. Increase Forest Road Maintenance	0.0	0	1,630
4. Shift Helicopter Funding	0.0	0	-1,972
5. Reduce Land Mgmt on Ag Trust Lands	0.0	-800	-1,600
6. Reduce Natural Heritage Program	0.0	-537	-537
7. Reduce Administrative Costs	0.0	-1,000	-1,000
8. Incr Silviculture Burn Permit Fee	0.0	-750	0
9. Reduce Fire Control Costs	0.0	-1,607	-1,607
10. Maintain Adaptive Management Pgm	0.3	0	1,000
11. Absorb Unemployment Cost Increase	0.0	-832	-832
12. Administrative Consolidation	-7.6	-1,050	-1,050
13. Executive Reductions	0.0	-72	-72
14. FPA Fees	0.0	-2,168	-668
15. Puget Sound Corps	0.0	-644	-644
16. Charge Fees for State Lands Access	11.0	-1,173	4,327
17. Reduce Regional Directors	0.0	-88	-88
Policy -- Non-Comp Total	3.7	-10,764	-1,468
Total Policy Changes	3.7	-10,764	-1,468
Total 2011-13 Biennium	1,373.6	71,229	366,355
Difference from 2009-11	7.7	-15,106	-8,848
% Change from 2009-11	0.6%	-17.5%	-2.4%

*Comments:*

**1. Lease Rate Adjustment** - The Department of Natural Resources (DNR) will vacate 7,726 square feet of space on the first floor of the NRB, effective July 1, 2011. This is a one-time reduction since the Department of Archaeology and Historic Preservation will occupy this space and merge with DNR on July 1, 2012.

**2. Increase Nursery Planting & Harvest** - Due to an ongoing increase in silviculture activity resulting from the stabilization of timber sales, the Silviculture Program is anticipated to increase its seedling purchases in the 2011-13 biennium. This will require additional work by the State Forest Nursery to provide the necessary stock. (State Forest Nursery Revolving Account-Nonappropriated)

**3. Increase Forest Road Maintenance** - The Department of Natural Resources' Roads Program maintains a road network of approximately 12,000 miles on department-managed lands. This ongoing increase will enable the program to stay on track to complete federally-mandated road maintenance and abandonment planning work by July 1, 2016. (Access Road Revolving Account-Nonappropriated)

## 2011-13 Omnibus Operating Budget Department of Natural Resources

**4. Shift Helicopter Funding** - In the 2010 supplemental operating budget, 50 percent of the funding for the Department of Natural Resources' fire suppression helicopter fleet was transferred to the nonappropriated Forest Fire Protection Assessment Account (FFPA) from the non-budgeted Natural Resources Equipment Account (NREA). Revenues in the FFPA are not sufficient to sustain this fund shift while carrying out forest fire prevention and preparedness activities. This ongoing funding shift back to the NREA will keep the FFPA Account balanced and maintain current levels of fire prevention and preparedness activities. (Forest Fire Prevention Assessment Account-Nonappropriated)

**5. Reduce Land Mgmt on Ag Trust Lands** - The amount of General Fund-State funding provided for deposit into the Agricultural College Trust Management Account (ACTMA) is reduced. Because the ACTMA receives all of its revenue from General Fund-State deposits, expenditure authority in the ACTMA is also reduced by an equal amount. This one-time reduction will lower land management activities on Agricultural College trust lands to a 2006 level. (General Fund-State, Agricultural College Trust Management Account-State)

**6. Reduce Natural Heritage Program** - General Fund-State support of the Natural Heritage Program is reduced on an ongoing basis. The program provides data used by a number of agencies, organizations, companies, and individuals for conservation planning, environmental review processes, and other information requests.

**7. Reduce Administrative Costs** - The Department of Natural Resources will, on a one-time basis, reduce non-emergency equipment purchases, manage vacancies to achieve savings, and reduce travel budgets throughout the agency.

**8. Incr Silviculture Burn Permit Fee** - RCW 70.94.6534 directs the Department of Natural Resources to charge a fee for silviculture burn permits that would raise revenue to a level necessary to cover the costs of the program. (General Fund-State, Air Pollution Control Account-State)

**9. Reduce Fire Control Costs** - On a one-time basis, the Department of Natural Resources will reduce discretionary fire training, freeze wages for exempt firefighters, and reorganize administrative support positions in its fire control program. An internal review of the Forest Fire Protection Assessment tax parcels will continue to remain suspended in the 2011-13 biennium.

**10. Maintain Adaptive Management Pgm** - The Forest Practices Adaptive Management Program uses science to determine if rules protect and restore water quality and aquatic habitat on working forestlands near Puget Sound and other fragile ecosystems across the state. The program recommends to the Forest Practices Board science-based rule adaptations as needed. This one-time federal appropriation will allow existing research projects to continue while the program secures long-term sustained funding. (General Fund-Federal)

**11. Absorb Unemployment Cost Increase** - In order to achieve General Fund-State savings in the 2011-13 biennium, the Department of Natural Resources will absorb increased unemployment costs as the result of fewer seasonal fire employees returning to work after the fire season. This one-time absorption will be managed as programs across the agency decrease spending, thereby decreasing administrative overhead costs.

**12. Administrative Consolidation** - Funding and FTEs are reduced to reflect the administrative consolidation defined in Sec 101 and 102 of the SB 5669.

**13. Executive Reductions** - Funding is reduced from the budget for executive administrative staff. This reduction represents 15 percent of the general fund-state appropriation and reflects the associated administrative reduction defined in Sec 101 and 102 of SB 5669

**14. FPA Fees** - Pursuant to SB 5862, the department shall recover fees related to the administrative costs of the forest practices approval permits (General Fund-State, Forest Practices Approval Account)

**15. Puget Sound Corps** - Funding and FTEs are transferred from the Department of Natural Resources' Washington Conservation Corps(WCC) to the DOE pursuant to Substitute House Bill 1294 (Puget Sound corps).

**16. Charge Fees for State Lands Access** - Pursuant to SB 5622 (Discover Washington Pass), DNR shall issues annual and day-use passes to recreational users of state lands. Revenues from the passes shall be deposited into the State Wildlife Account

**17. Reduce Regional Directors** - It is the intent of the legislature to reduce the number of regional directors for the natural resources agencies to no more than 4 per agency. This reduction reflects the reduction of two regional directors in the second fiscal year.

**2011-13 Omnibus Operating Budget**  
**Department of Agriculture**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	750.3	28,539	140,879
2011-13 Maintenance Level	758.3	33,309	151,372
<b>Policy Non-Comp Changes:</b>			
1. Reduce Knotweed Grants	0.0	-216	-216
2. Administrative Consolidation	-1.8	-139	-139
3. Executive Reduction	0.0	-63	-63
4. Reduce Weed Board Support	0.0	-170	-170
5. Eliminate GF - Weights and Measures	-2.0	-267	-267
Policy -- Non-Comp Total	-3.8	-855	-855
Total Policy Changes	-3.8	-855	-855
Total 2011-13 Biennium	754.5	32,454	150,517
Difference from 2009-11	4.2	3,915	9,638
% Change from 2009-11	0.6%	13.7%	6.8%

*Comments:*

**1. Reduce Knotweed Grants** - Funding is eliminated on a one-time basis for six knotweed projects, resulting in a negative effect on six different river and stream systems. Approximately 380 fewer acres of invasive knotweed will be controlled, representing about 40 percent of the current statewide workload.

**2. Administrative Consolidation** - Funding and FTEs are reduced to reflect the administrative consolidation defined in Sec 101 and 102 of the SB 5669.

**3. Executive Reduction** - Funding is reduced from the budget for executive administrative staff. This reduction represents 15 percent of the general fund-state appropriation and reflects the associated administrative reduction defined in Sec 101 and 102 of SB 5669

**4. Reduce Weed Board Support** - One of the State Weed Board's primary duties is to serve as a central hub of information, education, and outreach about non-native, invasive plants for county and district weed boards and the general public. The Board also provides a limited amount of pass-through funding to local government agencies to support on-the-ground projects to eradicate the state's most harmful noxious weeds. The amount of pass-through funding to counties is reduced by 50 percent, and board travel costs are eliminated on an ongoing basis.

**5. Eliminate GF - Weights and Measures** - This ongoing reduction eliminates two full-time inspector positions and suspends inspections related to price verification, including all retail scanner verification, packaging net contents, and accuracy of labeling for products sold to consumers. The Department will suspend efforts to respond to consumer complaints related to sales of firewood and mislabeling of packaged goods. Additionally, enforcement related to antifreeze requirements is eliminated.

**2011-13 Omnibus Operating Budget**  
**Washington State Patrol**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	545.9	75,036	138,963
2011-13 Maintenance Level	550.2	81,906	141,579
<b>Policy Non-Comp Changes:</b>			
1. Reduce Criminal Records Divis Staff	-7.5	-1,048	-1,048
2. Reduce Specialized Progs Staffing	-3.0	-607	-607
3. Reduce Elec Svcs and Risk Staffing	-4.0	-572	-572
4. Eliminate Natl Fire Reporting Staff	-1.0	-215	-215
5. Reduce Cadets at Executive Mansion	-3.0	-400	-400
6. Reduce SWAT and Meth Response	-1.5	-1,462	-1,462
7. Criminal History Record System	0.0	0	200
8. DNA Kits	0.0	936	1,064
9. Fire Training Academy Funding	0.0	0	345
10. Child Care Background Checks	0.0	0	59
11. Administrative Reduction	-3.0	-1,000	-1,000
12. Sell King Air airplanes	-5.0	-1,058	-1,058
13. Debt Service Payment	0.0	455	455
Policy -- Non-Comp Total	-28.0	-4,971	-4,239
Total Policy Changes	-28.0	-4,971	-4,239
Total 2011-13 Biennium	522.2	76,935	137,340
Difference from 2009-11	-23.7	1,899	-1,623
% Change from 2009-11	-4.3%	2.5%	-1.2%

*Comments:*

**1. Reduce Criminal Records Divis Staff** - The Criminal Records Division is reduced. This will result in fewer classes being provided to criminal justice agencies and longer wait times for identification and criminal history checks for law enforcement agencies.

**2. Reduce Specialized Progs Staffing** - Funding is reduced to reflect the elimination of the following three FTE and one contracted positions: one contracted detective from a local law enforcement agency paid for by the agency to staff the Missing and Exploited Children Task Force for a local jurisdiction; two office assistants in the Missing/Unidentified Persons Unit; and one detective in the High Tech Crimes Unit.

**3. Reduce Elec Svcs and Risk Staffing** - Funding is reduced to reflect the elimination of the following four positions: two FTE staff in the Electronic Services Division who provide network support for the A Central Computerized Enforcement Service System (ACCESS) Program; one FTE staff in the Electronic Services Division who provides procurement support; and one FTE staff in Risk Management that provides office support to the Electronic Services Division.

**4. Eliminate Natl Fire Reporting Staff** - Funding is reduced to reflect the elimination of the position that collects emergency response information from local fire agencies and enters it into a federal database. Funding remains for the Patrol to build infrastructure to make continued reporting possible.

**5. Reduce Cadets at Executive Mansion** - Funding is reduced to reflect the elimination of three FTE staff from a total of 12 cadets assigned to the Governor's Mansion.

## **2011-13 Omnibus Operating Budget Washington State Patrol**

**6. Reduce SWAT and Meth Response** - Funding is reduced for the Special Weapons and Tactics (SWAT) program and 1.5 FTE staff are reduced from the Methamphetamine Response program. This reduction to SWAT funds will be mitigated by subsidizing current SWAT operations using the State and Federal Seizure Accounts as available.

**7. Criminal History Record System** - Funding is provided for a feasibility study to replace the current criminal history record archive and retrieval system, created in the early 1970s, used to store and retrieve over 500,000 criminal history documents received annually. (Fingerprint Identification Account-State)

**8. DNA Kits** - Funding is provided for deoxyribonucleic acid (DNA) analysis kits for use by the Washington State Patrol's (WSP) Crime Laboratory to cover increased costs of kits and useage of DNA testing. (General Fund-State, County Criminal Justice Assistance Account-State, Municipal Criminal Justice Assistance Account-State)

**9. Fire Training Academy Funding** - Funding is provided for regular maintenance of the Fire Training Academy's roads and water system. (Fire Service Training Account-State)

**10. Child Care Background Checks** - Funding is provided for workload increases related to Second Substitute House Bill 1903 (child care background checks). This legislation assumes an increase in the number of individuals that will require fingerprinting in the 2011-13 biennium. (Fingerprint Identification Account)

**11. Administrative Reduction** - The administrative functions within the State Patrol are reduced by 10 percent.

**12. Sell King Air airplanes** - Funding is eliminated for the King Air airplanes. The State Patrol must sell off the airplanes by June 30, 2012.

**13. Debt Service Payment** - Funding is provided for the omnibus portion of debt service owed on Certificates of Participation (COPs) used to finance the deployment of computers in Patrol vehicles and to upgrade radio equipment to accomodate new FCC standards.



**2011-13 Omnibus Operating Budget**  
**Department of Licensing**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	278.7	2,960	56,239
2011-13 Maintenance Level	278.7	2,846	57,617
<b>Policy Non-Comp Changes:</b>			
1. Collection Agency Fee Increase	1.0	0	181
2. Collection Agencies Practices	0.0	0	8
3. Court Reporter Licensing	0.3	0	54
4. Administrative Reduction	0.0	-40	-40
5. Master License Program to DOR	-49.2	0	-16,143
Policy -- Non-Comp Total	-48.0	-40	-15,940
Total Policy Changes	-48.0	-40	-15,940
Total 2011-13 Biennium	230.7	2,806	41,677
Difference from 2009-11	-48.0	-154	-14,562
% Change from 2009-11	-17.2%	-5.2%	-25.9%

*Comments:*

**1. Collection Agency Fee Increase** - The DOL is authorized to increase fees in the Collection Agency Program for an additional FTE to reduce program backlog, manage the increased workload, and to conduct educational outreach to increase compliance. (Business and Professions Account-State)

**2. Collection Agencies Practices** - House Bill 1745 (collection agencies) expands the prohibited practices in the collection agency industry. Funding is provided to handle the anticipated increase in complaint cases as a result of the legislation. (Business and Professions Account-State)

**3. Court Reporter Licensing** - Substitute House Bill 1205 (court report licensing) requires court reporters and court reporting firms be licensed by the DOL. Funding is provided for information technology support, rulemaking, and staff needed for the DOL to implement and manage the 30 percent increase in workload as a result of the legislation. (Business and Professions Account-State)

**4. Administrative Reduction** - Savings will be achieved by continuing to implement administrative spending limits and controls on goods and services, travel, and other costs (General Fund-State).

**5. Master License Program to DOR** - Administration of and all powers, duties and functions related to the Master License Service is transferred from the DOL to the Department of Revenue. (Master License Account-State)

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**OSPI & Statewide Programs**  
 (Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	242.4	68,775	160,469
2011-13 Maintenance Level	243.4	61,660	148,061
<b>Policy Non-Comp Changes:</b>			
1. Bullying Prevention Workgroup	0.0	112	112
2. Kindergarten Readiness	0.0	900	900
3. Education Reforms	0.0	860	860
4. Apportionment System Development	0.0	-146	-146
5. State Board of Education Reduction	0.0	-190	-190
6. Reduce OSPI State Office Staffing	0.0	-2,167	-2,167
7. Online Learning Program Reduction	0.0	-140	-140
8. Finance Reform Reduction	0.0	-78	-78
9. Eliminate Skills Center Director	0.0	-196	-196
10. Eliminate Project Citizen	0.0	-50	-50
11. Eliminate HB 3026 Staffing	-1.0	-266	-266
12. K-20 Network Reduction	0.0	-349	-349
13. E-Certification	1.2	-855	-855
14. PESB Reduction	0.0	-134	-134
15. Alt Routes Reduction and Suspension	0.0	-3,184	-3,184
16. Eliminate Achievement Gap Cmte	-1.0	-200	-200
17. Jobs for America	0.0	-30	-30
18. Education Governance	2.7	-105	-105
19. Consolidated Health Benefits	0.0	1,900	1,900
20. Training (Non-Violence)	0.0	-10	-10
21. Financial Insolvency	0.0	166	166
22. Transfer School Safety Functions	0.0	-392	-392
23. Youth Suicide Prevention	0.0	140	140
24. Data System Reduction	0.0	-308	-308
25. Reduce Navigation 101	0.0	-624	-624
26. Eliminate Supp CTE Organizations	-1.0	-194	-194
27. Eliminate Special Services Pilot	0.0	-2,658	-2,658
28. Eliminate Building Bridges Staffing	0.0	-674	-674
29. Eliminate Dyslexia Pilot Program	0.0	-150	-150
30. Suspend Pre-Apprenticeship Grants	0.0	-350	-350
31. Teaching as a Profession Pilot	0.0	-150	-150
32. Reduce Mentoring of WA Achievers	0.0	-150	-150
Policy -- Non-Comp Total	0.9	-9,672	-9,672
Total Policy Changes	0.9	-9,672	-9,672
Total 2011-13 Biennium	244.2	51,988	138,389
Difference from 2009-11	1.9	-16,787	-22,080
% Change from 2009-11	0.8%	-24.4%	-13.8%

## 2011-13 Omnibus Operating Budget Public Schools OSPI & Statewide Programs

*Comments:*

**1. Bullying Prevention Workgroup** - Funding is provided for the implementation of Second Substitute House Bill 1163 (Bullying prevention), which requires the Office of the Superintendent of Public Instruction to convene a workgroup on school bullying and harassment prevention to develop, recommend, and implement strategies to improve the school climate and create respectful learning environments in public schools.

**2. Kindergarten Readiness** - Funding is provided for the implementation of Second Substitute House Bill 1510 (State-funded kindergarten), including the development and implementation of the Washington Kindergarten Inventory of Developing Skills (WaKIDS). Funding supports the development and implementation of the inventory, OSPI staffing for oversight of the program, and training of school district staff. The amount funded assumes the availability of private and federal resources to partially defray costs.

**3. Education Reforms** - Funding is provided for the implementation of Engrossed Second Substitute House Bill 1443 (Education reforms), including funding for the Compensation Working Group to analyze educator professional development and mentoring needs, strengthening the availability of data about transitional bilingual students on OSPI's online report card, development of administrative rules for the Highly Capable program by OSPI, and a study of the Learning Assistance Program funding by the Washington Institute for Public Policy. Funding is specifically provided for allocation to school districts to pay for the cost of adopting new board policies regarding the definition of high school credit.

**4. Apportionment System Development** - Funding for the development of the pupil transportation and general apportionment school finance systems required by the enactment of Chapter 236, Laws of 2010 PV (SHB 2776) is reduced.

**5. State Board of Education Reduction** - The State Board of Education's operating budget is reduced by 10 percent.

**6. Reduce OSPI State Office Staffing** - The Office of the Superintendent of Public Instruction's (OSPI) operating budget is reduced by 14 percent.

**7. Online Learning Program Reduction** - OSPI staffing and expenses related to online learning programs are reduced by 10 percent.

**8. Finance Reform Reduction** - The OSPI's administrative budget contains funding for research, development, and implementation of a new K-12 funding system as required in Chapter 548, Laws of 2009 PV (ESHB 2261). Funding for these functions is reduced by 10 percent.

**9. Eliminate Skills Center Director** - The position of Skills Center Director at OSPI is eliminated.

**10. Eliminate Project Citizen** - OSPI provides funding for Project Citizen, a program presented by the National Conference of State Legislatures and the Center for Civic Education to promote participation in government by middle-school students. Funding for this program is eliminated.

**11. Eliminate HB 3026 Staffing** - Agency staffing was increased in the 2010 Supplemental Budget for monitoring, training, and school district compliance reviews with civil rights laws associated with Chapter 240, Laws of 2010, regarding Civil Rights Enforcement. This funding is eliminated.

**12. K-20 Network Reduction** - The K-20 Network provides internet, data processing, and video-conferencing capacity to school districts and state offices. State funding support for the K-20 Network at OSPI is reduced by 10 percent.

**13. E-Certification** - A new administrative fee of \$33 is applied to all current teacher certification fees, effective July 1, 2012, to be deposited into the newly-created Educator Certification Processing Fund. Funding from the new fee will be used to implement a web-based, centralized educator licensure/certification system. In Fiscal Year 2013, 12.5 FTE certification staff will be transferred from the General Fund to the new account, saving the General Fund \$855,000. (General Fund-State, Educator Certification Processing Fund-State)

**14. PESB Reduction** - The Professional Educator Standards Board (PESB) operating budget is reduced by 10 percent.

## 2011-13 Omnibus Operating Budget Public Schools OSPI & Statewide Programs

**15. Alt Routes Reduction and Suspension** - Alternative certification routes are teacher-training programs that serve as different options to traditional teacher preparation programs. Funding is reduced to reflect changes in demand for new teachers. Funding levels will support continuation of scholarships for existing teacher candidates.

**16. Eliminate Achievement Gap Cmte** - Funding to support the work of the Achievement Gap Committee is eliminated.

**17. Jobs for America** - Jobs for America's Graduates is a dropout prevention program at OSPI, started in Fiscal Year 2011. Funding for the program is reduced by 10 percent.

**18. Education Governance** - Administrative funding reductions represent the net savings from implementation of Substitute Senate Bill 5639 (Education governance). The substitute bill transfers the functions of the Office of the Education Ombudsman (OEO) to the new Department of Education. Currently, the OEO, housed in the Governor's Office, has 6.4 budgeted full-time equivalent (FTE) employees. It is anticipated that efficiencies resulting from consolidation will enable staffing for this function to be reduced by a minimum of one FTE.

**19. Consolidated Health Benefits** - Funding is provided to OSPI for interagency agreements with the Washington State Health Care Authority, the Office of the Insurance Commissioner, and the Office of Financial Management to begin implementation of reforms to K-12 health benefits' purchasing. Beginning with school year 2012-13, a consolidated statewide purchasing program for public schools will be available on a voluntary basis in accordance with Senate Bill ..... Planning for implementation, convening the transition group, creating the infrastructure for the new system, and developing recommendations to the Legislature for final implementation will take place during the summer of 2011 and the 2011-12 school year. Implementation costs will be offset in Fiscal Year 2013 through initial net savings in health benefits allocations.

**20. Training (Non-Violence)** - Funding for non-violence leadership training is reduced by 10 percent.

**21. Financial Insolvency** - Funding is provided for the implementation of Substitute House Bill 1431 (School district insolvency), as amended by the Senate Ways and Means Committee. Funding is provided to OSPI to convene a workgroup with the Educational Service Districts to conduct an analysis and submit a report with recommendations for a clear legal framework and process for dissolution of a school district. The funding covers convening the group and consultant costs.

**22. Transfer School Safety Functions** - School safety functions, including school safety training funds, are transferred to the Criminal Justice Training Commission.

**24. Data System Reduction** - Funding for the K-12 data governance group, and ongoing implementation of a comprehensive data system that includes financial, student, and educator data is reduced by 25 percent.

**25. Reduce Navigation 101** - Navigation 101 provides implementation grants to districts for guidance and career counseling programs in secondary schools. Funding for this program is reduced by 10 percent.

**26. Eliminate Supp CTE Organizations** - The OSPI provides financial support to assist student Career and Technical Education organizations. Funding for support of these organizations is eliminated.

**27. Eliminate Special Services Pilot** - Seven districts participate in the Special Services Pilot Program. The program aims to reduce the number of students inappropriately referred to and placed in special education and increase early identification of students struggling academically. The program expires June 2011. Funding is eliminated in the 2011-13 biennium.

**28. Eliminate Building Bridges Staffing** - OSPI staffing for the implementation of the Building Bridges comprehensive dropout prevention, intervention, and retrieval program is eliminated.

**29. Eliminate Dyslexia Pilot Program** - The Dyslexia Pilot Program provides regional training through the Educational Service Districts for classroom teachers and reading specialists to improve reading skills of students diagnosed with dyslexia. Funding for the pilot is eliminated.

**30. Suspend Pre-Apprenticeship Grants** - Running Start for the Trades are pre-apprenticeship grants offering incentive awards of up to \$10,000 to districts to develop pre-apprenticeship programs in the trades and crafts, and to recruit students into the programs. Funding for these grants is eliminated.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**OSPI & Statewide Programs**

**31. Teaching as a Profession Pilot** - OSPI contracts with the Latino/a Educational Achievement project to identify and mentor bilingual students to become interested in the teaching profession. Due to the decrease in demand for new teachers, funding for this program is eliminated.

**32. Reduce Mentoring of WA Achievers** - Funding for the mentoring of Washington Achievers Scholars is reduced by 10 percent. This funding leverages private funding for the recruitment, training, and matching of volunteer mentors with students selected as Washington Achievers Scholars. The mentoring is provided to low-income high school students in their junior and senior years of high school and into their freshman year of college.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**General Apportionment**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	10,285,778	10,285,778
2011-13 Maintenance Level	0.0	10,837,306	10,837,306
<b>Policy Non-Comp Changes:</b>			
1. ALE Funding Adjustment	0.0	-25,816	-25,816
2. Prior School Year Adjustments	0.0	-20,650	-20,650
3. Eliminate K-4 Class Size Reduction	0.0	-163,250	-163,250
4. June 2011 Apportionment	0.0	253,000	253,000
5. June Contingency Repayment	0.0	-13,000	-13,000
6. Reduce Extended Day Skill Center	0.0	-98	-98
7. Eliminate MSOC from K-4 CSR	0.0	-24,194	-24,194
8. Repayment of Contingency Pool	0.0	-2,500	-2,500
9. Implement New Funding Formula	0.0	41,500	41,500
10. Running Start	0.0	-5,854	-5,854
11. K-3 Class Size in High Pov Schools	0.0	64,330	64,330
12. Summer Skills Ctr Programs	0.0	-4,770	-4,770
13. K-12 Salary Reduction	0.0	-214,948	-214,948
14. Salary Reduction Pool	0.0	10,000	10,000
Policy -- Non-Comp Total	0.0	-106,250	-106,250
Total Policy Changes	0.0	-106,250	-106,250
Total 2011-13 Biennium	0.0	10,731,056	10,731,056
Difference from 2009-11	0.0	445,278	445,278
% Change from 2009-11	0.0%	4.3%	4.3%

*Comments:*

**1. ALE Funding Adjustment** - Per pupil funding for students participating in Alternative Learning Experience (ALE) programs, such as online learning and parent partnership programs, is prorated by a factor of 90 percent (10 percent reduction). Under current law, ALE students are funded at the same general apportionment rate as students in a traditional bricks and mortar program, although program operations' costs and components differ.

**2. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget Chapter 5, Laws of 2011 (ESHB 1086 PV) for July and August of 2011, the last two months of the 2010-11 school year. School districts budget on a school year basis, while the state budgets on a fiscal year basis. As a result, two months of the prior school year are paid for in FY 2012. The savings in the General Apportionment program are from the elimination of the K-4 class size enhancement for the latter part of the 2010-11 school year.

**3. Eliminate K-4 Class Size Reduction** - Funding for Kindergarten through Grade 4 class size reduction is eliminated for the 2011-12 and 2012-13 school years. The formula for allocating funding to districts is adjusted to reflect the following increases in average class sizes: grades Kindergarten through Grade 3 will become 25.23, up from 23.11; Grade 4 will become 27, up from 26.15. This reflects minimum statutory funding levels in grades K-4 for general education students.

## 2011-13 Omnibus Operating Budget Public Schools General Apportionment

**4. June 2011 Apportionment** - The 2011-13 operating budget shifts \$253 million of the June 2011 apportionment payments to school districts from the last business day of June 2011 to the first business day of July 2011. This increases costs for FY 2012 and reduces costs for FY 2011.

**5. June Contingency Repayment** - The 2011-13 operating budget shifts \$253 million of the June 2011 apportionment payments to school districts from the last business day of June 2011 to the first business day of July 2011. The 2011 supplemental budget provides a June financial contingency fund for districts which meet specific financial hardship criteria resulting from the June 2011 apportionment shift. The 2011-13 biennial budget assumes repayment of this funding during FY 2012.

**6. Reduce Extended Day Skill Center** - The Extended Day Skills Center Program provides support services to skills center students at risk of dropping out of school. Funding for this service is reduced by 10 percent for the 2011-13 biennium.

**7. Eliminate MSOC from K-4 CSR** - The new K-12 funding formula adopted pursuant to Chapter 236, Laws of 2010 PV (SHB 2776) changed the allocation methodology for non-salary related items. In the prior formula, funding was allocated on a per certificated staff unit basis. Beginning September 1, 2011, non-salary funding is allocated on a per student basis. As a result of the conversion to the new funding formula, a portion of the funding for maintenance, supplies, and operating costs (MSOC) is considered an enhancement to basic education because it was previously allocated on the basis of non-basic education staff units. Therefore, funding is adjusted to eliminate that portion of MSOC funding for the 2011-12 and 2012-13 school years which is an enhancement above levels required by statute.

**8. Repayment of Contingency Pool** - The 2011 supplemental budget provides funding for a financial contingency fund for districts that meet specific financial hardship criteria. The 2011-13 biennial budget assumes repayment of this funding during FY 2012.

**9. Implement New Funding Formula** - Chapter 236, Laws of 2010 PV (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, the Learning Assistance Program, the Highly Capable Program, and the Transitional Bilingual Program. Funding is provided to hold districts harmless to per-student funding amounts which existed prior to the formula conversion. Districts are held harmless in total across the impacted programs for the 2011-12 and 2012-13 school years.

**10. Running Start** - Running Start is a dual-credit program which allows high school juniors and seniors to attend class at participating community colleges and other institutions of higher education, and earn high school and post-secondary credits simultaneously. The enrollment and funding rules for the Running Start Program are adjusted to establish a combined enrollment cap of 1.2 FTE. Currently, students can participate in running start programs up to a combined enrollment cap of 2.0 FTE, allowing full-time enrollment in running start programs, as well as full-time high school enrollment. The savings amount assumes an overall enrollment reduction of 680 student FTEs per year.

**11. K-3 Class Size in High Pov Schools** - Funding is adjusted to restore and enhance funding for lower class sizes in grades K-3 in high-poverty schools. Item G0 in this section eliminates all funding for K-4 class size enhancements, which is an extension of a budget reduction enacted in the December, 2010, second special session. This item restores funding for schools which have free- or reduced-price lunch eligible student populations exceeding 50 percent, based on a three-year rolling average of enrollment. The funding amount assumes class sizes of 22.76 full-time equivalent students per teacher in eligible schools, grades K-3. The maximum class size under the definition of basic education for grades K-3 is 25.23 FTE students per teacher.

**12. Summer Skills Ctr Programs** - Funding is adjusted to reflect a cap of 1.6 FTE on skill center enrollment, including summer skill center programs. Previously, the budget has funded summer programs in excess of this 1.6 FTE cap through a dedicated proviso in the general apportionment budget. The dedicated funding proviso is discontinued. Of the amount reduced for this item, about \$500,000 per year reflects the actual reduction in services due to the 1.6 FTE cap, while the remaining amount is shifted to caseload costs incurred through the maintenance level budget process.

**13. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff. A \$10 million salary reduction mitigation pool is established in OSPI for distribution to public school employees earning an annual base salary, not including benefits, of less than or equal to \$30,000 per full-time equivalent staff. The \$10 million is to be distributed to proportionately restore state-funded base earnings, up to a maximum of \$900 per year per full-time equivalent staff.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**General Apportionment**

**14. Salary Reduction Pool** - Item SOH, K-12 Salary Reduction, decreases all K-12 employee state salary allocations by 3 percent. A \$10 million salary reduction mitigation pool is established in OSPI for distribution to public school employees earning an annual base salary, not including benefits, of less than or equal to \$30,000 per full-time equivalent staff. The \$10 million is to be distributed to proportionately restore state-funded base earnings, up to a maximum of \$900 per year per full-time equivalent staff.



**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Pupil Transportation**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	613,863	613,863
2011-13 Maintenance Level	0.0	648,519	648,519
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	344	344
2. Transportation Coordinators	0.0	-1,586	-1,586
3. Revise Bus Depreciation Formula	0.0	-91,880	-91,880
4. Implement Expected Cost Model Formu	0.0	5,000	5,000
Policy -- Non-Comp Total	0.0	-88,122	-88,122
Total Policy Changes	0.0	-88,122	-88,122
Total 2011-13 Biennium	0.0	560,397	560,397
Difference from 2009-11	0.0	-53,466	-53,466
% Change from 2009-11	0.0%	-8.7%	-8.7%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect prior school year adjustments that affect the months of July and August of 2011, the last two months of the 2010-11 school year. School districts budget on a school year basis, while the state budgets on a fiscal year basis. As a result, two months of the prior school year are paid for in FY 2012.

**2. Transportation Coordinators** - OSPI provides regions with transportation coordinators to provide technical assistance to districts for transportation-related reporting, training, procurement, and operations. Funding is eliminated for regional transportation coordinators and replaced with one centralized staff person to provide technical assistance.

**4. Implement Expected Cost Model Formu** - Chapter 236, Laws of 2010 (SHB 2776) implements a new state formula to allocate funding to districts for pupil transportation to and from school. Pupil transportation allocations are converted to the new formula, and base funding levels are enhanced.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**School Food Services**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	6,318	543,318
2011-13 Maintenance Level	0.0	6,318	589,318
<b>Policy Non-Comp Changes:</b>			
1. Transfer Food Service Programs	0.0	13,904	13,904
2. Reduce Food Service Funding	0.0	-6,318	-6,318
Policy -- Non-Comp Total	0.0	7,586	7,586
Total Policy Changes	0.0	7,586	7,586
Total 2011-13 Biennium	0.0	13,904	596,904
Difference from 2009-11	0.0	7,586	53,586
% Change from 2009-11	0.0%	120.1%	9.9%

*Comments:*

**1. Transfer Food Service Programs** - Funding for food service programs in the education reform budget is transferred to the school food services budget for the purpose of meeting federal match requirements under the National School Lunch Program. This item is a continuation of the policy enacted in Chapter 5, Laws of 2011 PV (ESHB 1086).

**2. Reduce Food Service Funding** - State matching funds for the National School Lunch Program program are eliminated. School food service programs in the education reform budget are transferred to the School Food Services budget for the purpose of meeting federal match requirements. This item is a continuation of the policy enacted in Chapter 5, Laws of 2011 PV (ESHB 1086).

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Special Education**  
 (Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	2.0	1,283,748	1,948,349
2011-13 Maintenance Level	2.0	1,392,603	2,084,399
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	-29	-29
2. K-12 Salary Reduction	0.0	-28,092	-28,092
3. School Based Medicaid Elimination	0.0	1,097	1,097
Policy -- Non-Comp Total	0.0	-27,024	-27,024
Total Policy Changes	0.0	-27,024	-27,024
Total 2011-13 Biennium	2.0	1,365,579	2,057,375
Difference from 2009-11	0.0	81,831	109,026
% Change from 2009-11	0.0%	6.4%	5.6%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts fiscal year 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget (ESHB 1086, Chapter 5, Laws of 2011) for July and August of 2011, the last two months of the 2010-11 school year. The funding adjustment in the special education budget reflects the elimination of the K-4 class size enhancement for the latter part of the 2010-11 school year.

**2. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff.

**3. School Based Medicaid Elimination** - The 2011-13 operating budget creates an intergovernmental transfer program for School-Based Medicaid services that uses school district funds to match federal funding. Because school districts must now pay the state share for these services, it is anticipated that school district claims for safety net support for eligible special education services formerly funded by Medicaid will increase for the 2011-13 biennium.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Educational Service Districts**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	16,713	16,713
2011-13 Maintenance Level	0.0	17,401	17,401
<b>Policy Non-Comp Changes:</b>			
1. K-12 Salary Reduction	0.0	-377	-377
2. Reduce Math/Science Prof. Dev.	0.0	-3,600	-3,600
Policy -- Non-Comp Total	0.0	-3,977	-3,977
Total Policy Changes	0.0	-3,977	-3,977
Total 2011-13 Biennium	0.0	13,424	13,424
Difference from 2009-11	0.0	-3,289	-3,289
% Change from 2009-11	0.0%	-19.7%	-19.7%

*Comments:*

**1. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff.

**2. Reduce Math/Science Prof. Dev.** - In the 2007-09 biennium, funding was provided for regional mathematics and science coordinators in each of the nine Educational Service Districts to provide training, technical assistance, and professional support. Funding for these professional development services is eliminated.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Levy Equalization**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	380,052	537,095
2011-13 Maintenance Level	0.0	611,782	611,782
Total 2011-13 Biennium	0.0	611,782	611,782
Difference from 2009-11	0.0	231,730	74,687
% Change from 2009-11	0.0%	61.0%	13.9%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Elementary/Secondary School Improv**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	43,886
2011-13 Maintenance Level	0.0	0	7,352
Total 2011-13 Biennium	0.0	0	7,352
Difference from 2009-11	0.0	0	-36,534
% Change from 2009-11	0.0%	0.0%	-83.3%

*Comments:*

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Institutional Education**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	37,065	37,065
2011-13 Maintenance Level	0.0	33,787	33,787
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	17	17
2. K-12 Salary Reduction	0.0	-679	-679
Policy -- Non-Comp Total	0.0	-662	-662
Total Policy Changes	0.0	-662	-662
Total 2011-13 Biennium	0.0	33,125	33,125
Difference from 2009-11	0.0	-3,940	-3,940
% Change from 2009-11	0.0%	-10.6%	-10.6%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget Chapter 5, Laws of 2011 (ESHB 1086 PV) for July and August of 2011, the last two months of the 2010-11 school year.

**2. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff. This reduction applies to K-12 employee salary allocations for institutional education.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Ed of Highly Capable Students**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	18,377	18,377
2011-13 Maintenance Level	0.0	18,700	18,700
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	-4	-4
2. Eliminate WA Imagination Network	0.0	-180	-180
3. Centrum	0.0	-170	-170
4. Running Start	0.0	-10	-10
5. K-12 Salary Reduction	0.0	-631	-631
Policy -- Non-Comp Total	0.0	-995	-995
Total Policy Changes	0.0	-995	-995
Total 2011-13 Biennium	0.0	17,705	17,705
Difference from 2009-11	0.0	-672	-672
% Change from 2009-11	0.0%	-3.7%	-3.7%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget Chapter 5, Laws of 2011 (ESHB 1086 PV) for July and August of 2011, the last two months of the 2010-11 school year.

**2. Eliminate WA Imagination Network** - Funding for the Washington Imagination Network is eliminated. OSPI contracts with the Washington Imagination Network to provide Destination Imagination and Future Problem Solving programs to students across the state and professional development to their teachers and coaches.

**3. Centrum** - Funding for the Centrum program is reduced by 50 percent. OSPI contracts with Centrum to develop, implement, and administer the Experiences in Creativity program, which provides opportunities in the arts and sciences for highly capable students and the educators who serve them.

**4. Running Start** - Running Start is a dual-credit program which allows high school juniors and seniors to attend class at participating community colleges and other institutions of higher education, and earn high school and post-secondary credits simultaneously. The enrollment and funding rules for the Running Start Program are adjusted to establish a combined enrollment cap of 1.2 FTE. Because funding for the highly capable program is driven off of total enrollment, there is a small impact to highly capable program funding.

**5. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff and applies to the highly capable program.



**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Student Achievement Program**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	25,749	226,044
2011-13 Maintenance Level	0.0	860,716	860,716
<b>Policy Non-Comp Changes:</b>			
1. Suspend I-728	0.0	-860,716	-860,716
Policy -- Non-Comp Total	0.0	-860,716	-860,716
Total Policy Changes	0.0	-860,716	-860,716
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	0.0	-25,749	-226,044
% Change from 2009-11	0.0%	-100.0%	-100.0%

*Comments:*

**1. Suspend I-728** - Initiative 728 allocations to school districts are suspended for the 2011-13 biennium. Initiative 728, approved by voters in 2000 and later amended by the Legislature, allocates a per-student dollar amount to districts to be used for class size reduction, extended learning opportunities, early learning programs, or professional development. If not suspended, per-student allocations would have been approximately \$477 per student for the 2011-12 school year and \$484 per student for the 2012-13 school year.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Education Reform**  
 (Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2009-11 Estimated Expenditures	53.5	295,836	449,424
2011-13 Maintenance Level	53.5	381,599	485,928
<b>Policy Non-Comp Changes:</b>			
1. Reduce LASER/Pacific Science Center	0.0	-390	-390
2. Eliminate Focused Assistance	0.0	-3,046	-3,046
3. Eliminate CISL	0.0	-450	-450
4. Teacher and Principal Evaluations	0.0	3,000	3,000
5. Eliminate Reading Corps	0.0	-2,112	-2,112
6. Reduce Ed. Tech. Supt. Ctrs	0.0	-1,959	-1,959
7. Full Day Kindergarten Adjustment	0.0	-9,746	-9,746
8. Transfer Food Service Programs	0.0	-13,904	-13,904
9. Local Farms Healthy Kids Program	0.0	-600	-600
10. Math/Science Prof Development	0.0	-3,860	-3,860
11. IT Academy	0.0	4,000	4,000
12. National Board Bonus Adjustments	0.0	-74,083	-74,083
13. Pmt. For Scorable COE	0.0	-988	-988
14. Readiness to Learn	0.0	-719	-719
15. BEST Program	0.0	-400	-400
16. CTE Start-up Grants & Robotics	0.0	130	130
17. Leadership Academy	0.0	-180	-180
18. Superintendent/Principal Internship	0.0	-106	-106
19. Mid/High Sch. Applied STEM Grants	0.0	-28	-28
20. STEM Lighthouses	0.0	-30	-30
21. Math Assess. End of Course Change	0.0	-12,966	-12,966
22. Technology Director	0.0	-250	-250
23. Graduation Requirement Changes	0.0	-10,751	-10,751
24. Suspend Development Diag. Assessmen	0.0	-4,400	-4,400
25. Assessment Staff Reduction	0.0	-1,430	-1,430
26. COE Payment Reduction	0.0	-7,383	-7,383
27. Renew Current Contracts	0.0	-6,429	-6,429
28. Restructure Collection of Evidence	0.0	-7,578	-7,578
Policy -- Non-Comp Total	0.0	-156,658	-156,658
Total Policy Changes	0.0	-156,658	-156,658
Total 2011-13 Biennium	53.5	224,941	329,270
Difference from 2009-11	0.0	-70,895	-120,154
% Change from 2009-11	0.0%	-24.0%	-26.7%

## 2011-13 Omnibus Operating Budget

### Public Schools Education Reform

*Comments:*

**1. Reduce LASER/Pacific Science Center** - The Leadership and Assistance for Science Education Reform (LASER) program is a statewide project to implement a hands-on science curriculum through ten regional school district alliances. Funding for this program is reduced by 50 percent.

**2. Eliminate Focused Assistance** - The Focused Assistance program provides technical assistance to schools and school districts struggling to meet adequate yearly progress benchmarks established by the federal government and that do not qualify for Title I federal funds for this purpose. Funding for this service is eliminated.

**3. Eliminate CISL** - The Center for the Improvement of Student Learning (CISL) provides outreach to districts and communities to improve student outcomes, by serving as a clearinghouse for best practices and identifying strategies to improve the success of certain ethnic and racial student groups. Funding for CISL is eliminated.

**4. Teacher and Principal Evaluations** - Funding is provided to increase the number of school districts participating on a pilot basis to help develop and implement improved teacher and principal evaluation systems under reforms initiated in Chapter 235, Laws of 2010 (E2SSB 6696).

**5. Eliminate Reading Corps** - The Reading Corps program provides grants to schools with low reading scores to increase student tutoring through the use of AmeriCorps and VISTA members. Funding for the grants is eliminated. This item is a continuation of the policy enacted in Chapter 5, Laws of 2011 PV (ESHB 1086).

**6. Reduce Ed. Tech. Supt. Ctrs** - Education Technology Support Centers are funds directed to the Educational Service Districts who in turn provide school districts with assistance in technology planning, network development, cost-benefit analysis, and professional development. Funding for this service is reduced by 50 percent.

**7. Full Day Kindergarten Adjustment** - Funding for the full-day Kindergarten Program is reduced to reflect changes made to the K-12 budget such as eliminating funds for K-4 class size reduction; reducing K-12 salaries by 3 percent; and suspending the I-732 COLA. (Education Legacy Trust Account-State)

**8. Transfer Food Service Programs** - Funding for food service programs in the education reform budget are transferred to the school food services budget for the purpose of meeting federal match requirements under the National School Lunch Program. This item is a continuation of the policy enacted in Substitute House Bill 1086, the 2011 supplemental operating budget.

**9. Local Farms Healthy Kids Program** - Funding is eliminated for the Local Farms & Healthy Kids Program, which provides funding for schools to purchase fruits and vegetables to offer students as a school day snack.

**10. Math/Science Prof Development** - Funding for grants to 17 school districts for math and science professional development coaches is discontinued in the education reform budget.

**11. IT Academy** - Funding is provided for the Microsoft Information Technology (IT) Academy Program, which provides free educational software, as well as IT certification and software training opportunities for students and staff in public schools. The funding amount represents state match of \$1 million per year for training and \$1 million per year for IT certification for students and staff.

**12. National Board Bonus Adjustments** - Beginning with school year 2011-12, teachers certified by the National Board for Professional Teacher Standards (NBPTS) will receive annual bonuses of \$5,090 per teacher for a maximum of three total years from the time of certification. The additional annual bonus of \$5,000 for National Board certified teachers who teach in a school defined as challenging is limited to a three year total as well. Additionally, beginning in the 2011-12 school year, both bonuses will be paid in July of each school year.

**13. Pmt. For Scorable COE** - Currently, payments for collections of evidence are made based on submittal. Funding is adjusted to reflect payments for submittals that meet all criteria to be scored.

**14. Readiness to Learn** - The Readiness to Learn program provides grants to school and community consortia to support students and families with the goal of ensuring that all children are able to attend school prepared to learn. Funding for the grants is reduced by 10 percent.

## 2011-13 Omnibus Operating Budget Public Schools Education Reform

**15. BEST Program** - The Beginning Educator Support Team (B.E.S.T) program provides early career educators with mentorship and support. Funding for this service is reduced by 10 percent.

**16. CTE Start-up Grants & Robotics** - Career and Technical Education (CTE) Start-Up grants provide funding to middle schools, high schools, or skills centers to upgrade high-demand career and technical education programs. FIRST Robotics is a national program, funded through a combination of public and private sources, that is oriented to science, technology, engineering, and mathematics. Within the funding provided for CTE start-up grants, is \$600,000 for the FIRST Robotics program, contingent on availability of private matching funds.

**17. Leadership Academy** - The Leadership Academy supports professional development and training for school administrators. Funding for this service is reduced by 10 percent.

**18. Superintendent/Principal Internship** - Funding for internships for principals, superintendents, and program administrators completing certification programs is reduced by 10 percent.

**19. Mid/High Sch. Applied STEM Grants** - OSPI currently staffs coordination and promotion of integrated science, technology, engineering, and math programs. Twenty teachers currently receive grants of \$2,500 for summer training to implement programs in schools. Funding for this program is reduced by 10 percent.

**20. STEM Lighthouses** - The Science, Technology, Engineering, and Math (STEM) Lighthouses are three districts that practice best practices in the STEM subjects and provide technical assistance to other districts. Funding for this program is reduced by 10 percent.

**21. Math Assess. End of Course Change** - House Bill 1412 Allows students in the graduating classes of 2013 and 2014 to meet the state standard in high school mathematics for purposes of graduation using the results from one end-of-course assessment rather than two. Savings are adjusting for reductions taken elsewhere in the budget for collections-of-evidence cost containment steps.

**22. Technology Director** - Funding for the position of OSPI technology director is eliminated.

**23. Graduation Requirement Changes** - The Senate budget assumes savings related to changes in the science end-of-course (EOC) assessment requirements. Students in the graduating classes of 2013 through 2016 may graduate without passing the science High School Proficiency Exam (HSPE) by passing one additional science class. Savings are related to lower collections-of-evidence costs, adjusted for cost containment steps in this area assumed elsewhere in the budget.

**24. Suspend Development Diag. Assessmen** - Funding for the development of diagnostic assessments is suspended due to Washington State joining the SMARTER Balanced Assessment Consortium. The consortium involves 30 states that will collaboratively develop an assessment system to include summative and formative exams, as well as informal assessments teachers will be able to use to diagnose student performance. (Education Legacy Trust Account-State)

**25. Assessment Staff Reduction** - Funding for assessment program staffing is reduced by 10 percent for the 2011-13 biennium.

**26. COE Payment Reduction** - The Collection of Evidence (COE) assessment is an alternative assessment for the high school graduation program. Districts currently receive a payment of \$300 per COE submitted for grading. Funding is adjusted based on an assumed payment rate of \$200 per COE.

**27. Renew Current Contracts** - The budget provides savings through the execution of renewal clause options on state contracts for student assessments. Savings result from reduced costs for rebidding contracts and potential contract cost increases.

**28. Restructure Collection of Evidence** - The OSPI contracts for collection of evidence (COE) grading. The OSPI is directed to restructure the COE assessment and renegotiate the grading contract to achieve savings. This reduction assumes an average per-unit grading cost of \$200 per COE.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Transitional Bilingual Instruction**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	154,091	219,354
2011-13 Maintenance Level	0.0	180,526	251,527
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	-36	-36
2. K-12 Salary Reduction	0.0	-4,327	-4,327
3. Bilingual Formula Restructure	0.0	-284	-284
Policy -- Non-Comp Total	0.0	-4,647	-4,647
Total Policy Changes	0.0	-4,647	-4,647
Total 2011-13 Biennium	0.0	175,879	246,880
Difference from 2009-11	0.0	21,788	27,526
% Change from 2009-11	0.0%	14.1%	12.6%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget Chapter 5, Laws of 2011 (ESHB 1086 PV) for July and August of 2011, the last two months of the 2010-11 school year.

**2. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff and applies to the transitional bilingual program.

**3. Bilingual Formula Restructure** - A revised funding model for the transitional bilingual program will be established, effective September 1, 2012. Allocations will be scaled to provide more support to students with beginning levels of English language proficiency who require more intensive intervention, and less support to more proficient students. Additionally, the funding model will provide up to two years of bonus funding upon successful exit from the bilingual program to facilitate successful transition to a standard program of education. A statewide method of measuring level of proficiency will be established prior to September 2012 to create consistent placement across districts. Bonus payments for up to two school years following successful exit from the transitional bilingual program will be allocated to the exiting school district. If the student graduates or transfers to another district prior to the district receiving both years' bonuses, the district shall receive the bonus for only the length of time the student remains enrolled in the exiting district. It is expected that total state funding for the program will remain constant, with the differentials designed to provide additional support to least proficient students, encourage successful exit, and support the transition to other educational programs. Savings in school year 2012-13 are calculated by assuming every student will be tested for proficiency each year and historical exit rates will apply.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Learning Assistance Program (LAP)**  
 (Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	262,157	816,082
2011-13 Maintenance Level	0.0	263,265	844,472
<b>Policy Non-Comp Changes:</b>			
1. Prior School Year Adjustments	0.0	-84	-84
2. K-12 Salary Reduction	0.0	-6,190	-6,190
Policy -- Non-Comp Total	0.0	-6,274	-6,274
Total Policy Changes	0.0	-6,274	-6,274
Total 2011-13 Biennium	0.0	256,991	838,198
Difference from 2009-11	0.0	-5,166	22,116
% Change from 2009-11	0.0%	-2.0%	2.7%

*Comments:*

**1. Prior School Year Adjustments** - This item adjusts FY 2012 funding levels to reflect the continuation of policies adopted in the 2011 supplemental budget Chapter 5, Laws of 2011 (ESHB 1086 PV) for July and August of 2011, the last two months of the 2010-11 school year.

**2. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff and applies to the learning assistance program.

**2011-13 Omnibus Operating Budget**  
**Public Schools**  
**Compensation Adjustments**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	-6,220	-6,221
2011-13 Maintenance Level	0.0	285,763	285,765
<b>Policy Non-Comp Changes:</b>			
1. Eliminate K-4 Class Size Reduction	0.0	-4,426	-4,426
2. Running Start	0.0	-140	-140
3. National Board Bonus Adjustments	0.0	-1,744	-1,744
4. K-12 Salary Reduction	0.0	-8,287	-8,287
5. Consolidated Health Benefits	0.0	-2,434	-2,434
Policy -- Non-Comp Total	0.0	-17,031	-17,031
<b>Policy Comp Changes:</b>			
6. Suspend I-732 COLA	0.0	-260,081	-260,081
Policy -- Comp Total	0.0	-260,081	-260,081
Total Policy Changes	0.0	-277,112	-277,112
Total 2011-13 Biennium	0.0	8,651	8,653
Difference from 2009-11	0.0	14,871	14,874
% Change from 2009-11	0.0%	-239.1%	-239.1%

*Comments:*

**1. Eliminate K-4 Class Size Reduction** - Funding for Kindergarten through Grade 4 class size reduction is eliminated for the 2011-12 and 2012-13 school years, resulting in adjustments to compensation.

**2. Running Start** - Enrollment and funding rules for the Running Start Program are adjusted to establish a combined enrollment cap of 1.2 FTE. Currently, students can participate in running start programs up to a combined enrollment cap of 2.0 FTE. The change results in adjustments to related employee compensation costs.

**3. National Board Bonus Adjustments** - Changes to the National Board bonus program assumed in the Senate budget result in associated adjustments to compensation costs.

**4. K-12 Salary Reduction** - Salaries for K-12 employees are reduced by three percent as of September 1, 2011. The reduction applies to certificated instructional staff, certificated administrative staff, and classified staff and results in adjustments to compensation costs.

**5. Consolidated Health Benefits** - Beginning with school year 2012-13, a consolidated statewide purchasing program for public schools will be available on a voluntary basis for a maximum of 16,000 participants. Health benefit allocations will be structured to provide a higher allocation to participants and a lower allocation to non-participants, resulting in net savings in the program.

**2011-13 Omnibus Operating Budget**  
**Higher Education Coordinating Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	95.4	512,073	553,159
2011-13 Maintenance Level	98.4	554,333	596,936
<b>Policy Non-Comp Changes:</b>			
1. Elimination of HECB	-98.4	-554,333	-596,936
Policy -- Non-Comp Total	-98.4	-554,333	-596,936
Total Policy Changes	-98.4	-554,333	-596,936
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-95.4	-512,073	-553,159
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Elimination of HECB** - Pursuant to Second Substitute Senate Bill 5182 (student financial assistance), the Higher Education Coordinating Board is eliminated and all funds associated with non-financial aid programs are transferred to a new state agency, the Council for Higher Education.



**2011-13 Omnibus Operating Budget**  
**University of Washington**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	19,221.8	595,197	4,295,994
2011-13 Maintenance Level	20,093.9	634,976	5,918,194
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-133.8	-182,990	-53,510
2. Shift Education Legacy Costs to GFS	0.0	0	0
3. Washington Park Arboretum	0.0	287	287
4. Embodied Energy and Carbon	0.4	88	88
5. WWAMI Medical Education Program	0.0	300	300
Policy -- Non-Comp Total	-133.4	-182,315	-52,835
Total Policy Changes	-133.4	-182,315	-52,835
Total 2011-13 Biennium	19,960.5	452,661	5,865,359
Difference from 2009-11	738.8	-142,536	1,569,365
% Change from 2009-11	3.8%	-24.0%	36.5%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$173.3 million and one-time savings of \$9.7 million are achieved by carrying forward the 4 percent reduction taken by the university in the 2011 supplemental budget; authorizing the university to increase resident undergraduate tuition by up 16 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the university during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the university by 6% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. Shift Education Legacy Costs to GFS** - A portion of the funding for financial aid programs is shifted from the Education Legacy Trust Account to the state general fund.

**3. Washington Park Arboretum** - Funds are provided for the ongoing management by the University of Washington of Washington Park Arboretum.

**4. Embodied Energy and Carbon** - Pursuant to Engrossed Substitute Senate Bill 5485 (State's natural resources), one-time funds are provided for the University of Washington to prepare a summary of findings from research conducted of embodied energy and embodied carbon in building materials and make recommendations to the Legislature.

**5. WWAMI Medical Education Program** - Funds are provided for development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) Medical Education Program.

**2011-13 Omnibus Operating Budget**  
**Washington State University**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	5,869.5	382,080	1,158,581
2011-13 Maintenance Level	5,926.6	411,836	1,278,511
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-61.3	-93,573	-24,476
2. Running Start	0.0	-67	0
3. WWAMI Medical Education Program	0.0	1,200	1,200
Policy -- Non-Comp Total	-61.3	-92,440	-23,276
Total Policy Changes	-61.3	-92,440	-23,276
Total 2011-13 Biennium	5,865.3	319,396	1,255,235
Difference from 2009-11	-4.2	-62,684	96,654
% Change from 2009-11	-0.1%	-16.4%	8.3%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$88.6 million and one-time savings of \$5.0 million are achieved by carrying forward the 4 percent reduction taken by the university in the 2011 supplemental budget; authorizing the university to increase resident undergraduate tuition by up 16 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the university during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the university by 5% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. Running Start** - Pursuant to Senate Bill 5924 (running start), non-needy running start students will pay 10% of the cost of resident undergraduate student tuition. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**3. WWAMI Medical Education Program** - Funds are provided for the expansion of health sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) Medical Education Program.

**2011-13 Omnibus Operating Budget**  
**Eastern Washington University**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,285.7	87,396	231,779
2011-13 Maintenance Level	1,318.1	93,840	258,367
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-12.2	-21,113	-4,870
2. Running Start	0.0	-321	0
Policy -- Non-Comp Total	-12.2	-21,434	-4,870
Total Policy Changes	-12.2	-21,434	-4,870
Total 2011-13 Biennium	1,306.0	72,406	253,497
Difference from 2009-11	20.3	-14,990	21,718
% Change from 2009-11	1.6%	-17.2%	9.4%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$19.8 million and one-time savings of \$1.3 million are achieved by carrying forward the 4 percent reduction taken by the university in the 2011 supplemental budget; authorizing the university to increase resident undergraduate tuition by up 11 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the university during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the university by 4% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. Running Start** - Pursuant to Senate Bill 5924 (running start), non-needy running start students will pay 10% of the cost of resident undergraduate student tuition. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2011-13 Omnibus Operating Budget**  
**Central Washington University**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,113.8	83,104	258,088
2011-13 Maintenance Level	1,230.4	93,238	308,283
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-11.1	-24,844	-4,421
2. Running Start	0.0	-45	0
Policy -- Non-Comp Total	-11.1	-24,889	-4,421
Total Policy Changes	-11.1	-24,889	-4,421
Total 2011-13 Biennium	1,219.4	68,349	303,862
Difference from 2009-11	105.6	-14,755	45,774
% Change from 2009-11	9.5%	-17.8%	17.7%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$22.8 million and one-time savings of \$2.0 million are achieved by carrying forward the 4 percent reduction taken by the university in the 2011 supplemental budget; authorizing the university to increase resident undergraduate tuition by up 14 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the university during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the university by 4% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. Running Start** - Pursuant to Senate Bill 5924 (running start), non-needy running start students will pay 10% of the cost of resident undergraduate student tuition. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2011-13 Omnibus Operating Budget**  
**The Evergreen State College**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	623.7	44,436	107,119
2011-13 Maintenance Level	621.9	50,642	113,833
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-7.9	-12,152	-3,138
2. WSIPP Student Achievement Study	0.5	145	145
3. WSIPP Commitment of SVP Study	0.0	75	75
Policy -- Non-Comp Total	-7.4	-11,932	-2,918
Total Policy Changes	-7.4	-11,932	-2,918
Total 2011-13 Biennium	614.6	38,710	110,915
Difference from 2009-11	-9.2	-5,726	3,796
% Change from 2009-11	-1.5%	-12.9%	3.5%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$11.4 million and one-time savings of \$0.8 million are achieved by carrying forward the 4 percent reduction taken by the college in the 2011 supplemental budget; authorizing the college to increase resident undergraduate tuition by up 14 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the college during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the college by 5% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. WSIPP Student Achievement Study** - One-time funds are provided for the Washington Institute of Public Policy, in collaboration with the Office of Superintendent of Public Instruction, to design and implement a research study to measure the impact on student achievement of remediation strategies funded by the learning assistance program. The research study design is to be submitted by September 1, 2011 with the results of the research study submitted by September 1, 2012.

**3. WSIPP Commitment of SVP Study** - One-time funding is provided for the Washington State Institute for Public Policy to conduct a detailed study of the commitment of sexually violent predators (SVPs) to the Special Commitment Center pursuant to Chapter 71.09 RCW and the subsequent release of SVPs to less restrictive alternatives.

**2011-13 Omnibus Operating Budget**  
**Spokane Intercol Rsch & Tech Inst**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	20.2	3,088	5,366
2011-13 Maintenance Level	16.2	2,871	5,023
<b>Policy Non-Comp Changes:</b>			
1. Innovate Washington	-16.2	-2,871	-5,023
Policy -- Non-Comp Total	-16.2	-2,871	-5,023
Total Policy Changes	-16.2	-2,871	-5,023
Total 2011-13 Biennium	0.0	0	0
Difference from 2009-11	-20.2	-3,088	-5,366
% Change from 2009-11	-100.0%	-100.0%	-100.0%

*Comments:*

**1. Innovate Washington** - Pursuant to Substitute Senate Bill 5764 (Innovate WA), Innovate Washington is created as the successor agency to the Washington Technology Center (WTC) and the Spokane Intercollegiate Research and Technology Institute (SIRTI) and is the primary state agency responding to the technology transfer needs of existing businesses in the state. Funds and FTEs are transferred from SIRTI to Innovate Washington.

**2011-13 Omnibus Operating Budget**  
**Western Washington University**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	1,621.3	104,454	332,324
2011-13 Maintenance Level	1,564.9	116,873	343,040
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-1.1	-30,554	-447
Policy -- Non-Comp Total	-1.1	-30,554	-447
Total Policy Changes	-1.1	-30,554	-447
Total 2011-13 Biennium	1,563.8	86,319	342,593
Difference from 2009-11	-57.5	-18,135	10,269
% Change from 2009-11	-3.6%	-17.4%	3.1%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$28.4 million and one-time savings of \$2.2 million are achieved by carrying forward the 4 percent reduction taken by the university in the 2011 supplemental budget; authorizing the university to increase resident undergraduate tuition by up 16 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the university during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the university by 2% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2011-13 Omnibus Operating Budget**  
**Community/Technical College System**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	14,970.1	1,356,584	2,511,958
2011-13 Maintenance Level	14,751.6	1,389,835	2,543,950
<b>Policy Non-Comp Changes:</b>			
1. Higher Education Reductions	-170.6	-170,269	-68,219
2. M&O for 2011-13 State-Funded Prjcts	0.0	903	903
3. Shift Education Legacy to GF-S	0.0	0	0
4. Efficiency Savings	-37.5	-15,000	-15,000
5. Running Start	0.0	-7,111	0
6. Worker Retraining	37.5	15,000	15,000
Policy -- Non-Comp Total	-170.6	-176,477	-67,316
<b>Policy Comp Changes:</b>			
7. Suspend Initiative 732	0.0	-29,637	-32,768
Policy -- Comp Total	0.0	-29,637	-32,768
Total Policy Changes	-170.6	-206,114	-100,084
Total 2011-13 Biennium	14,581.0	1,183,721	2,443,866
Difference from 2009-11	-389.1	-172,863	-68,092
% Change from 2009-11	-2.6%	-12.7%	-2.7%

*Comments:*

**1. Higher Education Reductions** - Ongoing savings of \$157.1 million and one-time savings of \$13.2 million are achieved by carrying forward the 4 percent reduction taken by the SBCTC in the 2011 supplemental budget; authorizing the SBCTC to increase resident undergraduate tuition by up 12 percent per year; assuming tuition waiver authority provided in RCW 28B.15.910 is maintained at the level waived by the system during Fiscal Year 2010; and, after accounting for tuition increases, reducing funding for the SBCTC by 5% for the 2011-13 biennium. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**2. M&O for 2011-13 State-Funded Prjcts** - Funding is provided for the maintenance and operation of new or renovated facilities scheduled to be occupied in the 2011-13 biennium.

**3. Shift Education Legacy to GF-S** - A portion of the funding for financial aid programs is shifted from the Education Legacy Trust Account to the state general fund.

**4. Efficiency Savings** - A total of \$15 million in savings is anticipated from various efficiencies implemented in the community and technical college system. Qualified changes include: consolidation of college districts; consolidation of administrative and governance functions including, but not limited to, human resources, budget and accounting services, and president's offices; consolidation of student service functions including, but not limited to, financial aid services, student advising, and libraries; and other administrative efficiencies including, but not limited to, greater use of telephone and videoconferencing and reduced travel costs. A report explaining the methods used to achieve the savings required is due to the Legislature no later than December 31, 2013.

**5. Running Start** - Pursuant to Senate Bill 5924 (running start), non-needy running start students will pay 10% of the cost of resident undergraduate student tuition. (General Fund-State, Higher Education Tuition-Non-Appropriated)

**6. Worker Retraining** - Ongoing funding is provided for an additional 1,617 worker retraining slots each year at community and technical colleges. Worker Retraining programs provide financial aid and other support services to jobless workers who need to change careers in order to re-enter the workforce.



## **2011-13 Omnibus Operating Budget Community/Technical College System**

**7. Suspend Initiative 732** - During the 2009-11 biennium, the Legislature suspended the I-732 COLA. However, it mandated a catch-up cost-of-living adjustment to be provided in equal increments during the 2011-13 and 2013-15 biennia, so that by the end of the catch-up period, recipients would have received the same salary as if the initiative had not been suspended. The catch-up cost-of-living increment, calculated as 1.2 percent per year for the four-year period, is suspended for the 2011-13 biennium. (General Fund-State, Various Other Funds)

**2011-13 Omnibus Operating Budget**  
**Council for Higher Education**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Non-Comp Changes:</b>			
1. Eliminate Rural Health Program	0.0	-400	-400
2. Health Science and Services Program	-0.1	-66	-66
3. Elimination of HECB	45.0	5,397	9,770
4. Efficiency Savings	-6.0	-2,625	-2,625
Policy -- Non-Comp Total	38.9	2,306	6,679
Total Policy Changes	38.9	2,306	6,679
Total 2011-13 Biennium	38.9	2,306	6,679
Difference from 2009-11	38.9	2,306	6,679
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. Eliminate Rural Health Program** - Due to declining state revenues, the Council for Higher Education will suspend payments to the Pacific Northwest University of Health Sciences. These payments were intended to provide training and education of health care professionals to promote osteopathic physician services in rural and underserved areas of the state.

**2. Health Science and Services Program** - Pursuant to Senate Bill 5484 (health sciences authorities), the duties of monitoring and reporting to the Legislature biennially on the performance of the Health Sciences and Services Authority (HSSA) program in Spokane County are transferred to the local board of directors.

**3. Elimination of HECB** - Pursuant to Second Substitute Senate Bill 5182 (student financial assistance), the Higher Education Coordinating Board is eliminated and all funds associated with non-financial aid programs are transferred to a new state agency, the Council for Higher Education.

**4. Efficiency Savings** - Savings are achieved as a result of Second Substitute Senate Bill 5182 (student financial assistance), which eliminates or shifts to other entities a number of policy, planning, coordination, and research activities previously conducted by the Higher Education Coordinating Board.

**2011-13 Omnibus Operating Budget**  
**Office of Student Financial Assist**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Non-Comp Changes:</b>			
1. Suspend Health Professionals Prgm	0.0	-7,640	-7,640
2. Reduce State Work Study Program	0.0	-23,720	-23,720
3. Suspend Small Grant Programs	0.0	-932	-932
4. Suspend Future Teachers Program	0.0	-2,000	-2,000
5. Suspend WAVE and Wa. Scholars	0.0	-3,041	-3,041
6. Elimination of HECB	53.4	548,936	587,166
7. Maintain Financial Aid Policy	0.0	124,368	124,368
8. Educational Opportunity Grant	0.0	-5,196	-5,196
9. SNG Awards to Private Institutions	0.0	-14,227	-14,227
10. Aerospace Trng Scholarship & Loans	0.0	500	500
11. Shift Education Legacy Cost to GF-S	0.0	0	0
Policy -- Non-Comp Total	53.4	617,048	655,278
Total Policy Changes	53.4	617,048	655,278
Total 2011-13 Biennium	53.4	617,048	655,278
Difference from 2009-11	53.4	617,048	655,278
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. Suspend Health Professionals Prgm** - Due to declining state revenues, the Office of Student Financial Aid cannot make new awards in the Health Professionals conditional scholarship program, which provides scholarships or loan forgiveness for health professionals who agree to work in rural and underserved areas of the state. Those students who received awards previously will still receive them.

**2. Reduce State Work Study Program** - Funding for the State Work Study program is reduced by: 1) making permanent changes made during Fiscal Year 2011, including increasing the required employer share of wages and discontinuing non-resident student eligibility for the program; and 2) further increasing the required employer share of wages from 50 percent to 80 percent for for-profit entities and from 30 percent to 48 percent for non-profit entities. (General Fund-State, Education Legacy Trust Account-State)

**3. Suspend Small Grant Programs** - Funding for several small grant programs is suspended for the 2011-13 biennium, including the Community Scholarship Matching Grant program, WICHE student exchange, and Foster Care Endowed Scholarship.

**4. Suspend Future Teachers Program** - New awards in the Future Teachers conditional scholarship program are suspended. This program provides scholarships or loan forgiveness for teachers who agree to work in certain shortage areas. (General Fund-State, Education Legacy Trust Account-State)

**5. Suspend WAVE and Wa. Scholars** - The Washington Scholars and the Washington Award for Vocational Excellence programs are suspended for the 2011-13 biennium. Students who received these awards in prior years will still receive their grants, but no new recipients will be chosen.

**6. Elimination of HECB** - Pursuant to Second Substitute Senate Bill 5182 (student financial assistance), the Higher Education Coordinating Board is eliminated and all funds associated with financial aid programs are transferred to a new state agency, the Office of Student Financial Aid.

## 2011-13 Omnibus Operating Budget Office of Student Financial Assist

**7. Maintain Financial Aid Policy** - Funding is provided to the State Need Grant (SNG) and the State Work Study (SWS) programs to offset the cost to recipients of resident undergraduate tuition increases of 16 percent each year at the University of Washington, Washington State University, Western Washington University; 14 percent each year at Central Washington University and The Evergreen State College; 11 percent at Eastern Washington University; and 12 percent each year at the community and technical colleges.

**8. Educational Opportunity Grant** - The Educational Opportunity Grant Program provides additional financial assistance for community and technical college graduates who would otherwise be unable to attend a distant public baccalaureate institution because of work or financial obligations in their home community. In the 2010 legislative session, pursuant to Engrossed Second Substitute House Bill 2021 (student financial aid), the Educational Opportunity Grant program was phased out as a stand-alone financial aid program and the eligibility requirements of the State Need Grant (SNG) were modified so that these students could qualify for a SNG award. As a result, the separate funding for this program is eliminated.

**9. SNG Awards to Private Institutions** - Funding for the State Need Grant program is reduced to align increases in awards given to private institutions with their average annual tuition increase experience of 3.5 percent each year.

**10. Aerospace Trng Scholarship & Loans** - Funds are provided to implement a loan program for students in certain aerospace training or educational programs pursuant to Engrossed Substitute House Bill 1846 (aerospace student loans).

**11. Shift Education Legacy Cost to GF-S** - A portion of the funding for financial aid programs is shifted from the Education Legacy Trust Account to the state general fund.

**2011-13 Omnibus Operating Budget**  
**State School for the Blind**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	86.0	11,887	13,829
2011-13 Maintenance Level	86.0	12,559	14,605
<b>Policy Comp Changes:</b>			
1. Suspend Initiative 732	0.0	-102	-136
Policy -- Comp Total	0.0	-102	-136
Total Policy Changes	0.0	-102	-136
Total 2011-13 Biennium	86.0	12,457	14,469
Difference from 2009-11	0.0	570	640
% Change from 2009-11	0.0%	4.8%	4.6%

*Comments:*

**1. Suspend Initiative 732** - The Initiative 732 cost-of-living adjustment requirements are suspended for the 2011-13 biennium. Initiative 732 requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 0.4 percent for the 2011-12 School Year and 1.9 percent for the 2012-13 School Year. Additionally, statute requires a catch-up cost-of-living increase of 1.2 percent per school year resulting from the Initiative 732 suspension during the 2009-11 biennium. (General Fund-State, General Fund-Private/Local)

**2011-13 Omnibus Operating Budget**  
**Childhood Deafness & Hearing Loss**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	109.2	17,375	17,901
2011-13 Maintenance Level	109.2	18,043	18,569
<b>Policy Comp Changes:</b>			
1. Suspend Initiative 732	0.0	-130	-130
Policy -- Comp Total	0.0	-130	-130
Total Policy Changes	0.0	-130	-130
Total 2011-13 Biennium	109.2	17,913	18,439
Difference from 2009-11	0.0	538	538
% Change from 2009-11	0.0%	3.1%	3.0%

*Comments:*

**1. Suspend Initiative 732** - The Initiative 732 cost-of-living adjustment requirements are suspended for the 2011-13 biennium. Initiative 732 requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index for the prior calendar year. These cost-of-living increases are estimated at 0.4 percent for the 2011-12 School Year and 1.9 percent for the 2012-13 School Year. Additionally, statute requires a catch-up cost-of-living increase of 1.2 percent per school year resulting from the Initiative 732 suspension during the 2009-11 biennium. (General Fund-State, General Fund-Private/Local)

**2011-13 Omnibus Operating Budget**  
**Workforce Trng & Educ Coord Board**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	19.6	2,909	57,432
2011-13 Maintenance Level	21.7	3,159	66,456
<b>Policy Non-Comp Changes:</b>			
1. Reduced Coordination/Oversight	-0.8	-315	-315
Policy -- Non-Comp Total	-0.8	-315	-315
Total Policy Changes	-0.8	-315	-315
Total 2011-13 Biennium	20.9	2,844	66,141
Difference from 2009-11	1.3	-65	8,709
% Change from 2009-11	6.4%	-2.2%	15.2%

*Comments:*

**1. Reduced Coordination/Oversight** - The Workforce Training and Education Coordinating Board's budget is reduced by 10 percent. This will result in less oversight over private career schools and a reduction in the coordination of statewide workforce training efforts.

**2011-13 Omnibus Operating Budget**  
**Department of Early Learning**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	201.6	121,641	386,946
2011-13 Maintenance Level	212.4	132,287	377,230
<b>Policy Non-Comp Changes:</b>			
1. Administrative Reduction	0.0	-1,500	-1,500
2. Longitudinal Data System Grant	3.5	0	0
3. Eliminate Career and Wage Program	-0.5	-3,000	-3,000
4. Reach Out And Read	0.0	300	300
5. Home Visiting	1.0	1,266	3,866
6. Parent, Family, Caregiver Support	0.0	-200	-200
7. Child Care Licensing	0.0	-1,410	-1,410
Policy -- Non-Comp Total	4.0	-4,544	-1,944
Total Policy Changes	4.0	-4,544	-1,944
Total 2011-13 Biennium	216.4	127,743	375,286
Difference from 2009-11	14.9	6,102	-11,660
% Change from 2009-11	7.4%	5.0%	-3.0%

*Comments:*

**1. Administrative Reduction** - Savings will be achieved through reduced administrative reductions in all budget units, under expenditures, reductions to personal service contracts, reductions to information technology contractors, vacancy savings, and other efficiencies.

**2. Longitudinal Data System Grant** - The Department will participate in the development of a statewide longitudinal education data system in collaboration with the Office of Financial Management (OFM) and the Superintendent of Public Instruction. Funds for this three-year project are provided through a federal grant to OFM. FTE staff are provided to implement the agency's responsibilities under the grant.

**3. Eliminate Career and Wage Program** - The Department will eliminate a pilot program offering wage supplements to employees in approximately 55 child care centers in Washington to support professional development. A contract staff position associated with the program is also eliminated.

**4. Reach Out And Read** - Funding is provided for the Department to contract with Reach Out and Read for services that promote early literacy by giving new books to children and advice to parents about the importance of reading.

**5. Home Visiting** - Funding is appropriated to the Home Visiting Services Account for evidence-based home visiting services. The additional amounts provide \$1.868 million in total state funding for Home Visiting. The dollars are provided as state maintenance of effort for the federal Maternal, Infant, and Early Childhood Home Visitation Program. The state anticipates receiving \$1.3 million in federal funds per year from this program and anticipates private matching funds. (General Fund-State, Home Visiting Services Account)

**6. Parent, Family, Caregiver Support** - Funding for contracts and administration related to parent, family, and caregiver support programs is suspended. The funds pay for play and learn groups for license-exempt providers and administrative costs.

**7. Child Care Licensing** - Increases licensing fees for child care centers and family home providers. Savings are achieved through using the new revenue to offset general fund state costs.



**2011-13 Omnibus Operating Budget**  
**Washington State Arts Commission**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	14.5	3,191	6,187
2011-13 Maintenance Level	14.0	2,855	5,876
<b>Policy Non-Comp Changes:</b>			
1. Streamline Agency	0.0	-677	-677
Policy -- Non-Comp Total	0.0	-677	-677
Total Policy Changes	0.0	-677	-677
Total 2011-13 Biennium	14.0	2,178	5,199
Difference from 2009-11	-0.5	-1,013	-988
% Change from 2009-11	-3.5%	-31.8%	-16.0%

*Comments:*

**1. Streamline Agency** - Funding for operation of the Commission is reduced. The Commission will achieve savings through reduced staffing and state funds for the arts.

**2011-13 Omnibus Operating Budget**  
**Washington State Historical Society**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	43.8	5,199	7,698
2011-13 Maintenance Level	40.3	5,409	7,307
<b>Policy Non-Comp Changes:</b>			
1. Reduce Operations	0.0	-1,434	-1,434
Policy -- Non-Comp Total	0.0	-1,434	-1,434
Total Policy Changes	0.0	-1,434	-1,434
Total 2011-13 Biennium	40.3	3,975	5,873
Difference from 2009-11	-3.5	-1,224	-1,825
% Change from 2009-11	-8.0%	-23.5%	-23.7%

*Comments:*

**1. Reduce Operations** - State funding for the Historical Society is reduced. The Society will achieve savings through administrative efficiencies, reduced expenditures on exhibits, and reduce the hours of operation for the museum.

**2011-13 Omnibus Operating Budget**  
**East Wash State Historical Society**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	34.8	3,244	6,330
2011-13 Maintenance Level	34.8	3,512	6,661
<b>Policy Non-Comp Changes:</b>			
1. Reduce Operations	0.0	-547	-547
Policy -- Non-Comp Total	0.0	-547	-547
Total Policy Changes	0.0	-547	-547
Total 2011-13 Biennium	34.8	2,965	6,114
Difference from 2009-11	0.0	-279	-216
% Change from 2009-11	0.0%	-8.6%	-3.4%

*Comments:*

**1. Reduce Operations** - State funding for the Historical Society is reduced. The Society will achieve savings through administrative efficiencies and reduce the hours of operation for the library.

**2011-13 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	1,793,797	1,977,277
2011-13 Maintenance Level	0.0	1,938,287	2,092,580
<b>Policy Non-Comp Changes:</b>			
1. Debt Services	0.0	28,234	28,234
Policy -- Non-Comp Total	0.0	28,234	28,234
Total Policy Changes	0.0	28,234	28,234
Total 2011-13 Biennium	0.0	1,966,521	2,120,814
Difference from 2009-11	0.0	172,724	143,537
% Change from 2009-11	0.0%	9.6%	7.3%

*Comments:*

**1. Debt Services** - Funding is provided for debt service related to the capital budget.

**2011-13 Omnibus Operating Budget**  
**Special Approps to the Governor**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	111,268	119,768
2011-13 Maintenance Level	0.0	114,174	132,498
<b>Policy Non-Comp Changes:</b>			
1. ARROW Commission	0.0	100	100
2. State Data Center Rate Increase	0.0	10,894	21,106
3. Extraordinary Crim Justice	0.0	591	591
4. Contracting for Services	0.0	-1,875	-1,875
5. SERA Account Repayment	0.0	12,161	12,161
6. Interagency Charges - AG	0.0	-4,988	-11,500
7. Management Efficiency	0.0	-17,214	-17,214
8. Traditional Housing Operating Rent	0.0	8,500	8,500
9. Workers Compensation - ESB 5566	0.0	-16,076	-16,076
Policy -- Non-Comp Total	0.0	-7,907	-4,207
Total Policy Changes	0.0	-7,907	-4,207
Total 2011-13 Biennium	0.0	106,267	128,291
Difference from 2009-11	0.0	-5,001	8,523
% Change from 2009-11	0.0%	-4.5%	7.1%

*Comments:*

**1. ARROW Commission** - Funding is provided for the Agency Reallocation and Realignment of Washington (ARROW) Commission on restructuring state government.

**2. State Data Center Rate Increase** - Funds are provided for this agency's share of the cost to design, acquire and install infrastructure (cabling, cabinets, and fiber connectivity) for the new State Data Center. These funds will also pay for setting up existing data center infrastructure (network, storage, security, servers, mainframe and tape backup, and telephone equipment) in the new location. This new allocation is distributed based on the number of virtual server instances for each agency. (General Fund-State, Various Other Funds)

**3. Extraordinary Crim Justice** - The Office of Financial Management shall distribute funds to Franklin County (\$338,000), Jefferson County (\$128,000), and Okanogan County (\$125,000) for extraordinary criminal justice costs.

**4. Contracting for Services** - General Fund-State savings are assumed by purchasing services by contract for state agency mail service, motor pool, and the real estate leasing program. Contracts will be developed, negotiated and executed in the first year of the biennium. Projected savings are for the last six months of Fiscal Year 2013. The contract for mail services is to be integrated with the contract for print management as directed in the state printer's budget. If the motor pool contract includes the transfer of ownership of the vehicle fleet, then provision for the payment of debt for those vehicles must be made. The contract for a leasing broker service shall be developed, negotiated, and executed by the Office of Financial Management.

**5. SERA Account Repayment** - Pursuant to RCW 43.79.515, General Fund-State moneys are appropriated for deposit to the Cleanup Settlement Account on July 1, 2011, and July 1, 2012, for repayment of moneys from the Cleanup Settlement Account that were transferred to the State Efficiency and Restructuring Account (SERA) in the 2010 Supplemental Appropriations Act (section 803, chapter 37, Laws of 2010 sp. sess.) and for the RHC closure and community reinvestment plan.

## **2011-13 Omnibus Operating Budget Special Approps to the Governor**

**7. Management Efficiency** - Agencies are required to implement management and administrative reforms, such as layering and streamlining of support functions, that will result in increased efficiency. For most agencies, management reductions of 7 to 10 percent are expected to be achieved over the course of the biennium. State agencies can anticipate continuous legislative policy and fiscal committee examination of the architecture and cost of the state's career and executive workforce, and shall be prepared to provide relevant information in hearings and worksessions.

**8. Traditional Housing Operating Rent** - Funding is provided for the Transitional Housing Operating and Rent program, consistent with chapter 256, Laws of 2008 (ESSB 5959). The state General Fund is appropriated for deposit into the Transitional Housing Operating and Rent Account.

**9. Workers Compensation - ESB 5566** - General Fund-State savings are recognized as a result of the implementation of Engrossed Senate Bill 5566 (long-term disability of injured workers).

**2011-13 Omnibus Operating Budget**  
**State Employee Compensation Adjust**  
(Dollars in Thousands)

	Senate Floor Passed ESHB 1087		Total
	FTEs	NGF-P	
2009-11 Estimated Expenditures	0.0	0	0
2011-13 Maintenance Level	0.0	0	0
<b>Policy Comp Changes:</b>			
1. Plan 1 Uniform COLA K12	0.0	-294,719	-294,719
2. Plan 1 Uniform COLA H Ed	0.0	-14,078	-27,862
3. Plan 1 Uniform COLA GG	0.0	-54,001	-103,390
4. 3% Salary Cut for State Employees	0.0	-177,081	-261,328
5. Local Government Employees	0.0	653	1,107
6. Retire-Rehire Changes (State)	0.0	-343	-562
7. Retire-Rehire Changes (K-12)	0.0	-1,500	-1,500
8. Temporary Layoffs	0.0	-40,894	-61,889
9. Teacher Retirement Incentive	0.0	-3,247	-3,247
Policy -- Comp Total	0.0	-585,210	-753,390
Total Policy Changes	0.0	-585,210	-753,390
Total 2011-13 Biennium	0.0	-585,210	-753,390
Difference from 2009-11	0.0	-585,210	-753,390
% Change from 2009-11	0.0%	0.0%	0.0%

*Comments:*

**1. Plan 1 Uniform COLA K12** - Funding for K-12 employer contributions to retirement systems is reduced to reflect savings resulting from the elimination of future automatic benefit increases in the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1. The basic minimum benefit amount in the plans is not affected, and the alternative minimum benefit is raised to \$1,500 per month. (General Fund-State, various other funds)

**2. Plan 1 Uniform COLA H Ed** - Funding for higher education employer contributions to retirement systems is reduced to reflect savings resulting from the elimination of future automatic benefit increases in the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1. The basic minimum benefit amount in the plans is not affected, and the alternative minimum benefit is raised to \$1,500 per month. (General Fund-State, various other funds)

**3. Plan 1 Uniform COLA GG** - Funding for state agency employer contributions to retirement systems is reduced to reflect savings resulting from the elimination of future automatic benefit increases in the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1. The basic minimum benefit amount in the plans is not affected, and the alternative minimum benefit is raised to \$1,500 per month. (General Fund-State, various other funds)

**4. 3% Salary Cut for State Employees** - Funding for state agencies and institutions is reduced to reflect a 3 percent cost savings in employee salaries, excluding employees earning less than \$2,500 per month, and certain employees of the Washington State Patrol and the Washington State Department of Transportation. Compensation expenditures by state institutions of higher education from non-appropriated funds are not subject the 3 percent of salary reduction. The reduction is temporary through the 2011-13 biennium only. (General Fund-State, various other funds)

**5. Local Government Employees** - Funding for employer contributions to the Public Employees', Public Safety Employees', and Law Enforcement Officers' and Fire Fighters' Retirement Systems (PERS, PSERS, and LEOFF) is increased to reflect additional contribution requirements associated with the provisions of Senate Bill 5882 (local government employees) allowing the inclusion of forgone compensation in the calculation of local government employees' retirement benefits. (General Fund-State, various other funds)

## 2011-13 Omnibus Operating Budget State Employee Compensation Adjust

**6. Retire-Rehire Changes (State)** - Funding for employer contributions to the Public Employees', Teachers', School Employees', and Public Safety Employees' Retirement Systems (PERS, TRS, SERS, and PSERS) is reduced to reflect lower contribution requirements due to the provisions of Senate Bill 5852 (public employment of retirees) revising post-retirement employment restrictions for members of PERS and TRS Plan 1. (General Fund-State, various other funds)

**7. Retire-Rehire Changes (K-12)** - Funding for employer contributions to the Public Employees', Teachers', and School Employees' Retirement Systems (PERS, TRS, and SERS) is reduced to reflect lower contribution requirements due to the provisions of Senate Bill 5852 (public employment of retirees) revising post-retirement employment restrictions for members of PERS and TRS Plan 1. (General Fund-State, various other funds)

**8. Temporary Layoffs** - Funding for state agencies and institutions is reduced to reflect a temporary layoffs during the 2011-13 fiscal biennium for higher-compensated state employees. The hours of temporary layoff required are: for employees earning at least \$50,000 per year but less than \$75,000 per year, sixteen hours each fiscal year; for employees earning at least \$75,000 per year but less than \$100,000 per year, thirty-two hours per fiscal year; for employees earning at least \$100,000 per year but less than \$125,000 per year, forty-eight hours per fiscal year; for employees earning \$125,000 per year or more, sixty-four hours per fiscal year. Elected officials, correctional officers, community corrections officers, academic faculty at institutions of higher education, and employees of the Washington State Patrol, transportation agencies, agricultural commodity commissions, the University of Washington Medical Center, Harborview Medical Center, certain programs of the Department of Social and Health Services (DSHS), and employees of agencies employing fewer than ten full-time equivalent positions are exempt from the temporary layoffs. The impacts of the temporary layoffs are subject to collective bargaining where applicable. (General Fund-State, various other funds)

**9. Teacher Retirement Incentive** - Savings are achieved through reduced K-12 salary expenditures due to additional retirements expected among experienced teachers. A \$250 per month health benefit subsidy is provided for up to three years under Senate Bill 5846 (health benefit subsidies) to members of the Teachers' Retirement System Plan 1 (TRS) who retire before the end of October 2011. It is assumed that the retiring teachers will be replaced by less experienced teachers who receive lower salaries.



**2011-13 Omnibus Operating Budget**  
**Contributions to Retirement Systems**  
(Dollars in Thousands)

	<b>Senate Floor Passed ESHB 1087</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2009-11 Estimated Expenditures	0.0	129,330	129,330
2011-13 Maintenance Level	0.0	152,600	152,600
<b>Policy Comp Changes:</b>			
1. Actuarially Determined Rates	0.0	-15,000	-15,000
2. LEOFF 2 Benefits Enhancement Fund	0.0	-5,000	-5,000
3. Match Contributions to Payout Level	0.0	-2,000	-2,000
Policy -- Comp Total	0.0	-22,000	-22,000
Total Policy Changes	0.0	-22,000	-22,000
Total 2011-13 Biennium	0.0	130,600	130,600
Difference from 2009-11	0.0	1,270	1,270
% Change from 2009-11	0.0%	1.0%	1.0%

*Comments:*

**1. Actuarially Determined Rates** - Funding for state contributions to the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2) is adjusted to match revised contribution rates, which are reduced to levels calculated according to the actuarial funding method by the State Actuary. Contribution rates for the 2011-13 fiscal biennium will be 7.40 percent for members, 4.44 percent for employers, and 2.96 for the state.

**2. LEOFF 2 Benefits Enhancement Fund** - Funding for a transfer to the Local Public Safety Enhancement Account (LPSEA) is eliminated. The September 30, 2011, transfer of \$5 million to the LPSEA under RCW 41.26.802 will not be made.

**3. Match Contributions to Payout Level** - Funding for contributions to the Judicial Retirement System is reduced to more closely match the expected levels of benefit payments during the 2011-13 biennium.



**2011 Supplemental Operating Budget  
Statewide Summary & Agency Detail**



**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Legislative</b>			
<b>House of Representatives</b>			
<i>Policy Items</i>			
1. Strategic Printing Savings	0.0	-16	-16
<b>Senate</b>			
<i>Policy Items</i>			
2. Strategic Printing Savings	0.0	-12	-12
<b>Total Legislative</b>	<b><u>0.0</u></b>	<b><u>-28</u></b>	<b><u>-28</u></b>
<b>Judicial</b>			
<b>Supreme Court</b>			
<i>Policy Items</i>			
3. Judge Pro Tempore Costs	0.0	41	41
<b>Court of Appeals</b>			
<i>Policy Items</i>			
4. Strategic Printing Savings	0.0	-6	-6
<b>Administrative Office of the Courts</b>			
<i>Policy Items</i>			
5. Strategic Printing Savings	0.0	-13	-13
6. Pierce County Superior Court Judge	<u>0.0</u>	<u>-106</u>	<u>-106</u>
Total	0.0	-119	-119
<b>Total Judicial</b>	<b><u>0.0</u></b>	<b><u>-84</u></b>	<b><u>-84</u></b>
<b>Governmental Operations</b>			
<b>Public Disclosure Commission</b>			
<i>Policy Items</i>			
7. Information Technology Savings	0.0	-2	-2
<b>Office of the Secretary of State</b>			
<i>Policy Items</i>			
8. Strategic Printing Savings	0.0	-8	-8
<b>Office of the Attorney General</b>			
<i>Policy Items</i>			
9. Strategic Printing Savings	0.0	-4	-4
<b>Caseload Forecast Council</b>			
<i>Policy Items</i>			
10. Information Technology Savings	0.0	-2	-2
<b>Department of Financial Institutions</b>			
<i>Policy Items</i>			
11. Fund Shift to Financial Education	0.0	0	-244

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Department of Commerce</b>			
<i>Policy Items</i>			
12. Strategic Printing Savings	0.0	-6	-6
13. Information Technology Savings	0.0	-23	-23
Total	0.0	-29	-29
<b>Office of Financial Management</b>			
<i>Policy Items</i>			
14. Strategic Printing Savings	0.0	-8	-8
15. Information Technology Savings	0.0	-281	-281
Total	0.0	-289	-289
<b>Washington State Commission on Hispanic Affairs</b>			
<i>Policy Items</i>			
16. Information Technology Savings	0.0	-1	-1
<b>WA State Comm on African-American Affairs</b>			
<i>Policy Items</i>			
17. Restore Partial Reductions	0.0	11	11
<b>Department of Revenue</b>			
<i>Policy Items</i>			
18. Strategic Printing Savings	0.0	-45	-45
19. Information Technology Savings	0.0	-448	-448
Total	0.0	-493	-493
<b>Board of Tax Appeals</b>			
<i>Policy Items</i>			
20. Information Technology Savings	0.0	-1	-1
<b>Department of General Administration</b>			
<i>Policy Items</i>			
21. Information Technology Savings	0.0	-3	-3
<b>Military Department</b>			
<i>Policy Items</i>			
22. Strategic Printing Savings	0.0	-5	-5
23. Information Technology Savings	0.0	-3	-3
Total	0.0	-8	-8
<b>Public Employment Relations Commission</b>			
<i>Policy Items</i>			
24. Information Technology Savings	0.0	-1	-1
<b>Department of Archaeology &amp; Historic Preservation</b>			
<i>Policy Items</i>			
25. Information Technology Savings	0.0	-33	-33

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Growth Management Hearings Board</b>			
<i>Policy Items</i>			
26. Information Technology Savings	0.0	-3	-3
<b>Total Governmental Operations</b>	<b><u>0.0</u></b>	<b><u>-866</u></b>	<b><u>-1,110</u></b>
<b>DSHS</b>			
<b>Juvenile Rehabilitation</b>			
<i>Policy Items</i>			
27. Regional Service Technical Corr	0.0	541	541
<b>Economic Services Administration</b>			
<i>Policy Items</i>			
28. Refugee Grants	0.0	0	-144
29. TANF Funds	0.0	0	38,114
30. Under Expenditure	0.0	-5,000	-5,000
31. One-Time Funding	0.0	2,076	2,076
Total	0.0	-2,924	35,046
<b>Medical Assistance Payments</b>			
<i>Policy Items</i>			
32. Medication Practice Improvement	0.0	-150	0
33. FQHC Reimbursement Method Chng	0.0	7,054	18,323
34. RHC Prenatal & Well-Child Visits	0.0	700	1,400
Total	0.0	7,604	19,723
<b>Administration and Supporting Services</b>			
<i>Policy Items</i>			
35. Strategic Printing Savings	0.0	-331	-331
36. Information Technology Savings	0.0	-2,746	-2,746
Total	0.0	-3,077	-3,077
<b>Total DSHS</b>	<b><u>0.0</u></b>	<b><u>2,144</u></b>	<b><u>52,233</u></b>
<b>Other Human Services</b>			
<b>Washington State Health Care Authority</b>			
<i>Policy Items</i>			
37. Moore, et al. v. HCA	0.0	864	864
38. Strategic Printing Savings	0.0	-5	-5
39. Information Technology Savings	0.0	-143	-143
40. Health Benefit Exchange Grants	0.0	0	1,500
Total	0.0	716	2,216
<b>Human Rights Commission</b>			
<i>Policy Items</i>			
41. Information Technology Savings	0.0	-3	-3

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>WA State Criminal Justice Training Commission</b>			
<i>Policy Items</i>			
42. Crisist Intervention Training	0.0	0	100
43. Information Technology Savings	0.0	-14	-14
Total	0.0	-14	86
<b>Department of Labor and Industries</b>			
<i>Policy Items</i>			
44. Strategic Printing Savings	0.0	-18	-18
45. Information Technology Savings	0.0	-226	-226
Total	0.0	-244	-244
<b>Indeterminate Sentence Review Board</b>			
<i>Policy Items</i>			
46. Information Technology Savings	0.0	-2	-2
<b>Department of Health</b>			
<i>Policy Items</i>			
47. Strategic Printing Savings	0.0	-21	-21
48. Information Technology Savings	0.0	-137	-137
Total	0.0	-158	-158
<b>Department of Veterans' Affairs</b>			
<i>Policy Items</i>			
49. Information Technology Savings	0.0	-110	-110
<b>Department of Corrections</b>			
<i>Policy Items</i>			
50. Strategic Printing Savings	0.0	-145	-145
51. Information Technology Savings	0.0	-3,658	-3,658
52. Prison Safety Enhancements	0.0	333	333
Total	0.0	-3,470	-3,470
<b>Department of Services for the Blind</b>			
<i>Policy Items</i>			
53. Information Technology Savings	0.0	-2	-2
<b>Sentencing Guidelines Commission</b>			
<i>Policy Items</i>			
54. Information Technology Savings	0.0	-1	-1
<b>Employment Security Department</b>			
<i>Policy Items</i>			
55. Unemployment Insurance	0.0	0	588
56. Information Technology Savings	0.0	-16	-16
57. Under Exenditure	0.0	-500	-500
Total	0.0	-516	72
<b>Total Other Human Services</b>	<b>0.0</b>	<b>-3,804</b>	<b>-1,616</b>



**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Natural Resources</b>			
<b>Department of Ecology</b>			
<i>Policy Items</i>			
58. Information Technology Savings	0.0	-192	-192
<b>State Parks and Recreation Commission</b>			
<i>Policy Items</i>			
59. Strategic Printing Savings	0.0	-15	-15
60. Information Technology Savings	0.0	-19	-19
Total	0.0	-34	-34
<b>Recreation and Conservation Funding Board</b>			
<i>Policy Items</i>			
61. Information Technology Savings	0.0	-1	-1
<b>Environmental Hearings Office</b>			
<i>Policy Items</i>			
62. Information Technology Savings	0.0	-1	-1
<b>State Conservation Commission</b>			
<i>Policy Items</i>			
63. Information Technology Savings	0.0	-1	-1
<b>Department of Fish and Wildlife</b>			
<i>Policy Items</i>			
64. Wildfire on WDFW Lands	0.0	235	235
65. Strategic Printing Savings	0.0	-31	-31
66. Information Technology Savings	0.0	-55	-55
Total	0.0	149	149
<b>Puget Sound Partnership</b>			
<i>Policy Items</i>			
67. Information Technology Savings	0.0	-3	-3
<b>Department of Natural Resources</b>			
<i>Policy Items</i>			
68. Strategic Printing Savings	0.0	-19	-19
<b>Department of Agriculture</b>			
<i>Policy Items</i>			
69. Strategic Printing Savings	0.0	-5	-5
70. Information Technology Savings	0.0	-20	-20
Total	0.0	-25	-25
<b>Total Natural Resources</b>	<b>0.0</b>	<b>-127</b>	<b>-127</b>

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Transportation</b>			
<b>Washington State Patrol</b>			
<i>Policy Items</i>			
71. Strategic Printing Savings	0.0	-18	-18
72. Information Technology Savings	0.0	-434	-434
Total	0.0	-452	-452
<b>Department of Licensing</b>			
<i>Policy Items</i>			
73. Information Technology Savings	0.0	-2	-2
<b>Total Transportation</b>	<b>0.0</b>	<b>-454</b>	<b>-454</b>
<b>Public Schools</b>			
<b>OSPI &amp; Statewide Programs</b>			
<i>Policy Items</i>			
74. Strategic Printing Savings	0.0	-10	-10
<b>General Apportionment</b>			
<i>Policy Items</i>			
75. Delay June 2011 Apportionment	0.0	-253,000	-253,000
76. June Contingency Fund	0.0	13,000	13,000
Total	0.0	-240,000	-240,000
<b>Total Public Schools</b>	<b>0.0</b>	<b>-240,010</b>	<b>-240,010</b>
<b>Higher Education</b>			
<b>University of Washington</b>			
<i>Policy Items</i>			
77. Strategic Printing Savings	0.0	-154	-154
<b>Washington State University</b>			
<i>Policy Items</i>			
78. Strategic Printing Savings	0.0	-109	-109
<b>Eastern Washington University</b>			
<i>Policy Items</i>			
79. Strategic Printing Savings	0.0	-20	-20
<b>Central Washington University</b>			
<i>Policy Items</i>			
80. Strategic Printing Savings	0.0	-46	-46
<b>The Evergreen State College</b>			
<i>Policy Items</i>			
81. Strategic Printing Savings	0.0	-14	-14

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Western Washington University</b>			
<i>Policy Items</i>			
82. Strategic Printing Savings	0.0	-49	-49
<b>Community &amp; Technical College System</b>			
<i>Policy Items</i>			
83. Strategic Printing Savings	0.0	-367	-367
<b>Total Higher Education</b>	<b><u>0.0</u></b>	<b><u>-759</u></b>	<b><u>-759</u></b>
<b>Other Education</b>			
<b>State School for the Blind</b>			
<i>Policy Items</i>			
84. Information Technology Savings	0.0	-3	-3
<b>Center for Childhood Deafness &amp; Hearing Loss</b>			
<i>Policy Items</i>			
85. Information Technology Savings	0.0	-4	-4
<b>Department of Early Learning</b>			
<i>Policy Items</i>			
86. Information Technology Savings	0.0	-33	-33
<b>Washington State Arts Commission</b>			
<i>Policy Items</i>			
87. Information Technology Savings	0.0	-2	-2
<b>Washington State Historical Society</b>			
<i>Policy Items</i>			
88. Information Technology Savings	0.0	-2	-2
<b>Eastern Washington State Historical Society</b>			
<i>Policy Items</i>			
89. Information Technology Savings	0.0	-1	-1
<b>Total Other Education</b>	<b><u>0.0</u></b>	<b><u>-45</u></b>	<b><u>-45</u></b>
<b>Special Appropriations</b>			
<b>Special Appropriations to the Governor</b>			
<i>Policy Items</i>			
90. Strategic Printing Savings	0.0	1,500	1,500
91. Information Technology Savings	<u>0.0</u>	<u>8,632</u>	<u>8,632</u>
Total	0.0	10,132	10,132
<b>Sundry Claims</b>			
<i>Policy Items</i>			
92. Self-Defense Claims	0.0	346	346
<b>Total Special Appropriations</b>	<b><u>0.0</u></b>	<b><u>10,478</u></b>	<b><u>10,478</u></b>

**2011 Supplemental Omnibus Operating Budget**  
**Senate Floor Passed ESHB 1087**  
(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Total 2011 Supplemental</b>	<b>0.0</b>	<b>-233,555</b>	<b>-181,522</b>

*Comments:*

**Judicial**

**Supreme Court**

- 3. **JUDGE PRO TEMPORE COSTS** - Funding is provided for costs associated with the election of a new Supreme Court justice, as well as for judge pro tempore costs incurred when a justice of the Supreme Court departs.

**Court of Appeals**

- 4. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

**Administrative Office of the Courts**

- 5. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
- 6. **PIERCE COUNTY SUPERIOR COURT JUDGE** - Funding is reduced to reflect savings for the twenty-third superior court judgeship in Pierce County. The judgeship, authorized in 2008 has not been appointed.

**Governmental Operations**

**Public Disclosure Commission**

- 7. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

**Office of the Secretary of State**

- 8. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

**Caseload Forecast Council**

- 10. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

**Department of Financial Institutions**

- 11. **FUND SHIFT TO FINANCIAL EDUCATION** - The Department of Financial Institutions will no longer provide financial education to reduce or prevent owner-occupied home foreclosures. The remaining fund balance for this program is shifted to the Superintendent of Public Instruction's Financial Education Account. (Prevent or Reduce Owner-Occupied Foreclosure Program Account-Nonappropriated)

**Department of Commerce**

- 13. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

**Office of Financial Management**

- 15. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

# 2011 Supplemental Omnibus Operating Budget

## Senate Floor Passed ESHB 1087

### Washington State Commission on Hispanic Affairs

16. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### WA State Comm on African-American Affairs

17. **RESTORE PARTIAL REDUCTIONS** - Funding is partially restored for the Commission on African American Affairs after Engrossed Substitute House Bill 1086 reduced the agency to a level that exceeded discretionary funds available.

### Department of Revenue

19. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Board of Tax Appeals

20. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of General Administration

21. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Military Department

22. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
23. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Public Employment Relations Commission

24. **INFORMATION TECHNOLOGY SAVINGS** - Funding for information technology projects is reduced.

### Department of Archaeology & Historic Preservation

25. **INFORMATION TECHNOLOGY SAVINGS** - Funding for information technology projects is reduced.

### Growth Management Hearings Board

26. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

## DSHS

### Juvenile Rehabilitation

27. **REGIONAL SERVICE TECHNICAL CORR** - A technical correction is made, restoring funds for Regional Services, the funding for which was eliminated twice.

### Economic Services Administration

28. **REFUGEE GRANTS** - Funding is reduced for refugee assistance grants by 15 percent. The Refugee Cash Assistance grant is tied to the TANF grant standard. The TANF grants were reduced by 15 percent in FY 2011.

## **2011 Supplemental Omnibus Operating Budget Senate Floor Passed ESHB 1087**

30. **UNDER EXPENDITURE** - Funding is reduced to reflect one-time under expenditures Economic Services Administration's program support for FY 2011.
31. **ONE-TIME FUNDING** - Due to the preliminary injunction issued by the U.S. District Court in Pimentel v. Dreyfus, funding is provided to reflect a delay in implementing the reduction to the benefit level in the state Food Assistance Program.

### **Medical Assistance Payments**

32. **MEDICATION PRACTICE IMPROVEMENT** - The medical assistance program has initiated a learning collaborative with community mental health centers to improve medication prescriptive practices and adherence for persons with severe and persistent mental illness. Funding for this effort will be from a \$1.6 million settlement recently obtained from a nationwide lawsuit involving the atypical anti-psychotic drug Seroquel, rather than from state general funds as anticipated in the second 2011 supplemental appropriations act,
33. **FQHC REIMBURSEMENT METHOD CHNG** - Implementation of a new alternate payment method (APM) for federally qualified health and rural health centers (FQHCs and RHCs) was delayed until April 6, 2011. The new APM will reimburse FQHCs and RHCs at rates that are 5 percent higher than the rates provided under the federal prospective payment system. (General Fund-State, General Fund-Federal)
34. **RHC PRENATAL & WELL-CHILD VISITS** - Rural health clinics (RHCs) will be paid by their standard cost-related encounter rate for prenatal and well-child services provided to women and children enrolled in the state Medicaid and State Children's Health Insurance programs. Additionally, such visits are to be considered eligible for the standard encounter rate for purposes of reconciling managed care enhancement payments for 2009 and 2010. (General Fund-State, General Fund-Federal)

### **Administration and Supporting Services**

36. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### **Other Human Services**

#### **Washington State Health Care Authority**

37. **MOORE, ET AL. V. HCA** - Funding is provided for continuing legal services related to Moore, et al. v. Health Care Authority, a class action seeking damages related to health care benefits for part-time employees in many state agencies and institutions.
39. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
40. **HEALTH BENEFIT EXCHANGE GRANTS** - The Authority expects to receive federal grant funding under the Patient Protection and Affordable Care Act for planning and implementing a health benefits exchange that is to become operational in 2014. (General Fund-Federal)

#### **Human Rights Commission**

41. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

#### **WA State Criminal Justice Training Commission**

42. **CRISIST INTERVENTION TRAINING** - Expenditure authority is provided for Crisis Intervention Training. The CJTC will be reimbursed by King County for provision of the training. (General Fund-Private/Local)
43. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

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

45. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

# 2011 Supplemental Omnibus Operating Budget

## Senate Floor Passed ESHB 1087

### Indeterminate Sentence Review Board

46. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Health

47. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
48. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Veterans' Affairs

49. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Corrections

51. **INFORMATION TECHNOLOGY SAVINGS** - The OFM directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
52. **PRISON SAFETY ENHANCEMENTS** - Funding is provided for additional equipment such as cameras or personal alarms to enhance safety in Department of Corrections (DOC) institutions consistent with the recommendations of the National Institute of Corrections review of prison safety..

### Department of Services for the Blind

53. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Sentencing Guidelines Commission

54. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Employment Security Department

55. **UNEMPLOYMENT INSURANCE** - Funding is provided to implement Chapter 4, Laws of 2011 (EHB 1091), which establishes caps on the flat social rate and reduces the multipliers used for certain graduated social rates, provides a temporary benefit increase by adding \$25 to the weekly benefit amount, and makes changes to extended benefits, including a three-year look-back period. (General Fund-Federal)
56. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Natural Resources

#### Department of Ecology

58. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

#### State Parks and Recreation Commission

60. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

# 2011 Supplemental Omnibus Operating Budget

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### Recreation and Conservation Funding Board

61. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Environmental Hearings Office

62. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### State Conservation Commission

63. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Fish and Wildlife

64. **WILDFIRE ON WDFW LANDS** - Funding is provided for fire suppression costs incurred during Fiscal Year 2011.
66. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Puget Sound Partnership

67. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Agriculture

70. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

## Transportation

### Washington State Patrol

71. **STRATEGIC PRINTING SAVINGS** - The Office of Financial Management directed agencies to put strategic printing savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.
72. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

### Department of Licensing

73. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

## Public Schools

### OSPI & Statewide Programs

74. **STRATEGIC PRINTING SAVINGS** - Left out accidentally

### General Apportionment

75. **DELAY JUNE 2011 APPORTIONMENT** - The budget shifts \$253 million of the June 2011 apportionment payments to school districts from the last business day of June 2011 to the first business day of July 2011. This increases costs for Fiscal Year 2012 and reduces costs for Fiscal Year 2011.



## **2011 Supplemental Omnibus Operating Budget Senate Floor Passed ESHB 1087**

76. **JUNE CONTINGENCY FUND** - This item shifts \$253 million of the June 2011 apportionment payments to school districts from the last business day of June 2011 to the first business day of July 2011. The 2011 supplemental budget provides a June financial contingency fund for districts that meet specific financial hardship criteria resulting from the June 2011 apportionment shift. The 2011-13 biennial budget assumes repayment of this funding during Fiscal Year 2012.

### **Other Education**

#### **State School for the Blind**

84. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

#### **Center for Childhood Deafness & Hearing Loss**

85. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

#### **Department of Early Learning**

86. **INFORMATION TECHNOLOGY SAVINGS** - The Office of Financial Management directed agencies to put information technology savings in reserve through an allotment reduction. This item moves the allotment reduction to an appropriation reduction.

#### **Washington State Arts Commission**

87. **INFORMATION TECHNOLOGY SAVINGS** - Funding for information technology projects is reduced.

#### **Washington State Historical Society**

88. **INFORMATION TECHNOLOGY SAVINGS** - Funding for information technology projects is reduced.

#### **Eastern Washington State Historical Society**

89. **INFORMATION TECHNOLOGY SAVINGS** - Funding for information technology projects is reduced.

### **Special Appropriations**

#### **Special Appropriations to the Governor**

91. **INFORMATION TECHNOLOGY SAVINGS** - The 2010 Supplemental budget assumed \$30 million in state general fund Information Technology (IT) savings. State general fund IT savings in Fiscal Year 2011 are achieved through three strategies: agency IT savings initiative, central service agencies' rate rebates/reductions, and technology-related fund transfers. Agencies were directed to put their IT savings in reserve through an allotment reduction. This item moves \$8.6 million of the allotment reduction to an appropriation reduction directly in agency budgets.

#### **Sundry Claims**

92. **SELF-DEFENSE CLAIMS** - On the recommendation of the Office of Risk Management, payment is made under RCW 9A.16.110 for claims for reimbursement of legal costs and other expenses of criminal defendants acquitted on the basis of self-defense. Claims received by the Legislature through March 14, 2011, are included.