



Proposed 2021-23 Biennial and 2021 Supplemental Operating Budget

By Representative Stokesbary

Summary

February 2021

Office of Program Research

Summary

Context

Since the legislature adjourned in March 2020, much has changed. The COVID-19 pandemic continues to impact the lives of Washingtonians, the economy, and the state budget in different and, at times, unexpected ways.

The federal government has enacted five COVID-19 funding bills to address the pandemic, stimulate the economy and address needs of individuals and businesses. To date, more than \$50 billion in federal stimulus payments and loans have been provided to individuals, households, and businesses as well as to the state, local governments, institutions of higher education and common schools. While some of these funds were administered by the state using the statutorily defined unanticipated receipt process (as the legislature was not in session), others were administered directly by the federal government. Amounts processed using the unanticipated receipt process, or administered without state involvement, are generally not reflected in these materials.

The legislature recently passed House Bill 1367 and House Bill 1368. Taken together, these bills appropriate approximately \$2 billion in federal funding as well as \$164 million from the state Budget Stabilization Account (BSA). House Bill 1368 provided increased funding for rental assistance, business assistance, common schools, child care, COVID-19 response, and others. These actions are assumed in Representative Stokesbary's proposal and are fully reflected in these materials as appropriations in other legislation.

Based on the November 2020 revenue forecast, revenues subject to the outlook are projected to increase from \$51.0 billion in the 2019-21 Biennium to \$54.7 billion in the 2021-23 Biennium (both figures are before required transfers to the BSA). Revenue collections to date have exceeded the November forecast by \$323 million with Real Estate Excise Tax (REET) collections being particularly strong. The cost to continue current programs and meet statutory obligations for the 2021-23 Biennium, based on the Governor's budget submittal, is projected to increase from the currently enacted 2019-21 appropriation of \$53.7 billion to \$56.1 billion in 2021-23.

Summary and detail documents related to Representative Stokesbary's operating budget proposal describe spending from Near General Fund-Outlook (NGF-O) accounts and Total Budgeted funds. NGF-O accounts are those subject to the four-year budget outlook and include the state General Fund, the Education Legacy Trust Account, Opportunity Pathways Account, and the Workforce Education Investment Account. Total Budgeted funds include expenditures from NGF-O accounts in addition to all other budgeted funds.

Proposal by Representative Stokesbary

For the 2021-23 Biennium, the proposal by Representative Stokesbary would appropriate \$55.4 billion NGF-O and \$105.6 billion in Total Budgeted funds. NGF-O policy level changes are net savings of \$0.8

billion. In Total Budgeted funds, policy level increases are a net \$2.0 billion. The proposal approves all of the collective bargaining agreements submitted to the legislature.

For the 2019-21 Biennium, NGF-O spending is reduced by a net of \$1.6 billion (\$910 million decrease in maintenance level and \$663 million decrease in policy level) while Total Budgeted funds are increased by \$5.0 billion (\$456 million decrease in maintenance level and \$5.4 billion increase in policy level), with much of that attributed to House Bill 1367 and House Bill 1368. In addition to HB 1367, the proposal appropriates \$1.8 billion BSA for a variety of purposes including unemployment insurance, K-12 education, and a recovery rebate to individuals.

The NGF-O balance sheet associated with the proposal includes the following for 2021-23:

- \$459 million net reduction in NGF-O resources from legislation impacting revenues.
- \$278 million in assumed reversions.
- \$68 million in budget driven revenue and fund transfers (excluding those impacting the Budget Stabilization Account).

The 2021-23 NGF-O ending fund balance is projected to be \$521 million.

2021-23 NGF-O ending fund balance and the four-year outlook

The proposal by Representative Stokesbary, including related bills, leaves a projected ending fund balance for the 2021-23 biennium of \$521 million in NGF-O accounts and another \$521 million in the Budget Stabilization Account (BSA).

Under the provisions of the four year outlook (Chapter 8, Laws of 2012), this proposal is projected to end the 2023-25 biennium with \$732 million in NGF-O ending fund balance and \$1.1 billion in the Budget Stabilization Account.

Revenue Legislation Impacting the Balance Sheet and Outlook

The proposal by Representative Stokesbary includes a Recovery Rebate in the 2019-21 biennium and the implementation of the Working Families Tax Credit in the 2021-23 biennium. Both of these items appear in the expenditure section of these materials.

HB 1299 Hospitality Industry/ B&O Tax

Assumed legislation would reduce the Business and Occupancy (B&O) tax on the retail sale of lodging, prepared food and alcoholic beverages, and retail sales at bowling alleys from 0.471 percent to .3424 percent through June 30th, 2025.

HB 1459 Data Center Tax Incentive

Assumed legislation would expand eligibility and extend the expiration date for a sales and use tax exemption for qualifying businesses operating data centers, and qualifying tenants of these data centers.

HB 1541 Local Revenue / Homelessness

Assumed legislation would allow cities or counties to impose a local sales and use tax, up to 0.125 percent, for homelessness services. The tax would be fully credited against the state portion of the sales and use tax.

HB 1535 Necessities / Sales Tax

Assumed legislation would exempt diapers, diaper services, breast pumps and related goods and services, and prepared food sold by grocery stores from the sales and use tax.

Other

A listing of other legislation impacting revenues is included later in this summary document.

Additional Information

This information is provided in explanation of the proposal offered by Representative Stokesbary. The proposal is for the 2021-23 biennial budget and also makes supplemental changes to the 2019-21 biennial budget.

A complete set of materials produced by the House Office of Program Research (OPR) are available at http://leap.leg.wa.gov/leap/archives/index_budgetsp.asp (under Operating Budget/House). In addition to this summary document, explanatory materials include:

- Agency detail showing line item policy changes by agency (and program level in selected areas such the Department of Social and Health Services, Health Care Authority, Department of Children, Youth, and Families as well as K-12 Public Schools); and
- A detailed four-year budget outlook.

Additional Information About This Summary Document

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

This summary document includes:

- A brief summary;
- A summary grouping of expenditures by major category; and
- The four-year budget outlook including resource changes.

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

2021-23 Omnibus Operating Budget
Proposal by Rep. Stokesbary
Funds Subject to Outlook
(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
Early Action Legislation					
Federal ESSER Grants	0	668,130	0	0	0
Immigrant Relief Program	0	65,000	0	0	0
Non-Public Schools Assistance	0	46,263	0	0	0
COVID-19: Response & Vaccines	0	618,000	0	0	0
Business Assistance Grants	0	240,000	0	0	0
Temporary Rate Increase (DD/LTC)	0	69,962	0	0	0
Appropriations into Dedicated Accounts	0	618,000	0	0	0
Child Care: Grants & Supports	0	50,000	0	0	0
Housing: Related Services/Supports	0	10,000	0	0	0
Housing: Rental Assistance	0	355,000	0	0	0
Other Increases	0	32,000	0	0	0
Food Assistance & Related	0	31,092	0	0	0
Early Action Legislation Total	0	2,803,447	0	0	0
Appropriations Into Other Accounts					
B&O Tax Offset	0	96,800	0	0	0
Covid K-12 Account: Accel. Learning	0	500,000	0	0	0
Covid K-12 Account: HP Stipends	0	160,000	0	0	0
COVID-19 Unemployment Account	0	500,000	0	0	0
Housing Trust Fund Acct	-41,900	-41,900	0	0	0
Recovery Rebate Account	0	200,000	0	0	0
Appropriations Into Other Accounts Total	-41,900	1,414,900	0	0	0
State Employee Compensation (Excl. Higher Ed.)					
Smart Health	0	0	-4,000	-4,000	-16,000
Employee Health Benefits (Rep.)	0	0	-9,125	-15,983	0
Employee Health Benefits (Non-Rep.)	0	0	-2,691	-5,179	0
Employee Salary & Wages (Rep.)	0	0	-94,345	-220,221	551
Furlough Savings	-26,460	-59,654	0	0	0
Employee Salary & Wages (Non-Rep.)	0	0	-77,386	-147,152	0
COLA Savings (Certain Employees)	-9,907	-18,375	-39,002	-85,208	-39,002
Juneteenth State Holiday	0	0	5,698	6,506	5,718
Other Increases	0	0	0	1,894	0
State Employee Compensation (Excl. Higher Ed.) Total	-36,367	-78,029	-220,851	-469,343	-48,733
K-12 Education					
Accelerated Learning Opportunities	0	350,000	0	150,000	0
Charter Enrichment	0	0	15,675	15,675	28,718
Federal ESSER Grants	0	156,722	0	0	0

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget
Proposal by Rep. Stokesbary
Funds Subject to Outlook
(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
High Poverty Stipends	0	160,000	0	0	0
MSOC Inflation Rebasing	0	0	-25,446	-25,446	-29,991
National Board Bonus	0	0	-118,320	-118,320	-120,492
Paraeducator Training	0	0	14,838	14,838	29,176
School Lunch Copays	0	0	8,600	8,600	8,600
SEBB Rate	0	0	84,964	84,964	153,371
Other Increases	867	867	3,683	5,491	3,978
Other Savings	-1,216	-1,216	-7,970	-7,970	-7,970
<i>K-12 Education Total</i>	-349	666,373	-23,976	127,832	65,390
<i>Higher Education</i>					
Exempt Staff Ratio	-11,570	-21,159	-92,566	-169,282	-93,526
Harborview Support	0	0	44,000	44,000	44,456
Plant Maint & Operations	-13,263	-13,263	0	0	0
State Support/Enrollment Dec	0	0	-9,082	-9,082	-9,176
STEM Enrollments	0	0	10,000	10,000	20,207
Tuition Waivers	0	0	-137,150	0	-138,573
Other Increases	2,200	2,200	8,092	12,486	11,761
Other Savings	-1,291	-1,291	-1,250	-1,250	-1,263
<i>Higher Education Total</i>	-23,924	-33,513	-177,956	-113,128	-166,114
<i>Higher Education Employee Compensation</i>					
Higher Ed Retirement Plan Contrib	0	0	-58,000	-58,000	-58,000
Initiative 732 COLA	0	0	-24,654	-37,435	-35,226
Employee Health Benefits (Rep.)	0	0	-1,301	-5,616	0
Employee Health Benefits (Non-Rep.)	0	0	-4,981	-14,043	0
Employee Salary & Wages (Non-Rep.)	0	0	-128,265	-369,286	0
COLA Savings (Certain Employees)	-10,355	-25,784	-43,252	-123,310	-43,252
Additional Compensation Support	-704	-704	-5,626	-5,626	-5,684
<i>Higher Education Employee Compensation Total</i>	-11,059	-26,488	-266,079	-613,316	-142,162
<i>Public Health</i>					
Local Public Health Districts & Regions	0	0	150,000	150,000	150,000
COVID-19: Response & Vaccines	0	0	0	290,564	0
Public Health Data	0	0	18,387	22,361	18,688
Other Increases	0	0	2,069	2,069	2,506
Other Savings	-1,291	-966	-3,232	-1,932	-1,932
<i>Public Health Total</i>	-1,291	-966	167,224	463,062	169,262
<i>Behavioral Health</i>					
Behavioral Health Provider Rate	0	0	7,428	20,012	7,750

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget
Proposal by Rep. Stokesbary
Funds Subject to Outlook
(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
BHA Hiring Freeze	-3,393	-3,609	-5,884	-6,334	-6,179
Contracted Services	0	0	-10,942	-10,942	-15,745
Roll Back FY21 Operations/Overspend	0	0	-33,179	-33,179	-24,482
SH Ward Managers: Elimination	0	0	-6,696	-6,696	-7,032
Increased Community Capacity	0	0	60,444	130,283	163,833
Suicide Prevention	0	0	6,302	6,302	6,244
Civil Ward Reductions	-3,562	-4,622	-43,410	-48,859	-134,034
Tribal Residential SUD Rates	0	6,957	0	15,733	0
Re-Prioritize Block Grant Funding	-5,701	-5,701	-7,436	-7,436	-7,758
Underspend & Delays	-10,112	-17,247	0	0	0
Coronavirus (COVID-19) Response	4,831	8,914	4,748	5,354	0
DSH Delay	0	0	-51,389	0	-65,257
Other Increases	850	850	7,404	10,047	9,788
Other Savings	-1,492	-1,510	-13,760	-14,396	-24,992
Trueblood Settlement	4,095	4,095	63,266	65,885	81,263
COVID FMAP Increase	-43,960	0	-22,936	0	0
Behavioral Health Total	-58,444	-11,873	-46,040	125,774	-16,602
Health Care					
Abortion Funding	0	0	-8,226	-8,226	-8,582
Adoption Counseling and Recruitment	0	0	8,226	8,226	8,582
Ambulatory Surgical Centers	0	0	-2,686	-10,798	-3,706
COFA Medicaid	0	0	-2,256	16,698	-2,458
Healthier WA Savings Restoration	30,792	71,216	30,792	71,216	32,126
Maintain Hospital Safety Net	0	0	0	0	-292,000
Primary Care Provider Rate	0	0	39,688	99,776	41,407
Medicaid Fraud Penalty Account	12,889	1,405	26,077	5,576	0
Restore Program Integrity Savings	71,000	230,000	72,000	233,000	75,118
Medicaid Waiver	395	64,697	0	-5,824	0
HIV Client Supports/Services	0	11,400	0	26,855	0
Fund Source Change	0	0	-1,554	0	-1,621
DSH Delay	0	8,330	-69,617	109,945	-88,892
Low Income Health Care/I-502	-58,573	0	-71,495	0	-110,021
Other Increases	1,077	1,077	1,594	29,770	463
Other Savings	-3,510	-3,510	-4,948	-8,364	-1,398
COVID FMAP Increase	-251,078	0	-128,173	0	0
Health Care Total	-197,008	384,615	-110,578	567,850	-350,982

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget
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(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
Long Term Care & DD					
Adult Family Home Award/Agreement	0	0	11,413	24,200	13,487
Agency Provider Agreement-Parity	0	0	10,372	23,571	17,614
Consumer Directed Employer	0	0	-33,491	-64,966	-66,209
COVID Temporary Rate Increases	60,080	92,838	98,616	246,294	0
COVID Testing for Nursing Homes	0	26,400	0	0	0
IFS and Basic Plus Waivers	0	0	3,077	5,904	3,888
In-Home Care Provider Agreement	0	0	39,738	90,312	67,711
In-Home Provider PPE	0	0	20,389	40,175	0
Meaningful Day Activities	0	0	-6,468	-14,700	-7,763
Non-Citizen Program	0	0	-12,948	-12,948	-13,598
Nursing Home Rate Methodology	0	0	11,460	22,920	13,962
Rental Subsidies	0	0	-9,360	-22,508	-12,006
Transitional Care Center of Seattle	0	17,798	22,989	46,220	24,138
Shared Benefit Rule	4,370	11,562	119,037	279,445	142,858
Fund Source Change	-6,866	0	0	0	0
Long-Term Services & Supports	0	0	19,618	50,076	0
CIIBS Waiver Capacity	0	0	4,578	8,677	5,785
Underspend & Delays	-14,997	-28,618	-19,524	-37,392	-13,943
Coronavirus (COVID-19) Response	1,182	23,331	29,858	52,210	22,351
Other Savings	-2,959	-5,954	-12,310	-16,522	-12,298
COVID FMAP Increase	-231,814	-173,856	-122,310	0	0
Long Term Care & DD Total	-191,004	-36,499	174,734	720,968	185,978
Children, Youth, & Families					
Child Care Provider Grants	0	50,000	0	0	0
Early Achievers Data Collection	-2,000	-2,000	0	0	0
ECEAP Expansion	0	0	7,204	19,210	33,618
ECEAP Rate Increase	0	0	7,256	19,350	33,862
JR Behavioral Health	0	0	6,940	6,940	6,736
Non-EBP FPS Elimination	0	0	-9,274	-9,274	-9,274
Virtual Early Achievers Platform	0	0	-5,140	-5,140	-5,140
WCCC Caseload Savings Adjustment	0	0	-10,302	-10,302	-10,302
Child Care Co-Pay	0	0	12,499	44,840	0
Child Care CBA (Family Child Care Providers)	0	0	0	6,390	10,812
Utilize CCDF	0	0	-28,726	0	0
ECEAP Entitlement Delay	0	0	-41,466	-41,466	-131,565
Underspend & Delays	-12,185	-14,711	-1,876	-1,876	-1,876

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget
Proposal by Rep. Stokesbary
Funds Subject to Outlook
(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
Broadband	0	0	8,930	8,930	0
Coronavirus (COVID-19) Response	248	4,643	0	0	0
Other Increases	0	0	19,621	26,223	19,408
Other Savings	-7,510	-7,957	-18,075	-20,568	-18,978
COVID FMAP Increase	-11,346	0	-5,674	0	0
Children, Youth, & Families Total	-32,793	29,975	-58,083	43,257	-72,699
Housing & Homelessness					
Foreclosure Assistance	3,875	3,875	13,400	13,400	0
Housing Trust Fund	0	-41,900	0	0	0
Rental Assistance	0	245,000	100,000	100,000	0
Other Increases	1,107	1,107	0	0	0
Housing & Homelessness Total	4,982	208,082	113,400	113,400	0
Corrections and Other Criminal Justice					
Fund Source Change	432	0	0	0	0
DOC Behavioral Health	0	0	6,030	6,030	6,030
DOC Sentencing/Policy Changes	0	0	-33,226	-33,226	-46,428
Maple Lane Expansion	0	0	-26,436	-26,436	-27,046
Coronavirus (COVID-19) Response	0	26,814	0	0	0
Other Increases	5,544	5,544	6,724	7,730	5,119
Other Savings	-3,381	-3,474	-5,397	-5,397	-3,808
Corrections and Other Criminal Justice Total	2,595	28,884	-52,305	-51,299	-66,132
Other Human Services					
TANF Contingency Fund	-11,100	0	0	0	0
Hiring & Contract Freezes	-6,039	-10,017	0	0	0
Fund Source Change	-15,207	0	-17,413	0	0
Underspends & Delays	-25,105	-30,201	0	0	0
Other Increases	2,846	13,061	3,631	12,827	2,296
Other Savings	-7,699	-8,654	-26,269	-37,414	-10,844
Workers Comp Systems Modernization	0	-63,970	0	44,024	0
Food Assistance & Related	6,725	6,725	23,100	23,100	8,700
Other Human Services Total	-55,579	-93,056	-16,951	42,537	152
Natural Resources					
Environmental Clean Up	0	0	0	80,000	0
Fire Preparedness & Forest Health	0	0	130,000	130,000	130,000
Increase Fish Populations	0	0	6,300	6,300	5,800
Local Solid Waste Assistance	0	0	0	10,000	0
Wildfire & Related Items	43,128	59,745	0	0	0

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget
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Funds Subject to Outlook
(Dollars in Thousands)

	2021 Supp		2021-23		2023-25
	NGF-O	Total	NGF-O	Total	NGF-O
Fund Source Change	-6,773	0	1,472	0	1,706
State Parks: Operations & Maintenance	0	0	6,942	7,192	6,354
Fish & Wildlife: Dedicated Accounts	0	0	0	13,330	0
Clean Air Rule	-1,000	-1,000	-4,734	-4,734	-4,734
Other Increases	317	564	14,999	24,915	10,093
Other Savings	-9,620	-9,620	-3,120	-3,295	-594
Natural Resources Total	26,052	49,689	151,859	263,708	148,625
All Other Policy Changes					
Debt Service on New Projects	0	0	38,262	38,262	300,906
Disaster Response Account	0	0	0	904,759	0
LEOFF Plan 1 Merger	0	0	-733,000	-733,000	-803,000
Recovery Rebate	0	200,000	0	0	0
SST Mitigation	0	0	13,080	13,080	12,600
Tourism Marketing	0	0	12,000	12,000	0
Working Families Tax Credit	0	0	200,000	200,000	200,000
Central Services: Self Insurance	0	0	57,070	77,646	0
Fund Source Change	-2,781	0	-18,646	0	-11,546
Backfill Dedicated Account Shortfalls	1,000	1,000	0	0	0
Judicial: Savings	-100	-100	-465	-465	-630
Judicial: Legal Aid Services	0	0	5,220	5,220	1,000
Travel Savings	-31,367	-31,367	-20,862	-20,862	-20,862
Andy Hill Cancer Research Acct	0	0	-3,758	-3,758	-4,492
Broadband	0	0	10,000	20,000	10,000
Central Services: All Other	0	0	-17,085	-31,134	-9,587
Central Services: OFM	0	0	55,764	81,283	18,977
Judicial: IT & Related	0	0	0	23,122	0
OneWashington	0	0	0	102,742	0
Other Increases	333	1,703	13,210	73,647	2,312
Other Savings	-14,115	-62,687	-22,379	-53,561	-20,447
Transfers	0	0	0	0	0
IT Pool Funding	0	-3,236	17,229	25,671	0
All Other Policy Changes Total	-47,030	105,313	-394,360	734,652	-324,769
Grand Total	-663,119	5,410,854	-759,962	1,955,954	-618,786

NGF-O = GF-S + ELT + OpPath + Wkfrc Educ Invest

2021-23 Omnibus Operating Budget

Proposal by Representative Stokesbary

Funds Subject to Outlook

(Dollars in Millions)

	2019-21			2021-23			2023-25		
	FY 2020	FY 2021	2019-21	FY 2022	FY 2023	2021-23	FY 2024	FY 2025	2023-25
Beginning Balance	1,981	1,379	1,981	1,798	1,016	1,798	521	314	521
Forecasted Revenues	24,915	26,414	51,329	26,855	27,812	54,667	29,064	30,371	59,435
November 2020 Revenue Forecast (NGF-O)	24,915	26,080	50,995	26,855	27,812	54,666	28,537	29,470	58,007
Addtl Revenue Based on 4.5% Growth Rate Assumption	0	0	0	0	0	0	526	901	1,427
ERFC Additional Revenue (12/11-01/10 Collections)	0	323	323	0	0	0	0	0	0
Opioid Settlement Revenue	0	11	11	1	1	1	1	1	1
Other Resource Changes	-84	-1	-85	-309	-562	-871	-587	-611	-1,198
GF-S Transfer to BSA (1%)	-237	-249	-486	-257	-263	-520	-271	-280	-551
Prior Period Adjustments	39	20	60	20	20	41	20	20	41
CAFR Adjustments	24	0	24	0	0	0	0	0	0
Enacted Fund Transfers	89	106	195	0	0	0	0	0	0
Budget Driven Revenue	0	6	6	-1	1	0	0	0	0
Proposed Fund Transfers	0	19	19	58	10	68	5	5	10
Proposed Legislation Impacting NGF-O Revenue	0	97	97	-129	-330	-459	-341	-357	-698
Total Revenues and Resources	26,813	27,792	53,225	28,345	28,266	55,595	28,998	30,074	58,758
Enacted Appropriations	26,005	27,695	53,700	26,005	27,695	53,700	27,929	28,170	56,099
Carryforward Level Adjustments				1,663	-61	1,603	-59	-57	-115
Maintenance Level Total	0	-910	-910	37	772	810	1,276	1,659	2,935
Policy Level Total	0	-663	-663	-232	-528	-760	-327	-292	-619
K-12 Education	0	-1	-1	-42	18	-24	32	33	65
Low Income Health Care & Comm Behavioral Health	0	-251	-251	-104	26	-78	-109	-105	-214
Social & Health Services	0	-261	-261	1	9	10	21	-19	2
Higher Education	0	-25	-25	80	-286	-206	-101	-101	-202
Corrections	0	4	4	-30	-29	-59	-34	-37	-71
All Other	0	-111	-111	27	-151	-124	-200	-223	-424
Debt Service	0	0	0	3	35	38	103	198	301
Employee Health & Benefits	0	0	0	-15	3	-12	3	3	6
Compensation Changes (Employee and Non-employee)	0	-18	-18	-152	-152	-305	-41	-41	-82
Reversions	-572	-128	-700	-145	-133	-278	-136	-139	-275
Revised Appropriations	25,433	25,994	51,427	27,329	27,745	55,074	28,684	29,342	58,026
Projected Ending Balance	1,379	1,798	1,798	1,016	521	521	314	732	732
Budget Stabilization Account									
Beginning Balance	1,618	1,683	1,618	0	257	0	521	794	521
GF-S Transfer to BSA (1%)	237	249	486	257	263	520	271	280	551
BSA Transfers	0	25	25	0	0	0	0	0	0
Appropriations from BSA	-200	-1,974	-2,174	0	0	0	0	0	0
Prior Period Adjustments	1	0	1	0	0	0	0	0	0
Interest Earnings	27	17	43	0	1	1	2	2	4
Budget Stabilization Account Ending Balance	1,683	0	0	257	521	521	794	1,077	1,077
Total Reserves	3,062	1,798	1,798	1,273	1,042	1,042	1,108	1,809	1,809
Percentage of Reserves to Revenues and Other Resources	12.3%	6.8%		4.8%	3.8%		3.9%	6.1%	
NGF-O	5.6%	6.8%		3.8%	1.9%		1.1%	2.5%	
Budget Stabilization Account	6.8%	0.0%		1.0%	1.9%		2.8%	3.6%	

Notes.

1. NGF-O includes General Fund State, Washington Opportunity Pathways, Education Legacy Trust; and Workforce Education Investment Accounts.
2. Projected maintenance level spending reflects the Governor's proposed maintenance level.
3. This analysis was prepared by OPR staff for legislative deliberations of House members. It is not an official Outlook or an official state publication.

Fund Transfers, Revenue Legislation, and Budget Driven Revenues

2021-23 Operating Budget Proposal by Representative Stokesbary

Funds Subject to Outlook

(Dollars in Millions)

	2019-21	2021-23	2023-25	6 Yr
Forecasted Revenue Adjustments				
ERFC Additional Revenue (12/11 - 01/10 Collections)	323.0	0.0	0.0	323.0
Opioid Settlement Revenue	11.2	1.1	1.1	13.5
SubTotal	334.2	1.1	1.1	336.5
Proposed Fund Transfers				
Community Preservation & Development Authority Account	0.5	0.0	0.0	0.5
Financial Services Regulation Account	0.0	7.0	0.0	7.0
Gambling Revolving Account	-6.0	6.0	0.0	0.0
Home Security Fund Account	0.0	-9.0	0.0	-9.0
Long-Term Services and Supports Trust Account	0.0	37.1	0.0	37.1
School Employees' Insurance Admin Acct	24.1	16.6	0.0	40.6
State Treasurer's Service Account	0.0	10.0	10.0	20.0
SubTotal	18.6	67.7	10.0	96.2
Budget Driven Revenue				
Liquor Control Board (Liquor)	2.7	3.6	7.2	13.5
Liquor Control Board (Marijuana)	3.8	-5.2	-7.8	-9.2
Lottery	0.0	1.7	0.8	2.4
Marijuana Distribution Changes	0.0	0.0	0.0	0.0
SubTotal	6.5	0.0	0.2	6.7
Proposed Legislation Impacting NGF-O Revenues				
BSA Legislation	96.8	0.0	0.0	96.8
HB 1011 Liquor License Renewal Dates	0.0	0.0	0.0	0.0
HB 1095 Emergency Assistance/Tax	0.0	0.0	0.0	0.0
HB 1112 Use Tax Exemptions	0.0	-1.3	-1.7	-3.0
HB 1188 B&O Tax Payment Deferral	0.0	0.0	0.0	0.0
HB 1247 Mobile Home Park Property Tax	0.0	0.0	0.0	0.0
HB 1248 Leased Land Property Tax Exemption	0.0	0.0	0.0	0.0
HB 1296 Behavioral Health Admin Organizations	0.0	0.0	0.0	0.0
HB 1299 Hospitality Industry/ B&O Tax	0.0	-45.3	-51.5	-96.8
HB 1332 Property Tax Deferral / COVID	0.0	0.0	0.0	0.0
HB 1359 Liquor License Fees	0.0	-5.4	-2.3	-7.7
HB 1459 Data Center Tax Incentive	0.0	-12.4	-31.4	-43.8
HB 1480 Liquor License Privileges	0.0	0.0	0.0	0.0
HB 1535 Necessities / Sales Tax	0.0	-138.9	-154.5	-293.4
HB 1541 Local Revenue / Homelessness	0.0	-309.1	-463.4	-772.5
SB 5315 Captive Insurance	0.0	34.2	4.7	38.9
SB 5391 Property Tax Exemption / Income	0.0	0.0	0.0	0.0
Taxpayer Amnesty Program	0.0	19.0	2.4	21.5
SubTotal	96.8	-459.1	-697.7	-1,060.0
Grand Total	456.1	-390.3	-686.4	-620.7

2021

2023



Washington State House of Representatives
Office of Program Research