



**2013-15  
OPERATING BUDGET  
STATEWIDE SUMMARY &  
AGENCY DETAIL**

**Striking  
Amendment to  
2ESSB 5034**

**SENATE WAYS & MEANS COMMITTEE  
JUNE 27, 2013**

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
Legislative	789.7	141,400	155,455
Judicial	653.0	237,851	299,190
Governmental Operations	7,034.7	459,114	3,499,248
Other Human Services	16,948.2	6,116,600	16,764,572
DSHS	16,706.3	5,786,677	11,917,266
Natural Resources	5,973.7	262,680	1,587,441
Transportation	749.9	69,582	180,937
Public Schools	288.0	15,208,877	17,097,327
Higher Education	46,082.0	3,073,482	12,204,034
Other Education	547.9	204,674	588,624
Special Appropriations	0.0	2,065,974	2,222,531
<b>Statewide Total</b>	<b>95,773.2</b>	<b>33,626,911</b>	<b>66,516,625</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Legislative</b>			
House of Representatives	356.6	61,864	63,629
Senate	253.0	44,555	46,069
Jt Leg Audit & Review Committee	21.4	173	6,478
LEAP Committee	10.0	3,464	3,464
Office of the State Actuary	13.0	0	3,529
Office of Legislative Support Svcs	42.6	7,370	7,421
Joint Legislative Systems Comm	46.6	15,977	15,977
Statute Law Committee	46.6	7,997	8,888
<b>Total Legislative</b>	<b>789.7</b>	<b>141,400</b>	<b>155,455</b>
<b>Judicial</b>			
Supreme Court	60.9	13,747	13,747
State Law Library	13.8	2,949	2,949
Court of Appeals	140.6	31,376	31,376
Commission on Judicial Conduct	9.5	2,062	2,062
Administrative Office of the Courts	411.0	101,856	157,941
Office of Public Defense	16.2	64,129	67,929
Office of Civil Legal Aid	1.0	21,732	23,186
<b>Total Judicial</b>	<b>653.0</b>	<b>237,851</b>	<b>299,190</b>
<b>Total Legislative/Judicial</b>	<b>1,442.7</b>	<b>379,251</b>	<b>454,645</b>

# 2013-15 Omnibus Operating Budget

## Striking Amd 2ESSB 5034 June 27

(Dollars in Thousands)

	FTEs	NGF-P	Total
<b>Governmental Operations</b>			
Office of the Governor	49.9	10,726	14,726
Office of the Lieutenant Governor	5.8	1,312	1,407
Public Disclosure Commission	19.6	4,097	4,097
Office of the Secretary of State	314.6	20,891	80,900
Governor's Office of Indian Affairs	2.0	501	501
Asian-Pacific-American Affrs	2.0	420	420
Office of the State Treasurer	67.0	0	14,924
Office of the State Auditor	336.3	1,461	75,841
Comm Salaries for Elected Officials	1.3	312	312
Office of the Attorney General	1,071.5	20,588	228,251
Caseload Forecast Council	12.0	2,490	2,490
Dept of Financial Institutions	190.9	0	47,883
Department of Commerce	272.2	123,227	515,885
Economic & Revenue Forecast Council	6.1	1,566	1,616
Office of Financial Management	208.2	35,956	119,926
Office of Administrative Hearings	170.4	0	37,822
State Lottery Commission	142.9	0	810,516
Washington State Gambling Comm	146.5	0	29,984
WA State Comm on Hispanic Affairs	2.0	473	473
African-American Affairs Comm	2.0	457	457
Department of Retirement Systems	251.7	0	57,297
State Investment Board	91.4	0	36,035
Innovate Washington	-0.1	0	3,377
Department of Revenue	1,191.7	214,286	253,027
Board of Tax Appeals	11.2	2,395	2,395
Minority & Women's Business Enterp	18.0	0	4,077
Office of Insurance Commissioner	235.0	400	55,126
Consolidated Technology Services	290.4	0	230,197
State Board of Accountancy	11.3	0	2,699
Forensic Investigations Council	0.0	0	498
Dept of Enterprise Services	1,042.8	7,282	451,353
Washington Horse Racing Commission	28.5	0	5,724
WA State Liquor Control Board	280.5	0	66,998
Utilities and Transportation Comm	166.2	0	52,620
Board for Volunteer Firefighters	4.0	0	1,044
Military Department	323.4	3,726	273,568
Public Employment Relations Comm	41.3	4,013	7,834
LEOFF 2 Retirement Board	7.0	0	2,249
Archaeology & Historic Preservation	17.8	2,535	4,699
<b>Total Governmental Operations</b>	<b>7,034.7</b>	<b>459,114</b>	<b>3,499,248</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Other Human Services</b>			
WA State Health Care Authority	1,131.9	4,245,757	12,448,344
Human Rights Commission	34.2	4,073	6,258
Bd of Industrial Insurance Appeals	161.0	0	39,536
Criminal Justice Training Comm	35.4	28,416	40,680
Department of Labor and Industries	2,804.9	34,891	657,003
Department of Health	1,643.6	119,428	1,043,149
Department of Veterans' Affairs	727.3	14,674	132,503
Department of Corrections	8,024.7	1,664,922	1,686,707
Dept of Services for the Blind	80.0	4,439	27,488
Employment Security Department	2,305.4	0	682,904
<b>Total Other Human Services</b>	<b>16,948.2</b>	<b>6,116,600</b>	<b>16,764,572</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>DSHS</b>			
Children and Family Services	2,511.1	594,317	1,104,082
Juvenile Rehabilitation	749.2	180,222	189,047
Mental Health	2,680.7	916,582	1,724,299
Developmental Disabilities	3,113.1	1,075,071	2,082,080
Long-Term Care	1,446.5	1,792,846	3,848,450
Economic Services Administration	4,193.0	807,523	2,049,891
Alcohol & Substance Abuse	70.3	134,505	441,325
Vocational Rehabilitation	335.9	32,937	132,350
Administration/Support Svcs	494.6	59,460	97,264
Special Commitment Center	370.7	72,233	72,233
Payments to Other Agencies	0.0	120,981	176,245
Information System Services	197.6	0	0
Consolidated Field Services	543.9	0	0
<b>Total DSHS</b>	<b>16,706.3</b>	<b>5,786,677</b>	<b>11,917,266</b>
<b>Total Human Services</b>	<b>33,654.4</b>	<b>11,903,277</b>	<b>28,681,838</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Natural Resources</b>			
Columbia River Gorge Commission	7.0	891	1,796
Department of Ecology	1,570.6	51,435	458,113
WA Pollution Liab Insurance Program	6.0	0	1,587
State Parks and Recreation Comm	632.4	8,508	128,452
Rec and Conservation Funding Board	19.6	1,638	9,855
Environ & Land Use Hearings Office	18.3	4,374	4,374
State Conservation Commission	17.1	13,579	16,880
Dept of Fish and Wildlife	1,469.2	59,320	374,747
Puget Sound Partnership	47.1	4,734	18,900
Department of Natural Resources	1,426.2	87,607	418,580
Department of Agriculture	760.4	30,594	154,157
<b>Total Natural Resources</b>	<b>5,973.7</b>	<b>262,680</b>	<b>1,587,441</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<hr/>			
<b>Transportation</b>			
Washington State Patrol	512.0	67,138	138,577
Department of Licensing	237.9	2,444	42,360
	<hr/>	<hr/>	<hr/>
<b>Total Transportation</b>	<b>749.9</b>	<b>69,582</b>	<b>180,937</b>



**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Public Schools</b>			
OSPI & Statewide Programs	246.9	53,305	127,657
General Apportionment	0.0	11,305,188	11,305,188
Pupil Transportation	0.0	792,528	792,528
School Food Services	0.0	14,222	632,560
Special Education	2.0	1,486,343	1,948,365
Educational Service Districts	0.0	16,294	16,294
Levy Equalization	0.0	646,707	646,707
Elementary/Secondary School Improv	0.0	0	4,052
Institutional Education	0.0	30,784	30,784
Ed of Highly Capable Students	0.0	19,232	19,232
Education Reform	39.2	227,963	438,199
Transitional Bilingual Instruction	0.0	201,620	272,636
Learning Assistance Program (LAP)	0.0	414,691	863,125
<b>Total Public Schools</b>	<b>288.0</b>	<b>15,208,877</b>	<b>17,097,327</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Higher Education</b>			
Student Achievement Council	103.9	683,457	724,990
University of Washington	20,461.5	506,095	6,359,033
Washington State University	6,097.6	348,312	1,404,880
Eastern Washington University	1,305.9	78,763	297,749
Central Washington University	1,219.3	78,328	325,152
The Evergreen State College	615.2	41,924	131,008
Western Washington University	1,602.7	101,969	368,287
Community/Technical College System	14,676.0	1,234,634	2,592,935
<b>Total Higher Education</b>	<b>46,082.0</b>	<b>3,073,482</b>	<b>12,204,034</b>
<b>Other Education</b>			
State School for the Blind	86.0	11,837	13,818
Childhood Deafness & Hearing Loss	109.2	17,206	17,774
Workforce Trng & Educ Coord Board	19.3	3,060	57,839
Department of Early Learning	256.5	162,942	482,645
Washington State Arts Commission	13.0	2,226	4,312
Washington State Historical Society	34.0	4,273	6,574
East Wash State Historical Society	30.0	3,130	5,662
<b>Total Other Education</b>	<b>547.9</b>	<b>204,674</b>	<b>588,624</b>
<b>Total Education</b>	<b>46,917.9</b>	<b>18,487,033</b>	<b>29,889,985</b>

**2013-15 Omnibus Operating Budget**  
**Striking Amd 2ESSB 5034 June 27**  
(Dollars in Thousands)

	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Special Appropriations</b>			
Bond Retirement and Interest	0.0	1,846,874	2,003,431
Special Approps to the Governor	0.0	87,600	87,600
State Employee Compensation Adjust	0.0	-10,000	-10,000
Contributions to Retirement Systems	0.0	141,500	141,500
<b>Total Special Appropriations</b>	<b>0.0</b>	<b>2,065,974</b>	<b>2,222,531</b>

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**2013-15 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	1,921,678	2,076,825
2013-15 Maintenance Level	0.0	1,810,455	1,967,012
<b>Policy Other Changes:</b>			
1. Debt Svc for New Capital Projects	0.0	36,419	36,419
Policy -- Other Total	0.0	36,419	36,419
Total Policy Changes	0.0	36,419	36,419
Total 2013-15 Biennium	0.0	1,846,874	2,003,431
Difference from 2011-13	0.0	-74,804	-73,394
% Change from 2011-13	0.0%	-3.9%	-3.5%

*Comments:*

**1. Debt Svc for New Capital Projects** - Debt service will be incurred from issuing new debt to fund the Senate's proposed capital budget for the 2013-15 biennium.

**2013-15 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
**Debt Subject to the Debt Limit**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	1,860,992	1,867,386
2013-15 Maintenance Level	0.0	1,765,265	1,772,362
<b>Policy Other Changes:</b>			
1. Debt Svc for New Capital Projects	0.0	36,419	36,419
Policy -- Other Total	0.0	36,419	36,419
Total Policy Changes	0.0	36,419	36,419
Total 2013-15 Biennium	0.0	1,801,684	1,808,781
Difference from 2011-13	0.0	-59,308	-58,605
% Change from 2011-13	0.0%	-3.2%	-3.1%

*Comments:*

**1. Debt Svc for New Capital Projects** - Debt service will be incurred from issuing new debt to fund the Senate's proposed capital budget for the 2013-15 biennium.

**2013-15 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
**Proprietary Debt**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	0	8,220
2013-15 Maintenance Level	0.0	0	8,276
Total 2013-15 Biennium	0.0	0	8,276
Difference from 2011-13	0.0	0	56
% Change from 2011-13	0.0%	0.0%	0.7%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
**Reimbursable Debt**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	57,972	198,100
2013-15 Maintenance Level	0.0	41,738	181,953
Total 2013-15 Biennium	0.0	41,738	181,953
Difference from 2011-13	0.0	-16,234	-16,147
% Change from 2011-13	0.0%	-28.0%	-8.2%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Bond Retirement and Interest**  
**Bond Sale Expenses**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	2,714	3,119
2013-15 Maintenance Level	0.0	3,452	4,421
Total 2013-15 Biennium	0.0	3,452	4,421
Difference from 2011-13	0.0	738	1,302
% Change from 2011-13	0.0%	27.2%	41.7%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**House of Representatives**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	367.3	57,939	59,430
2013-15 Maintenance Level	356.6	62,309	64,074
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	5	5
2. DES Central Services	0.0	-90	-90
Policy -- Other Total	0.0	-85	-85
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	-106	-106
4. Wellness - Smoker Surcharge	0.0	-16	-16
5. PEBB - Coverage Waiver Surcharge	0.0	-94	-94
Policy -- Comp Total	0.0	-216	-216
<b>Policy Transfer Changes:</b>			
6. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-445	-445
Total 2013-15 Biennium	356.6	61,864	63,629
Difference from 2011-13	-10.7	3,925	4,199
% Change from 2011-13	-2.9%	6.8%	7.1%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



## **2013-15 Omnibus Operating Budget House of Representatives**

**6. Legislative Cost Transfers** - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

**2013-15 Omnibus Operating Budget****Senate**

(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	261.6	43,246	44,667
2013-15 Maintenance Level	253.0	44,939	46,453
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	5	5
2. DES Central Services	0.0	-93	-93
Policy -- Other Total	0.0	-88	-88
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	-75	-75
4. Wellness - Smoker Surcharge	0.0	-11	-11
5. PEBB - Coverage Waiver Surcharge	0.0	-66	-66
Policy -- Comp Total	0.0	-152	-152
<b>Policy Transfer Changes:</b>			
6. Legislative Cost Transfers	0.0	-144	-144
Policy -- Transfer Total	0.0	-144	-144
Total Policy Changes	0.0	-384	-384
Total 2013-15 Biennium	253.0	44,555	46,069
Difference from 2011-13	-8.6	1,309	1,402
% Change from 2011-13	-3.3%	3.0%	3.1%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Senate**

**6. Legislative Cost Transfers** - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

**2013-15 Omnibus Operating Budget**  
**Jt Leg Audit & Review Committee**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	20.9	5,120	5,290
2013-15 Maintenance Level	21.4	5,830	6,494
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-1
2. Audit Functions	0.0	-5,641	0
Policy -- Other Total	0.0	-5,642	-1
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	-7	-7
4. Wellness - Smoker Surcharge	0.0	-1	-1
5. PEBB - Coverage Waiver Surcharge	0.0	-7	-7
Policy -- Comp Total	0.0	-15	-15
Total Policy Changes	0.0	-5,657	-16
Total 2013-15 Biennium	21.4	173	6,478
Difference from 2011-13	0.5	-4,947	1,188
% Change from 2011-13	2.4%	-96.6%	22.5%

*Comments:*

Funding is reduced to reflect administrative efficiencies and other actions that agencies will take to lower costs. Agencies are directed to achieve these reductions through strategies that minimize negative impacts on the short- and long-term accomplishment of the agency's mission. To the extent possible, agencies are encouraged to use LEAN management principles and employee-driven input to improve agency operational efficiency and to have a measureable impact on services delivered to the public.

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Audit Functions** - Funding for the agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for all legislative and statutory audit functions during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**LEAP Committee**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	10.0	3,745	3,745
2013-15 Maintenance Level	10.0	3,471	3,471
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	-1	-1
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-3	-3
3. PEBB - Coverage Waiver Surcharge	0.0	-3	-3
Policy -- Comp Total	0.0	-6	-6
Total Policy Changes	0.0	-7	-7
Total 2013-15 Biennium	10.0	3,464	3,464
Difference from 2011-13	0.0	-281	-281
% Change from 2011-13	0.0%	-7.5%	-7.5%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of the State Actuary**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	13.2	0	3,324
2013-15 Maintenance Level	13.0	0	3,490
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	0	-1
Policy -- Other Total	0.0	0	-1
<b>Policy Comp Changes:</b>			
2. OSA Retention Contingency Package	0.0	0	50
3. State Employee Health Insurance	0.0	0	-5
4. Wellness - Smoker Surcharge	0.0	0	-1
5. PEBB - Coverage Waiver Surcharge	0.0	0	-4
Policy -- Comp Total	0.0	0	40
Total Policy Changes	0.0	0	39
Total 2013-15 Biennium	13.0	0	3,529
Difference from 2011-13	-0.3	0	205
% Change from 2011-13	-1.9%	0.0%	6.2%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. OSA Retention Contingency Package** - Funding is provided for salary increases for retention purposes, if necessary. The amount is sufficient for a one-time salary increase of 10 percent for two credentialed actuaries for 24 months, based on the current average annual salary for credentialed actuarial staff. (Department of Retirement Systems Expense Account-State)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of Legislative Support Svcs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	21.3	3,016	3,016
2013-15 Maintenance Level	42.6	6,662	6,713
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-3	-3
Policy -- Other Total	0.0	-3	-3
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-10	-10
3. Wellness - Smoker Surcharge	0.0	-2	-2
4. PEBB - Coverage Waiver Surcharge	0.0	-9	-9
Policy -- Comp Total	0.0	-21	-21
<b>Policy Transfer Changes:</b>			
5. Legislative Cost Transfers	0.0	732	732
Policy -- Transfer Total	0.0	732	732
Total Policy Changes	0.0	708	708
Total 2013-15 Biennium	42.6	7,370	7,421
Difference from 2011-13	21.3	4,354	4,405
% Change from 2011-13	100.0%	144.4%	146.1%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**4. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**5. Legislative Cost Transfers** - Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

**2013-15 Omnibus Operating Budget**  
**Joint Legislative Systems Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	46.6	15,679	15,679
2013-15 Maintenance Level	46.6	16,450	16,450
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	6	6
2. DES Central Services	0.0	-5	-5
Policy -- Other Total	0.0	1	1
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	-15	-15
4. Wellness - Smoker Surcharge	0.0	-2	-2
5. PEBB - Coverage Waiver Surcharge	0.0	-13	-13
Policy -- Comp Total	0.0	-30	-30
<b>Policy Transfer Changes:</b>			
6. Legislative Cost Transfers	0.0	-444	-444
Policy -- Transfer Total	0.0	-444	-444
Total Policy Changes	0.0	-473	-473
Total 2013-15 Biennium	46.6	15,977	15,977
Difference from 2011-13	0.0	298	298
% Change from 2011-13	0.0%	1.9%	1.9%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



## **2013-15 Omnibus Operating Budget Joint Legislative Systems Comm**

**6. Legislative Cost Transfers -** Costs are shifted, with no net funding increase, to the Office of Legislative Support Services from the House of Representatives, the Senate and the Legislative Systems Committee (LSC) to consolidate legislative support services.

**2013-15 Omnibus Operating Budget**  
**Statute Law Committee**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	46.6	8,768	9,620
2013-15 Maintenance Level	46.6	8,032	8,924
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-8	-9
Policy -- Other Total	0.0	-8	-9
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-13	-13
3. Wellness - Smoker Surcharge	0.0	-2	-2
4. PEBB - Coverage Waiver Surcharge	0.0	-12	-12
Policy -- Comp Total	0.0	-27	-27
Total Policy Changes	0.0	-35	-36
Total 2013-15 Biennium	46.6	7,997	8,888
Difference from 2011-13	0.0	-771	-732
% Change from 2011-13	0.0%	-8.8%	-7.6%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**4. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget****Supreme Court**

(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	60.9	13,319	13,319
2013-15 Maintenance Level	60.9	13,809	13,809
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. CTS Central Services	0.0	4	4
3. DES Central Services	0.0	-23	-23
Policy -- Other Total	0.0	-20	-20
<b>Policy Comp Changes:</b>			
4. State Employee Health Insurance	0.0	-21	-21
5. Wellness - Smoker Surcharge	0.0	-3	-3
6. PEBB - Coverage Waiver Surcharge	0.0	-18	-18
Policy -- Comp Total	0.0	-42	-42
Total Policy Changes	0.0	-62	-62
Total 2013-15 Biennium	60.9	13,747	13,747
Difference from 2011-13	0.0	428	428
% Change from 2011-13	0.0%	3.2%	3.2%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**State Law Library**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	13.8	1,504	3,004
2013-15 Maintenance Level	13.8	2,965	2,965
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-10	-10
Policy -- Other Total	0.0	-10	-10
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-3	-3
3. PEBB - Coverage Waiver Surcharge	0.0	-3	-3
Policy -- Comp Total	0.0	-6	-6
Total Policy Changes	0.0	-16	-16
Total 2013-15 Biennium	13.8	2,949	2,949
Difference from 2011-13	0.0	1,445	-55
% Change from 2011-13	0.0%	96.1%	-1.8%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Court of Appeals**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	139.6	30,443	30,443
2013-15 Maintenance Level	139.6	31,182	31,182
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	4	4
2. DES Central Services	0.0	-6	-6
3. Maint Case Resolution Productivity	1.0	288	288
Policy -- Other Total	1.0	286	286
<b>Policy Comp Changes:</b>			
4. State Employee Health Insurance	0.0	-45	-45
5. Wellness - Smoker Surcharge	0.0	-7	-7
6. PEBB - Coverage Waiver Surcharge	0.0	-40	-40
Policy -- Comp Total	0.0	-92	-92
Total Policy Changes	1.0	194	194
Total 2013-15 Biennium	140.6	31,376	31,376
Difference from 2011-13	1.0	933	933
% Change from 2011-13	0.7%	3.1%	3.1%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Maint Case Resolution Productivity** - Funding is provided for the restoration of a court commissioner position which was previously eliminated due to budget reductions.

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Commission on Judicial Conduct**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	9.5	2,029	2,029
2013-15 Maintenance Level	9.5	2,071	2,071
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-4	-4
Policy -- Other Total	0.0	-4	-4
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-3	-3
3. PEBB - Coverage Waiver Surcharge	0.0	-2	-2
Policy -- Comp Total	0.0	-5	-5
Total Policy Changes	0.0	-9	-9
Total 2013-15 Biennium	9.5	2,062	2,062
Difference from 2011-13	0.0	33	33
% Change from 2011-13	0.0%	1.6%	1.6%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Administrative Office of the Courts**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	398.3	99,156	150,394
2013-15 Maintenance Level	388.0	111,595	141,516
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	124	124
2. DES Central Services	0.0	-26	-26
3. JST Account Funding	0.0	-6,691	0
4. Superior Court Judge Whatcom County	0.0	216	216
5. Superior Ct. Judge Benton/Franklin	0.0	216	216
6. Boating Safety	0.0	0	67
7. Superior Courts-Case Mgmt System	22.0	0	11,300
8. Information Networking Hub	0.0	0	1,500
9. Internal Equipment Replacement	0.0	0	2,138
10. External Equipment Replacement	0.0	0	1,199
11. Electronic Content Mgmt System	1.0	0	333
12. Reduce LFO Payments	0.0	-370	-370
13. GF-S/JIS	0.0	-3,000	0
Policy -- Other Total	23.0	-9,531	16,697
<b>Policy Comp Changes:</b>			
14. State Employee Health Insurance	0.0	-102	-133
15. Wellness - Smoker Surcharge	0.0	-15	-20
16. PEBB - Coverage Waiver Surcharge	0.0	-91	-119
Policy -- Comp Total	0.0	-208	-272
Total Policy Changes	23.0	-9,739	16,425
Total 2013-15 Biennium	411.0	101,856	157,941
Difference from 2011-13	12.7	2,700	7,547
% Change from 2011-13	3.2%	2.7%	5.0%

**Comments:**

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. JST Account Funding** - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with Administrative Office of the Courts (AOC). Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

**4. Superior Court Judge Whatcom County** - Funding is provided for an additional superior court judge position in Whatcom County, pursuant to House Bill 1159 (Superior crt judges/Whatcom). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits.

## 2013-15 Omnibus Operating Budget

### Administrative Office of the Courts

**5. Superior Ct. Judge Benton/Franklin** - Funding is provided for an additional superior court judge position in Benton and Franklin counties combined, pursuant to House Bill 1175 (Judges/Benton & Franklin co.). By statute, the state's share of the cost of superior court judges is set at one-half the salary and all of the benefits.

**6. Boating Safety** - Chapter 278, Laws of 2013 (SSB 5437), makes operating a vessel while under the influence of alcohol, marijuana, or any drug a gross misdemeanor offense, and establishes boating safety criteria for any person who has vessels for rent, lease, charter, or use. One-time funding for the Administrative Office of the Courts is provided to modify the Judicial Information System and other databases to track the new information, particularly related to marijuana. (Judicial Information System Account-State)

**7. Superior Courts-Case Mgmt System** - Funding is provided to continue with the implementation of the new commercial off-the-shelf case management system for the superior courts. The Superior Court Case Management System Project Steering Committee will continue to provide oversight of the project. (Judicial Information Systems Account-State)

**8. Information Networking Hub** - Funding is provided to continue development and implementation of the Information Networking Hub for bi-directional data exchanges, as well as provide a central data repository for court data. (Judicial Information Systems Account-State)

**9. Internal Equipment Replacement** - Funding is provided to replace aged computer equipment and to improve the performance of heavily used Judicial Information System services. (Judicial Information Systems Account-State)

**10. External Equipment Replacement** - Funding is provided to replace computer equipment at the courts. (Judicial Information Systems Account-State)

**11. Electronic Content Mgmt System** - Funding is provided for staff and other costs for the new commercial off-the-shelf electronic content management system. (Judicial Information Systems Account-State)

**12. Reduce LFO Payments** - Funding is reduced for the cost of the legal financial obligation collection program. (General Fund-State)

**13. GF-S/JIS** - Funding is increased from the Judicial Information Systems Account for the 2013-15 biennium and general fund-state appropriations are reduced in the same amount. (General Fund-State, Judicial Information Systems Account-State)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**16. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Office of Public Defense**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	14.8	54,163	58,531
2013-15 Maintenance Level	15.5	64,310	64,310
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-1
2. Immigration Consequences Advisement	0.0	100	100
3. Increase Federal Authority - CCLI	0.4	0	152
4. JST Account Funding	0.0	-3,648	0
5. Parents Representation Program	0.3	3,378	3,378
Policy -- Other Total	0.7	-171	3,629
<b>Policy Comp Changes:</b>			
6. State Employee Health Insurance	0.0	-5	-5
7. Wellness - Smoker Surcharge	0.0	-1	-1
8. PEBB - Coverage Waiver Surcharge	0.0	-4	-4
Policy -- Comp Total	0.0	-10	-10
Total Policy Changes	0.7	-181	3,619
Total 2013-15 Biennium	16.2	64,129	67,929
Difference from 2011-13	1.4	9,966	9,398
% Change from 2011-13	9.5%	18.4%	16.1%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Immigration Consequences Advisement** - Funding is provided for expansion of the Washington Defender Association's immigration consequences program.

**3. Increase Federal Authority - CCLI** - Expenditure authority is extended for the Department of Justice grants awarded to the Office of Public Defense under the Capital Case Litigation Initiative for a death penalty trial training program. (General Fund-Federal)

**4. JST Account Funding** - Funding from the Judicial Stabilization Trust (JST) Account is provided for costs associated with OPD. Revenue deposited in the JST Account comes from a temporary surcharge on certain court filing fees, pursuant to Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

**5. Parents Representation Program** - Funding is provided to expand the Parents Representation Program to Asotin, Columbia, Garfield, King, Whatcom, and Whitman counties beginning July, 1, 2014.

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Office of Public Defense**

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of Civil Legal Aid**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1.0	21,592	23,665
2013-15 Maintenance Level	1.0	23,186	23,186
<b>Policy Other Changes:</b>			
1. JST Account Funding	0.0	-1,454	0
Policy -- Other Total	0.0	-1,454	0
Total Policy Changes	0.0	-1,454	0
Total 2013-15 Biennium	1.0	21,732	23,186
Difference from 2011-13	0.0	140	-479
% Change from 2011-13	0.0%	0.7%	-2.0%

*Comments:*

**1. 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 Substitute House Bill 1961 (Judicial stabil. trust acct.). (Judicial Stabilization Trust Account-State, General Fund-State)

**2013-15 Omnibus Operating Budget**  
**Office of the Governor**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	49.9	10,350	11,850
2013-15 Maintenance Level	49.9	10,188	11,688
<b>Policy Other Changes:</b>			
1. Economic Development Projects	0.0	0	2,500
2. Attorney General Legal Services	0.0	-1	-1
3. CTS Central Services	0.0	8	8
4. DES Central Services	0.0	-13	-13
5. Education Ombudsman	0.0	316	316
6. Greenhouse Gas Emissions SB 5802	0.0	258	258
Policy -- Other Total	0.0	568	3,068
<b>Policy Comp Changes:</b>			
7. State Employee Health Insurance	0.0	-15	-15
8. Wellness - Smoker Surcharge	0.0	-2	-2
9. PEBB - Coverage Waiver Surcharge	0.0	-13	-13
Policy -- Comp Total	0.0	-30	-30
Total Policy Changes	0.0	538	3,038
Total 2013-15 Biennium	49.9	10,726	14,726
Difference from 2011-13	0.0	376	2,876
% Change from 2011-13	0.0%	3.6%	24.3%

*Comments:*

**1. Economic Development Projects** - Additional funding is provided to the Office of the Governor to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state.  
(Economic Development Strategic Reserve Account-State)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Education Ombudsman** - Funding is increased to support the Office of the Education Ombudsman (OEO). The OEO is a statewide agency within the Office of the Governor that works to resolve complaints and disputes between families and Washington State elementary and secondary public schools in all areas that affect student learning. This increased funding is provided on an ongoing basis.

## 2013-15 Omnibus Operating Budget Office of the Governor

**6. Greenhouse Gas Emissions SB 5802** - Funding is provided for implementation of Chapter 6, Laws of 2013 (E2SSB 5802). The Office of Financial Management shall contract with an independent consultant, selected by the Climate Legislative and Executive Work Group established in E2SSB 5802, for an evaluation of approaches to reducing greenhouse gas emissions. The consultant's evaluation is due to the Governor by October 15, 2013. The Climate Legislative and Executive Work Group will recommend a state program of actions and policies to reduce greenhouse gas emissions. The work group must provide a report to the appropriate policy and fiscal committees of the Senate and House of Representatives by December 31, 2013.

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Special Approps to the Governor**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	110,422	127,922
2013-15 Maintenance Level	0.0	99,552	99,552
<b>Policy Other Changes:</b>			
1. Disaster Response Account	0.0	7,600	7,600
2. Susp Loc Publ Safety Acct Transfer	0.0	-10,000	-10,000
3. Communication Services Reform	0.0	5,000	5,000
4. Health Benefit Exchange Account	0.0	676	676
5. Lean Management	0.0	-30,000	-30,000
6. Consolidated Savings Efficiencies	0.0	-5,000	-5,000
7. Information Technology Savings	0.0	-5,000	-5,000
Policy -- Other Total	0.0	-36,724	-36,724
<b>Policy Transfer Changes:</b>			
8. Public Health Funding Transfer	0.0	24,772	24,772
Policy -- Transfer Total	0.0	24,772	24,772
Total Policy Changes	0.0	-11,952	-11,952
Total 2013-15 Biennium	0.0	87,600	87,600
Difference from 2011-13	0.0	-22,822	-40,322
% Change from 2011-13	0.0%	-20.7%	-31.5%

*Comments:*

**1. Disaster Response Account** - Additional funds are necessary in the Disaster Response Account for fire costs incurred by the Department of Natural Resources.

**2. Susp Loc Publ Safety Acct Transfer** - The transfer into the Local Public Safety Enhancement Account is suspended for 2013-15.

**3. Communication Services Reform** - Funding is provided from the state general fund to the Universal Communications Services Account to establish a temporary state universal communications service program pursuant to Engrossed Second Substitute House Bill 1971 (communications services).

**4. Health Benefit Exchange Account** - Funding is provided to the Health Benefit Exchange Account as a loan to be repaid from the account by July 30, 2015.

**5. Lean Management** - Savings will be achieved by implementing lean management practices. The Office of Financial Management (OFM) will develop a strategic lean management action plan to drive efficiencies in state spending and increase productivity of state employees while improving and increasing state services for taxpayers. The OFM will also develop a lean practitioner fellowship program to train state agency staff.

**6. Consolidated Savings Efficiencies** - General Fund--State appropriations are reduced to reflect (1) available fund balances in dedicated revolving funds used for central services to state agencies, and (2) more efficient delivery of consolidated central services to state agencies.

**7. Information Technology Savings** - General Fund--State appropriations are reduced in each fiscal year of the biennium to reflect efficiencies in information technology expenditures statewide.

## **2013-15 Omnibus Operating Budget Special Approps to the Governor**

**8. Public Health Funding Transfer** - Local public health funding previously in the Department of Health is consolidated for distribution to local public health districts.

**2013-15 Omnibus Operating Budget**  
**Office of the Lieutenant Governor**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	5.8	1,301	1,396
2013-15 Maintenance Level	5.8	1,318	1,413
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-2	-2
Policy -- Other Total	0.0	-2	-2
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	-2	-2
3. PEBB - Coverage Waiver Surcharge	0.0	-2	-2
Policy -- Comp Total	0.0	-4	-4
Total Policy Changes	0.0	-6	-6
Total 2013-15 Biennium	5.8	1,312	1,407
Difference from 2011-13	0.0	11	11
% Change from 2011-13	0.0%	0.9%	0.8%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Public Disclosure Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	19.5	3,962	3,962
2013-15 Maintenance Level	19.6	4,090	4,090
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-4	-4
2. CTS Central Services	0.0	3	3
3. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	-2	-2
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	18	18
5. New Step M for Classified-Yr 2 Impl	0.0	4	4
6. State Employee Health Insurance	0.0	-6	-6
7. Wellness - Smoker Surcharge	0.0	-1	-1
8. PEBB - Coverage Waiver Surcharge	0.0	-6	-6
Policy -- Comp Total	0.0	9	9
Total Policy Changes	0.0	7	7
Total 2013-15 Biennium	19.6	4,097	4,097
Difference from 2011-13	0.1	135	135
% Change from 2011-13	0.5%	3.4%	3.4%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Public Disclosure Commission**

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of the Secretary of State**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	311.4	24,668	85,623
2013-15 Maintenance Level	314.6	29,598	86,818
<b>Policy Other Changes:</b>			
1. Election & Voters' Pamphlet Savings	0.0	-800	-800
2. State Library Reductions	0.0	-632	-632
3. State Library to Heritage Fund	0.0	-8,860	0
4. Attorney General Legal Services	0.0	-2	-6
5. CTS Central Services	0.0	48	118
6. DES Central Services	0.0	-22	-52
7. Voter Registration & Online Service	0.0	0	-5,314
8. Productivity Board	0.0	0	-781
9. Information Technology Academy	0.0	1,543	1,543
Policy -- Other Total	0.0	-8,725	-5,924
<b>Policy Comp Changes:</b>			
10. New Step M for Classified-Yr 1 Impl	0.0	80	152
11. New Step M for Classified-Yr 2 Impl	0.0	18	28
12. State Employee Health Insurance	0.0	-39	-86
13. Wellness - Smoker Surcharge	0.0	-6	-13
14. PEBB - Coverage Waiver Surcharge	0.0	-35	-75
Policy -- Comp Total	0.0	18	6
Total Policy Changes	0.0	-8,707	-5,918
Total 2013-15 Biennium	314.6	20,891	80,900
Difference from 2011-13	3.3	-3,777	-4,723
% Change from 2011-13	1.0%	-15.3%	-5.5%

**Comments:**

**1. Election & Voters' Pamphlet Savings** - Election savings will be achieved through House Bill 1195 (unexpired terms/candidates) by repealing the statutory requirement to hold primary elections in a judicial race when only one or two candidates have filed.

**2. State Library Reductions** - The State Library will reduce programs and services to create General Fund-State savings.

**3. State Library to Heritage Fund** - State Library services are permanently shifted from the state General Fund to the Heritage Center Account. (General Fund-State, Washington State Heritage Center Account-State)

**4. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**6. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Office of the Secretary of State

**7. Voter Registration & Online Service** - The Office of the Secretary of State maintains the statewide voter registration database required by the federal Help America Vote Act of 2002 (HAVA). The database was launched in January 2006. HAVA funds that have been used to build and maintain the voter database will be reduced by \$5.314 million in Fiscal Year 2015. The remaining federal HAVA funds will allow the Elections Office to maintain the new system until the 2015-17 biennium. (Election Account-Federal)

**8. Productivity Board** - The operations of the Productivity Board were suspended during the 2011-13 biennium. The suspension is continued for the 2013-15 biennium. (Personnel Service Account--State)

**9. Information Technology Academy** - Funding is provided on a one-time basis for the State Library to purchase statewide on-line access to the Information Technology Academy to allow public access to on-line courses and learning resources through public libraries.

**10. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**11. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**12. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**13. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**14. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Governor's Office of Indian Affairs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2.0	517	517
2013-15 Maintenance Level	2.0	503	503
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	-1	-1
<b>Policy Comp Changes:</b>			
2. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-2	-2
Total 2013-15 Biennium	2.0	501	501
Difference from 2011-13	0.0	-16	-16
% Change from 2011-13	0.0%	-3.1%	-3.1%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Asian-Pacific-American Affrs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2.0	446	446
2013-15 Maintenance Level	2.0	421	421
<b>Policy Comp Changes:</b>			
1. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-1	-1
Total 2013-15 Biennium	2.0	420	420
Difference from 2011-13	0.0	-26	-26
% Change from 2011-13	0.0%	-5.8%	-5.8%

*Comments:*

**1. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of the State Treasurer**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	67.0	0	15,160
2013-15 Maintenance Level	67.0	0	15,435
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-4
2. CTS Central Services	0.0	0	79
3. DES Central Services	0.0	0	-10
4. Legal Fees	0.0	0	150
5. Reduce Excess Expenditure Authority	0.0	0	-756
Policy -- Other Total	0.0	0	-541
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	70
7. New Step M for Classified-Yr 2 Impl	0.0	0	3
8. State Employee Health Insurance	0.0	0	-21
9. Wellness - Smoker Surcharge	0.0	0	-3
10. PEBB - Coverage Waiver Surcharge	0.0	0	-19
Policy -- Comp Total	0.0	0	30
Total Policy Changes	0.0	0	-511
Total 2013-15 Biennium	67.0	0	14,924
Difference from 2011-13	0.0	0	-236
% Change from 2011-13	0.0%	0.0%	-1.6%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Legal Fees** - Funding is provided for legal fees related to complex and high profile litigation brought against the state, and for legal costs associated with tracking major changes to federal financial regulations, volatile credit markets, and continued stresses in the banking sector. (State Treasurer's Service Account-State)

**5. Reduce Excess Expenditure Authority** - Expenditure authority is reduced to reflect 2013-15 efficiency savings anticipated in the Governor's veto message in the 2012 Supplemental Budget (chapter 7, Laws of 2012 2nd sp.sess.). (Treasurer's Service Account--State)

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Office of the State Treasurer

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Redistricting Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	5.9	1,781	1,781
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-5.9	-1,781	-1,781
% Change from 2011-13	-100.0%	-100.0%	-100.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Office of the State Auditor**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	336.3	0	72,894
2013-15 Maintenance Level	336.3	1,461	80,614
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-5
2. CTS Central Services	0.0	0	117
3. DES Central Services	0.0	0	-25
4. Performance Audit Account	0.0	0	-4,922
Policy -- Other Total	0.0	0	-4,835
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	0	256
6. New Step M for Classified-Yr 2 Impl	0.0	0	37
7. State Employee Health Insurance	0.0	0	-114
8. Wellness - Smoker Surcharge	0.0	0	-16
9. PEBB - Coverage Waiver Surcharge	0.0	0	-101
Policy -- Comp Total	0.0	0	62
Total Policy Changes	0.0	0	-4,773
Total 2013-15 Biennium	336.3	1,461	75,841
Difference from 2011-13	0.0	1,461	2,947
% Change from 2011-13	0.0%	0.0%	4.0%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Performance Audit Account** - Funding from the Performance Audits of Government Account is adjusted to reflect the amount projected to be available for use in performance audits to be conducted by the State Auditor. Additional amounts from the Performance Audits of Government Account -State are appropriated to the Joint Legislative Audit and Review Committee and the Office of Financial Management. (Performance Audits of Government Account-Nonappropriated)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Office of the State Auditor**

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Comm Salaries for Elected Officials**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1.3	327	327
2013-15 Maintenance Level	1.3	313	313
<b>Policy Comp Changes:</b>			
1. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-1	-1
Total 2013-15 Biennium	1.3	312	312
Difference from 2011-13	0.1	-15	-15
% Change from 2011-13	4.0%	-4.6%	-4.6%

*Comments:*

**1. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of the Attorney General**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,100.7	12,448	228,713
2013-15 Maintenance Level	1,067.6	19,380	229,321
<b>Policy Other Changes:</b>			
1. Legal Services Reduction	0.0	0	-3,005
2. Law Office Software Upgrades	0.0	0	609
3. Reduce Anti-Trust to Balance Fund	0.0	0	-1,000
4. Increase Public Counsel Resources	1.0	0	235
5. CTS Central Services	0.0	0	226
6. DES Central Services	0.0	0	-111
7. Lease of Personal Computers	0.0	0	424
8. Grays Harbor Litigation	0.0	380	380
9. Extended Foster Care	0.6	0	150
10. Crime Victim Advocates	0.0	706	706
11. Transportation Improvement Projects	0.8	0	189
12. Wrongly Convicted Claim	1.5	100	100
Policy -- Other Total	3.9	1,186	-1,097
<b>Policy Comp Changes:</b>			
13. New Step M for Classified-Yr 1 Impl	0.0	84	760
14. New Step M for Classified-Yr 2 Impl	0.0	16	110
15. State Employee Health Insurance	0.0	-38	-414
16. Wellness - Smoker Surcharge	0.0	-6	-61
17. PEBB - Coverage Waiver Surcharge	0.0	-34	-368
Policy -- Comp Total	0.0	22	27
Total Policy Changes	3.9	1,208	-1,070
Total 2013-15 Biennium	1,071.5	20,588	228,251
Difference from 2011-13	-29.3	8,140	-462
% Change from 2011-13	-2.7%	65.4%	-0.2%

**Comments:**

**1. Legal Services Reduction** - Legal Services Revolving Account funds are reduced. The Attorney General will work with client agencies to implement stricter policies and best practices regarding use of Attorney General services to achieve lower legal bills. (Legal Services Revolving Account-State)

**2. Law Office Software Upgrades** - Funding is provided for upgrades to software programs including Concordance Image Network, Summation Pro, and Sharepoint 2010. (Legal Services Revolving Account-State)

**3. Reduce Anti-Trust to Balance Fund** - Expenditures in the Anti-Trust Revolving Account are reduced to reflect lower-than-anticipated revenues in the 2013-15 biennium. (Anti-Trust Revolving Account-Nonappropriated)

**4. Increase Public Counsel Resources** - Funding is provided for additional Public Counsel Unit resources for expedited treatment of Utilities and Transportation Commission cases. (Public Service Revolving Account-State)

## 2013-15 Omnibus Operating Budget Office of the Attorney General

**5. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**6. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**7. Lease of Personal Computers** - The Office of the Attorney General is provided funding in the 2013-15 biennium to replace a portion of its computers with expired warranties. (Legal Services Revolving Account-State)

**8. Grays Harbor Litigation** - Funds are provided for legal services relating to *Superior Court of Grays Harbor County v. Grays Harbor County and Grays Harbor County Board of Commissioners and the State of Washington* litigation. Direct litigation costs are funded to pay for a Special Assistant Attorney General to represent the Superior Court judges in this case. (General Fund-State)

**9. Extended Foster Care** - Billing authority and FTEs are provided for legal services to the Department of Social and Health Services Children's Administration for implementation of Chapter 332, Laws of 2013 (E2SSB 5405). (Legal Services Revolving Account-State)

**10. Crime Victim Advocates** - Funding for the Washington Coalition of Crime Victim Advocates to provide training, certification, and technical assistance for crime victim service center advocates is transferred to the Office of the Attorney General from the Department of Commerce. (General Fund-State)

**11. Transportation Improvement Projects** - Staff and billing authority is provided for legal services to the Department of Labor and Industries for implementation of Chapter 113, Laws of 2013 (SHB 1420). (Legal Services Revolving Account-State).

**12. Wrongly Convicted Claim** - Funding is provided to review claims for compensation for wrongful under chapter 175, Laws of 2013 (Engrossed Substitute House Bill 1341, wrongful imprisonment). (General Fund-State)

**13. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**14. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**15. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**16. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**17. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Caseload Forecast Council**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	12.0	2,457	2,457
2013-15 Maintenance Level	12.0	2,494	2,494
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	2	2
2. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	1	1
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 2 Impl	0.0	1	1
4. State Employee Health Insurance	0.0	-3	-3
5. PEBB - Coverage Waiver Surcharge	0.0	-3	-3
Policy -- Comp Total	0.0	-5	-5
Total Policy Changes	0.0	-4	-4
Total 2013-15 Biennium	12.0	2,490	2,490
Difference from 2011-13	0.0	33	33
% Change from 2011-13	0.0%	1.3%	1.3%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Financial Institutions**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	188.3	0	46,209
2013-15 Maintenance Level	188.3	0	47,151
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-13
2. CTS Central Services	0.0	0	99
3. DES Central Services	0.0	0	-13
4. Enhance Cr. Union Compliance Exams	2.6	0	563
5. Money Transmitters	0.0	0	12
Policy -- Other Total	2.6	0	648
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	190
7. New Step M for Classified-Yr 2 Impl	0.0	0	20
8. State Employee Health Insurance	0.0	0	-62
9. Wellness - Smoker Surcharge	0.0	0	-9
10. PEBB - Coverage Waiver Surcharge	0.0	0	-55
Policy -- Comp Total	0.0	0	84
Total Policy Changes	2.6	0	732
Total 2013-15 Biennium	190.9	0	47,883
Difference from 2011-13	2.6	0	1,674
% Change from 2011-13	1.4%	0.0%	3.6%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Enhance Cr. Union Compliance Exams** - Funding is provided to conduct more compliance exams at Washington State chartered credit unions. (Financial Services Regulation Account-Nonappropriated)

**5. Money Transmitters** - Funding is provided for implementation of Chapter 106, Laws of 2013 (SHB 1327) which requires that each officer, director, and owner applicant shall submit fingerprints for a criminal background check during the application process for Money Transmitter licenses, including license renewals. (Financial Services Regulation Account-Non-appropriated).

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)



## 2013-15 Omnibus Operating Budget

### Dept of Financial Institutions

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Commerce**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	256.0	124,671	588,702
2013-15 Maintenance Level	273.5	144,379	533,553
<b>Policy Other Changes:</b>			
1. Eliminate Global Health Grant	0.0	-500	-500
2. Eliminate Microenterprise Grant	0.0	-328	-328
3. Eliminate Community Mobilization Gr	-1.9	-1,786	-1,786
4. Eliminate Innovation Research Grant	0.0	-3,718	-3,718
5. Reduce State Energy Policy	0.0	-52	-52
6. Eliminate Economic Development Comm	-2.8	-882	-882
7. Economic Development Working Group	0.0	75	75
8. Attorney General Legal Services	0.0	-3	-9
9. CTS Central Services	0.0	37	116
10. DES Central Services	0.0	-12	-34
11. Pacific Hospital	0.0	4,850	4,850
12. Sex Trade Victims	0.8	0	72
13. Business/Government Streamlining	0.2	98	98
14. Tourism Contract	0.0	1,000	1,000
15. Maritime Trade and Tourism	0.0	73	73
16. Washington Families Fund	0.0	0	2,000
17. Crime Victim Advocates	0.0	-706	-706
18. Strategic Growth	0.0	1,400	1,400
19. Unanticipated Receipt	2.4	0	1,240
20. HEN Underspending	0.0	-20,000	-20,000
21. Eliminate IPZ Grants	0.0	-100	-100
22. Eliminate Impact WA Pass-Thru	0.0	-292	-292
23. Eliminate Admin for Grant Services	0.0	-983	-983
24. Water and Environmental Center	0.0	750	750
25. Reduce Northwest Ag Center	0.0	-200	-200
26. Covington Town Center	0.0	50	50
Policy -- Other Total	-1.3	-21,229	-17,866
<b>Policy Comp Changes:</b>			
27. New Step M for Classified-Yr 1 Impl	0.0	150	360
28. New Step M for Classified-Yr 2 Impl	0.0	11	29
29. State Employee Health Insurance	0.0	-41	-93
30. Wellness - Smoker Surcharge	0.0	-6	-14
31. PEBB - Coverage Waiver Surcharge	0.0	-37	-84
Policy -- Comp Total	0.0	77	198
Total Policy Changes	-1.3	-21,152	-17,668
Total 2013-15 Biennium	272.2	123,227	515,885
Difference from 2011-13	16.2	-1,444	-72,817
% Change from 2011-13	6.3%	-1.2%	-12.4%

## 2013-15 Omnibus Operating Budget Department of Commerce

### Comments:

- 1. Eliminate Global Health Grant** - General Fund-State funding that is passed-through for the Washington Global Health Alliance is eliminated. However, funding is provided through the Life Sciences Discovery Fund to continue this work. This funding supports Washington State's global health community as a nexus for research, education, training, commercialization, and delivery worldwide.
- 2. Eliminate Microenterprise Grant** - Funding for the Washington State Microenterprise Association is eliminated.
- 3. Eliminate Community Mobilization Gr** - Funding for Community Mobilization grants, used by counties to help prevent and reduce substance abuse and violence, is eliminated.
- 4. Eliminate Innovation Research Grant** - Funding for the Strategically Targeted Academic Research team (STARS) program is eliminated.
- 5. Reduce State Energy Policy** - Funding is reduced by 5 percent.
- 6. Eliminate Economic Development Comm** - Funding for the Washington Economic Development Commission (EDC) is eliminated. The EDC is an independent state commission responsible for evaluating the state's economic development systems and developing long-term comprehensive strategic planning.
- 7. Economic Development Working Group** - One-time funding is provided in FY 2014 for the Department to convene a work group, chaired by the current chair of the economic development commission and comprised of representatives of associate development organizations to recommend: (1) changes to the economic development commission's purpose and source and amount of funding; (2) objective benchmarks and outcome-based performance measures for evaluating state investments in economic development; (3) high priority regulatory reforms to foster a favorable business climate for long-term private sector job creation and competitiveness; and (4) organizational roles responsibilities and structures to strengthen cohesive planning, streamline execution and improve outcomes. The work group shall be comprised of representatives from no less than eight associate development organizations representing both urban and rural counties and counties on both sides of the Cascade Range. The department shall submit a report of the work group's recommendation to the fiscal and economic development policy committees of the legislature by December 15, 2013.
- 8. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 9. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)
- 10. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 11. Pacific Hospital** - Funding is provided for the Department of Commerce (Commerce) to establish and operate a community health care, education, and innovation center at the Pacific Hospital in Seattle. Funds must be used for lease, maintenance, operations, and other related expenses for Seattle community colleges allied health programs and other uses identified by Commerce.
- 12. Sex Trade Victims** - Funding is provided for implementation of Chapter 121, Laws of 2013 (ESHB 1291). The Department of Commerce will coordinate a statewide committee on sex trafficking. The committee will meet twice in the 2013-15 biennium, and provide a report and statewide plan to end sex trafficking in Washington. The report is due to the Legislature and Governor in December 2014 and the committee shall expire December 31, 2014. (Prostitution Prevention and Intervention Account-Nonappropriated)
- 13. Business/Government Streamlining** - Funding is provided for implementation of Chapter 324, Laws of 2013 (HB 1818). The Department of Commerce (Commerce) is authorized, in collaboration with the Office of Regulatory Assistance and the Office of Accountability and Performance, to conduct one or more multi-jurisdictional regulatory streamlining projects each year through FY 2019. Commerce must establish and implement a competitive application process to select projects. Commerce must brief the economic development committees of the Legislature by January 15, 2014, on the initial pilot project, and must submit a report on outcomes of the projects to the economic development committees of the Legislature by January 15 of each year thereafter.

## 2013-15 Omnibus Operating Budget Department of Commerce

**14. Tourism Contract** - Funding is provided to the Department of Commerce to contract with the Washington Tourism Alliance for services to expand and promote the tourism industry in Washington. Expenditure of state moneys is contingent upon the contractor providing a dollar-for-dollar cash or in-kind match.

**15. Maritime Trade and Tourism** - Funding is provided for the Department of Commerce to develop a strategy around the state's maritime sector by working with industry representatives to understand workforce needs, parity considerations with Oregon and British Columbia, tax structures, and regulatory barriers. The Department will report its finding to the appropriate committees of the Legislature by December 1, 2014.

**16. Washington Families Fund** - Funding is provided for services to homeless families through the Washington Families Fund (WFF). (Housing Trust Account-State)

**17. Crime Victim Advocates** - General Fund-State for the Washington Coalition of Crime Victim Advocates to provide training, certification, and technical assistance for crime victim service center advocates is eliminated from the Department of Commerce. This funding is transferred to the Office of the Attorney General.

**18. Strategic Growth** - General fund state is provided for the Department to identify and invest in strategic growth areas, support key sectors, and align exiting economic development programs and priorities. The Department must consider Washington's position as the most trade dependant state when identifying investments. The Department must receive a one-hundred percent match for every dollar expended. The match may be provided by the Department through non General Fund sources, or any partnering governments or organizations.

**19. Unanticipated Receipt** - Funding is increased for the following unanticipated receipts: Protecting Inmates and Safeguarding Communities, Washington Homeless and Poverty Policy Alignment, State Trade and Export Promotion Grant, 2012 State Energy Program Competitive Grants, and Energy Efficiency Resource Standard. (General Fund-State, General Fund-Private Local)

**20. HEN Underspending** - Funding for the Housing and Essential Needs (HEN) program is reduced due to an anticipated under expenditure in the 2013-15 biennium. The HEN program provides non-cash housing and other assistance (personal hygiene items, cleaning supplies) to eligible individuals

**21. Eliminate IPZ Grants** - Funding for the innovation partnership zone competitive grants is eliminated.

**22. Eliminate Impact WA Pass-Thru** - Funding for grants to the not-for-profit organization, Impact Washington, are eliminated.

**23. Eliminate Admin for Grant Services** - Funding for grant services is reduced by 60 percent in fiscal year 2014 and eliminated in fiscal year 2015.

**24. Water and Environmental Center** - Funding is provided to Walla Walla Community College for the William Grant Water and Environmental Center.

**25. Reduce Northwest Ag Center** - Funding for the Northwest Agricultural Business Center is reduced by \$200,000.

**26. Covington Town Center** - Funding is provided for an economic impact and infrastructure cost study for Covington Town Center.

**27. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**28. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**29. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget**

### **Department of Commerce**

**30. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**31. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Economic & Revenue Forecast Council**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	5.6	1,437	1,487
2013-15 Maintenance Level	6.1	1,569	1,619
<b>Policy Comp Changes:</b>			
1. State Employee Health Insurance	0.0	-2	-2
2. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-3	-3
Total Policy Changes	0.0	-3	-3
Total 2013-15 Biennium	6.1	1,566	1,616
Difference from 2011-13	0.5	129	129
% Change from 2011-13	8.9%	9.0%	8.7%

*Comments:*

**1. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of Financial Management**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	186.1	36,994	116,760
2013-15 Maintenance Level	205.7	37,688	117,875
<b>Policy Other Changes:</b>			
1. Charter Schools (Initiative 1240)	1.5	916	916
2. Washington Aerospace Partnership	0.0	200	200
3. Director of Military Affairs	1.0	300	300
4. Attorney General Legal Services	0.0	-6	-6
5. CTS Central Services	0.0	96	96
6. DES Central Services	0.0	-64	-64
7. Transfer Geospatial Portal to DES	0.0	0	-212
8. Greenhouse Gas Emissions SB 5802	0.0	350	350
9. OFM Eligibility Study	0.0	536	536
10. Audit & Financial Management	0.0	-4,000	0
Policy -- Other Total	2.5	-1,672	2,116
<b>Policy Comp Changes:</b>			
11. New Step M for Classified-Yr 1 Impl	0.0	26	80
12. State Employee Health Insurance	0.0	-42	-71
13. Wellness - Smoker Surcharge	0.0	-6	-10
14. PEBB - Coverage Waiver Surcharge	0.0	-38	-64
Policy -- Comp Total	0.0	-60	-65
Total Policy Changes	2.5	-1,732	2,051
Total 2013-15 Biennium	208.2	35,956	119,926
Difference from 2011-13	22.1	-1,038	3,166
% Change from 2011-13	11.9%	-2.8%	2.7%

**Comments:**

**1. Charter Schools (Initiative 1240)** - Initiative 1240 established a State Charter Schools Commission to be housed within the Office of the Governor. Funding is provided for an executive director, part-time administrative assistant, and operations staff support for the commission.

**2. Washington Aerospace Partnership** - Funding is provided for the Governor's Office of Aerospace. Funds will be used to conduct analysis and to develop and implement strategies to retain and grow aerospace-related jobs, including future commercial airplane assembly lines and components.

**3. Director of Military Affairs** - Funding is provided to create a Director of Military Affairs position to serve as the policy lead for military affairs for the Governor's Office and to coordinate with state agencies and local communities on military issues.

**4. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Office of Financial Management

**6. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**7. Transfer Geospatial Portal to DES** - The existing Geospatial Portal that is managed and used by multiple agencies is transferred to the Department of Enterprise Services to be centrally managed and offered as a shared service. (Data Processing Revolving Account)

**8. Greenhouse Gas Emissions SB 5802** - Funding is provided for implementation of Chapter 6, Laws of 2013 (E2SSB 5802). The Office of Financial Management shall contract with an independent consultant, selected by the Climate Legislative and Executive Work Group established in E2SSB 5802, for an evaluation of approaches to reducing greenhouse gas emissions. The consultant's evaluation is due to the Governor by October 15, 2013. The Climate Legislative and Executive Work Group will recommend a state program of actions and policies to reduce greenhouse gas emissions. The work group must provide a report to the appropriate policy and fiscal committees of the Senate and House of Representatives by December 31, 2013.

**9. OFM Eligibility Study** - Funding is provided for a study of the state's medical and public assistance eligibility systems and infrastructure with the goal of simplifying procedures, improving customer service, and reducing state expenditures. A report on findings and recommendations shall be provided to the relevant policy and fiscal committees of the Legislature by January 1, 2014.

**10. Audit & Financial Management** - Funding for a portion of agency operations is shifted to the Performance Audits of Government Account from the General Fund-State. Funding will be utilized for audit functions and related financial management during the 2013-15 biennium. (General Fund-State, Performance Audits of Government Account-State)

**11. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**12. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**13. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**14. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,055.6	4,065,447	10,207,243
2013-15 Maintenance Level	1,005.0	4,747,810	10,341,797
<b>Policy Other Changes:</b>			
1. HealthPath Washington	0.0	-4,214	-4,214
2. Restore Hospital Safety Net	0.0	-272,361	914,083
3. Federal Medicaid Expansion	-41.0	-262,469	830,772
4. Language Access Provider Agreement	0.0	434	607
5. Prescription Monitoring Program	0.0	0	100
6. Attorney General Legal Services	0.0	-2	-4
7. Administrative Hearings	0.0	14	29
8. CTS Central Services	0.0	103	219
9. DES Central Services	0.0	-19	-42
10. Health Benefit Exchange Operations	0.0	0	16,359
11. Medicaid Eligibility Determination	112.1	3,227	17,603
12. Health Information Technology	10.0	586	171,147
13. Health Information Exchange Grant	2.3	430	930
14. HBE Cost Allocation	0.0	2,486	14,119
15. Inpatient and Outpatient Rebase	0.0	0	566
16. International Class. of Diseases	7.8	0	10,873
17. Medicaid IT Architecture Assessment	1.0	146	505
18. Autism Services	1.0	4,723	9,446
19. ProviderOne Phase 2 Project	30.5	1,811	12,614
20. Bree Collaborative	0.0	124	250
21. Improving Service Delivery	2.0	291	583
22. Newborn Screening	0.0	243	486
23. Nurse Practitioners	0.0	313	626
24. Premium Assistance and BHP Report	0.0	75	150
25. Professional Services Supp. Payment	0.0	0	38,000
26. Rural Health Clinics	0.5	3,645	3,685
27. Foster Care and Adoption	0.0	-1,686	-1,035
28. Adult Dental	0.0	23,319	72,540
29. 12 Month Dispensing	0.0	-4,426	-8,852
30. Medicaid Benefit Alignment	0.0	759	1,518
31. Medicaid Fraud Penalty	0.0	-1,500	0
32. Apple Health Hotline	0.0	40	80
33. Sole Community Hospitals	0.0	1,000	1,800
34. Child Premiums	0.0	714	714
35. School Nurses	0.0	25	50
36. Diabetes Prevention	0.8	97	162
Policy -- Other Total	126.9	-502,072	2,106,469
<b>Policy Comp Changes:</b>			
37. New Step M for Classified-Yr 1 Impl	0.0	290	770
38. New Step M for Classified-Yr 2 Impl	0.0	2	11
39. State Employee Health Insurance	0.0	-134	-345
40. Wellness - Smoker Surcharge	0.0	-20	-50
41. PEBB - Coverage Waiver Surcharge	0.0	-119	-308

**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
Policy -- Comp Total	0.0	19	78
Total Policy Changes	126.9	-502,053	2,106,547
Total 2013-15 Biennium	1,131.9	4,245,757	12,448,344
Difference from 2011-13	76.3	180,310	2,241,101
% Change from 2011-13	7.2%	4.4%	22.0%

*Comments:*

**1. HealthPath Washington** - HealthPath Washington is a demonstration project that allows the Health Care Authority and the Department of Social and Health Services to establish a care management program for high-cost and high-risk Medicare and Medicaid enrollees. Coordination of services across Medicare and Medicaid is expected to result in savings in the Health Care Authority. The demonstration project is scheduled to begin April 1, 2013, and will continue until December 31, 2016. (General Fund-State, General Fund-Federal)

**2. Restore Hospital Safety Net** - The Hospital Safety Net Assessment (HSNA) program is set to expire on July 1, 2013. This program generates additional state and federal funding to support payments to hospitals for Medicaid services. Pursuant to Substitute Senate Bill 5913 (hospital safety net assessment) the HSNA program will continue in the 2013-15 biennium. Funding is provided to restore the program for four years. Savings are achieved by allowing the state to use Safety Net funds in lieu of the state general fund for Medicaid hospital services. The program will be incrementally decreased starting in FY 2016 down to zero by June 30, 2019. The phase-down of this program coincides with the the take-up of federal health care reform. (General Fund-Federal, Hospital Safety Net Assessment Account-State)

## 2013-15 Omnibus Operating Budget WA State Health Care Authority

**3. Federal Medicaid Expansion** - The state will exercise its option under the federal Affordable Care Act to expand Medicaid eligibility to individuals between the ages of 19 and 64 with incomes at or below 138 percent of the federal poverty level (FPL) who are not otherwise categorically eligible for Medicaid. During the first three years of the expansion, the federal government will provide a 100 percent match for the newly eligible group's medical costs. The federal match will decrease gradually until 2020, when the federal government will continue to pay 90 percent for the newly eligible group. In the transition to the expansion, the Health Care Authority will phase out various programs described below. In most cases, clients in these programs with incomes below 138 percent of the FPL will enroll under the Medicaid expansion with a 100 percent federal match. Clients with incomes above 138 percent of the FPL will be able to purchase subsidized coverage through the Washington Health Benefit Exchange (Exchange). The Presumptive Supplemental Security Income program will be eliminated. This program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act. The Medical Care Services program, which provides medical benefits for approximately 9,000 persons who are physically or mentally disabled and cannot work for 90 days from the date of application, will be eliminated. The Alcoholism and Drug Addiction Treatment and Support Act (ADATSA), which provides coverage to approximately 4,400 individuals participating in drug or alcohol treatment, will be eliminated. The Breast and Cervical Cancer Treatment (BCCT) program, which covers treatment for approximately 1,000 women diagnosed with breast or cervical cancer with incomes under 300 percent of the FPL, will be eliminated. Clients with incomes over 138 percent of the FPL that are already enrolled in the BCCT program as of January 1, 2014, will retain state-only coverage throughout the course of their treatments. Enrollment in the Take Charge Family Planning program is expected to decrease as a result of the Medicaid expansion. Take Charge provides family planning services for approximately 43,000 clients with incomes under 250 percent of the FPL. Under the Medicaid expansion, clients with incomes under 138 percent of the FPL can receive these services by enrolling in Medicaid, and those with incomes between 138 and 250 percent of the FPL can receive these services through subsidized coverage in the Exchange. The state-subsidized Basic Health Plan (BHP) will be eliminated upon implementation of the Medicaid expansion. The BHP provides subsidized health care coverage through private health plans to Washington residents with incomes below 200 percent of the FPL. If coverage through the BHP continued, it would cover an average of 25,500 individuals in the 2013-15 biennium. The unsubsidized Washington Health Program, which provides benefits similar to the BHP without state subsidies, will also be eliminated. The federal Health Coverage Tax Credit (HCTC) program, which is a federal tax credit that pays 72.5 percent of the health plan premium for eligible people enrolled in qualified health plans, will be eliminated. In Washington, the BHP is a "qualified health plan" designated to offer HCTC coverage. Federally subsidized health plans offered through the Exchange will replace the Washington Health and HCTC programs. (General Fund-State, General Fund-Federal, Basic Health Plan Trust Account-Nonappropriated, Basic Health Plan Subscription Account-Nonappropriated)

**4. Language Access Provider Agreement** - Pursuant to the 2013-15 collective bargaining agreement for language access providers, funding is provided for a change to no-show payment rules and rate increases of 50 cents per hour on July 1, 2013, and 50 cents per hour on July 1, 2014. (General Fund-State, General Fund-Federal)

**5. Prescription Monitoring Program** - The Prescription Monitoring Program (PMP) helps practitioners identify and prevent abuse, misuse, duplication and forgery of prescriptions, as well as dangerous drug interactions. Federal grant funding was used to develop the program within the Department of Health (DOH). These federal grants are not ongoing and will be fully depleted by June 2013. Funding is provided to the DOH for the continuation of the PMP and local appropriation authority is provided to the Health Care Authority to claim eligible federal funding. (General Fund-Private/Local).

**6. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund - State, Other Funds)

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## 2013-15 Omnibus Operating Budget WA State Health Care Authority

**10. Health Benefit Exchange Operations** - Funding is provided to support the operations of the Washington Health Benefit Exchange pursuant to Engrossed Substitute House Bill 1947 (Washington health benefit exchange). (Health Benefit Exchange Account-State)

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**12. Health Information Technology** - Funding is provided to issue federally funded incentive payments, manage the provider incentive program and to plan and launch other initiatives related to the State Health Information Technology (HIT) Medicaid Plan (SMHP) in the 2013-2015 Biennium. Funding continues for the current Electronic Health Record (EHR) incentive program. (General Fund-Federal)

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## 2013-15 Omnibus Operating Budget WA State Health Care Authority

**22. Newborn Screening** - The Department of Health will add a screening for Severe Combined Immunodeficiency Disease (SCID) to the state newborn screening program. Fees paid by the facilities of birth to fund these screenings will increase from \$60.90 to \$69 per child. The additional fees will be included in rebased inpatient hospital rates effective January 2014. (General Fund-State, General Fund-Federal)

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**26. Rural Health Clinics** - Staff and funding are provided to support Medicaid services provided by Rural Health Clinics (RHC). The Health Care Authority (HCA) will use the funds to proportionally reduce the amounts that RHCs owe under the calendar year 2009 recoupment. The HCA will also implement a new administratively streamlined payment method for managed care payments to Federally Qualified Health Centers and RHCs. (General Fund-State, General Fund-Federal)

**27. Foster Care and Adoption** - Approximately 87 percent of foster children and adopted children receive medical care through fee-for-service. Starting January 1, 2014, savings are achieved by moving foster children and adoptive children from medical care delivered through fee-for-service to managed care. (General Fund-State, General Fund-Federal)

**28. Adult Dental** - Funding is provided to restore dental services for currently eligible and newly eligible Medicaid adults. (General Fund-State, General Fund-Federal)

**29. 12 Month Dispensing** - Savings and efficiencies are achieved by modifying the dispensing methods of contraceptive drugs. The Health Care Authority will make arrangements for all Medicaid programs offered through managed care plans or on a fee-for-service basis to require dispensing of contraceptive drugs with up to a one-year supply provided at one time. Contracts with managed care plans will allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices will follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs. (General Fund-State, General Fund-Federal)

**30. Medicaid Benefit Alignment** - Funding is provided for the mental health visit limit removal, shingles vaccine, and the screening, brief intervention, and referral to treatment benefits available in the Medicaid alternative benefit plan to the current Medicaid benefit plan beginning January 1, 2014. The authority shall monitor the habilitative benefit costs as part of the forecasting process but shall not provide this benefit without a direct appropriation in the Omnibus Appropriations Act.

**31. Medicaid Fraud Penalty** - A portion of the state general fund for the Medicaid services are shifted to the Medicaid Fraud Penalty Account on a one-time basis. (General Fund-State, Medicaid Fraud Penalty Account-State)

**32. Apple Health Hotline** - Funds are provided to enhance and continue operation by a nonprofit 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)

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**34. Child Premiums** - The requirement that children in families with incomes above 200 percent of the federal poverty level (FPL) that are not eligible for the federal Children's Health Insurance Program must pay monthly premiums equal to the average state share of the cost of coverage is eliminated. These children will pay the standard Apple Health for Kids premiums. Children between 200 and 250 percent of the FPL will pay \$20, and children between 250 and 300 percent of the FPL will pay \$30. (General Fund-State, General Fund-Private/Local)

## 2013-15 Omnibus Operating Budget WA State Health Care Authority

**35. School Nurses** - Funding is provided to the Health Care Authority and the Office of the Superintendent of Public Instruction to develop recommendations for funding integrated school nursing and outreach services. (General Fund-State, General Fund-Federal)

**36. Diabetes Prevention** - Staff and funding are provided for the Health Care Authority, the Department of Social and Health Services, and the Department of Health to collaborate to identify goals, benchmarks, and plans for preventing and controlling diabetes. (General Fund-State, State Health Care Authority Administrative Account-State, General Fund-Federal)

**37. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund - State, Other Funds)

**38. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund - State, Other Funds)

**39. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**40. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**41. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
**Other**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,055.3	4,065,447	10,088,193
2013-15 Maintenance Level	1,004.7	4,747,810	10,222,744
<b>Policy Other Changes:</b>			
1. HealthPath Washington	0.0	-4,214	-4,214
2. Restore Hospital Safety Net	0.0	-272,361	914,083
3. Federal Medicaid Expansion	-41.0	-262,469	830,772
4. Language Access Provider Agreement	0.0	434	607
5. Prescription Monitoring Program	0.0	0	100
6. Attorney General Legal Services	0.0	-2	-4
7. Administrative Hearings	0.0	14	29
8. CTS Central Services	0.0	103	219
9. DES Central Services	0.0	-19	-42
10. Health Benefit Exchange Operations	0.0	0	16,359
11. Medicaid Eligibility Determination	112.1	3,227	17,603
12. Health Information Technology	10.0	586	171,147
13. Health Information Exchange Grant	2.3	430	930
14. HBE Cost Allocation	0.0	2,486	14,119
15. Inpatient and Outpatient Rebase	0.0	0	566
16. International Class. of Diseases	7.8	0	10,873
17. Medicaid IT Architecture Assessment	1.0	146	505
18. Autism Services	1.0	4,723	9,446
19. ProviderOne Phase 2 Project	30.5	1,811	12,614
20. Bree Collaborative	0.0	124	250
21. Improving Service Delivery	2.0	291	583
22. Newborn Screening	0.0	243	486
23. Nurse Practitioners	0.0	313	626
24. Premium Assistance and BHP Report	0.0	75	150
25. Professional Services Supp. Payment	0.0	0	38,000
26. Rural Health Clinics	0.5	3,645	3,685
27. Foster Care and Adoption	0.0	-1,686	-1,035
28. Adult Dental	0.0	23,319	72,540
29. 12 Month Dispensing	0.0	-4,426	-8,852
30. Medicaid Benefit Alignment	0.0	759	1,518
31. Medicaid Fraud Penalty	0.0	-1,500	0
32. Apple Health Hotline	0.0	40	80
33. Sole Community Hospitals	0.0	1,000	1,800
34. Child Premiums	0.0	714	714
35. School Nurses	0.0	25	50
36. Diabetes Prevention	0.8	97	162
Policy -- Other Total	126.9	-502,072	2,106,469
<b>Policy Comp Changes:</b>			
37. New Step M for Classified-Yr 1 Impl	0.0	290	770
38. New Step M for Classified-Yr 2 Impl	0.0	2	11
39. State Employee Health Insurance	0.0	-134	-345
40. Wellness - Smoker Surcharge	0.0	-20	-50

**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
**Other**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
41. PEBB - Coverage Waiver Surcharge	0.0	-119	-308
Policy -- Comp Total	0.0	19	78
Total Policy Changes	126.9	-502,053	2,106,547
Total 2013-15 Biennium	1,131.6	4,245,757	12,329,291
Difference from 2011-13	76.3	180,310	2,241,098
% Change from 2011-13	7.2%	4.4%	22.2%

*Comments:*

**1. HealthPath Washington** - HealthPath Washington is a demonstration project that allows the Health Care Authority and the Department of Social and Health Services to establish a care management program for high-cost and high-risk Medicare and Medicaid enrollees. Coordination of services across Medicare and Medicaid is expected to result in savings in the Health Care Authority. The demonstration project is scheduled to begin April 1, 2013, and will continue until December 31, 2016. (General Fund-State, General Fund-Federal)

**2. Restore Hospital Safety Net** - The Hospital Safety Net Assessment (HSNA) program is set to expire on July 1, 2013. This program generates additional state and federal funding to support payments to hospitals for Medicaid services. Pursuant to Substitute Senate Bill 5913 (hospital safety net assessment) the HSNA program will continue in the 2013-15 biennium. Funding is provided to restore the program for four years. Savings are achieved by allowing the state to use Safety Net funds in lieu of the state general fund for Medicaid hospital services. The program will be incrementally decreased starting in FY 2016 down to zero by June 30, 2019. The phase-down of this program coincides with the the take-up of federal health care reform. (General Fund-Federal, Hospital Safety Net Assessment Account-State)



## 2013-15 Omnibus Operating Budget WA State Health Care Authority Other

**3. Federal Medicaid Expansion** - The state will exercise its option under the federal Affordable Care Act to expand Medicaid eligibility to individuals between the ages of 19 and 64 with incomes at or below 138 percent of the federal poverty level (FPL) who are not otherwise categorically eligible for Medicaid. During the first three years of the expansion, the federal government will provide a 100 percent match for the newly eligible group's medical costs. The federal match will decrease gradually until 2020, when the federal government will continue to pay 90 percent for the newly eligible group. In the transition to the expansion, the Health Care Authority will phase out various programs described below. In most cases, clients in these programs with incomes below 138 percent of the FPL will enroll under the Medicaid expansion with a 100 percent federal match. Clients with incomes above 138 percent of the FPL will be able to purchase subsidized coverage through the Washington Health Benefit Exchange (Exchange). The Presumptive Supplemental Security Income program will be eliminated. This program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act. The Medical Care Services program, which provides medical benefits for approximately 9,000 persons who are physically or mentally disabled and cannot work for 90 days from the date of application, will be eliminated. The Alcoholism and Drug Addiction Treatment and Support Act (ADATSA), which provides coverage to approximately 4,400 individuals participating in drug or alcohol treatment, will be eliminated. The Breast and Cervical Cancer Treatment (BCCT) program, which covers treatment for approximately 1,000 women diagnosed with breast or cervical cancer with incomes under 300 percent of the FPL, will be eliminated. Clients with incomes over 138 percent of the FPL that are already enrolled in the BCCT program as of January 1, 2014, will retain state-only coverage throughout the course of their treatments. Enrollment in the Take Charge Family Planning program is expected to decrease as a result of the Medicaid expansion. Take Charge provides family planning services for approximately 43,000 clients with incomes under 250 percent of the FPL. Under the Medicaid expansion, clients with incomes under 138 percent of the FPL can receive these services by enrolling in Medicaid, and those with incomes between 138 and 250 percent of the FPL can receive these services through subsidized coverage in the Exchange. The state-subsidized Basic Health Plan (BHP) will be eliminated upon implementation of the Medicaid expansion. The BHP provides subsidized health care coverage through private health plans to Washington residents with incomes below 200 percent of the FPL. If coverage through the BHP continued, it would cover an average of 25,500 individuals in the 2013-15 biennium. The unsubsidized Washington Health Program, which provides benefits similar to the BHP without state subsidies, will also be eliminated. The federal Health Coverage Tax Credit (HCTC) program, which is a federal tax credit that pays 72.5 percent of the health plan premium for eligible people enrolled in qualified health plans, will be eliminated. In Washington, the BHP is a "qualified health plan" designated to offer HCTC coverage. Federally subsidized health plans offered through the Exchange will replace the Washington Health and HCTC programs. (General Fund-State, General Fund-Federal, Basic Health Plan Trust Account-Nonappropriated, Basic Health Plan Subscription Account-Nonappropriated)

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**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
**Other**

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**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
**Other**

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**37. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund - State, Other Funds)

**38. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund - State, Other Funds)

**39. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**40. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**41. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**WA State Health Care Authority**  
**Employee Benefits**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.3	0	119,050
2013-15 Maintenance Level	0.3	0	119,053
Total 2013-15 Biennium	0.3	0	119,053
Difference from 2011-13	0.0	0	3
% Change from 2011-13	0.0%	0.0%	0.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Office of Administrative Hearings**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	170.4	0	35,765
2013-15 Maintenance Level	170.4	0	37,335
<b>Policy Other Changes:</b>			
1. IT Infrastructure	0.0	0	151
2. New Lease Adjustments	0.0	0	313
3. Attorney General Legal Services	0.0	0	-1
4. CTS Central Services	0.0	0	93
5. DES Central Services	0.0	0	-10
Policy -- Other Total	0.0	0	546
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	42
7. New Step M for Classified-Yr 2 Impl	0.0	0	5
8. State Employee Health Insurance	0.0	0	-52
9. Wellness - Smoker Surcharge	0.0	0	-8
10. PEBB - Coverage Waiver Surcharge	0.0	0	-46
Policy -- Comp Total	0.0	0	-59
Total Policy Changes	0.0	0	487
Total 2013-15 Biennium	170.4	0	37,822
Difference from 2011-13	0.0	0	2,057
% Change from 2011-13	0.0%	0.0%	5.8%

*Comments:*

**1. IT Infrastructure** - Funding is provided for information technology improvements including cloud server hosting and enhanced data lines. (Administrative Hearings Revolving Account-State)

**2. New Lease Adjustments** - Funding is provided for the following lease-related costs: one-time moving costs in Fiscal Year 2014 and future lease increases associated with a new Spokane office; reducing the size of the Vancouver office by 60 percent, resulting in ongoing lease savings; and increasing the size of the Seattle office by 2,000 square feet. (Administrative Hearings Revolving Account-State)

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Office of Administrative Hearings**

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**State Lottery Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	142.9	0	779,422
2013-15 Maintenance Level	142.9	0	812,818
<b>Policy Other Changes:</b>			
1. Reduce Advertising Costs	0.0	0	-3,000
2. Attorney General Legal Services	0.0	0	-2
3. CTS Central Services	0.0	0	89
4. DES Central Services	0.0	0	-10
5. Gaming Vendor Contract	0.0	0	596
Policy -- Other Total	0.0	0	-2,327
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	106
7. New Step M for Classified-Yr 2 Impl	0.0	0	16
8. State Employee Health Insurance	0.0	0	-48
9. Wellness - Smoker Surcharge	0.0	0	-7
10. PEBB - Coverage Waiver Surcharge	0.0	0	-42
Policy -- Comp Total	0.0	0	25
Total Policy Changes	0.0	0	-2,302
Total 2013-15 Biennium	142.9	0	810,516
Difference from 2011-13	0.0	0	31,094
% Change from 2011-13	0.0%	0.0%	4.0%

*Comments:*

**1. Reduce Advertising Costs** - The Lottery will reduce advertising expenses in order to increase distributions to the Washington Opportunity Pathways Account. (State Lottery Account-Nonappropriated, Shared Game Lottery Account-Nonappropriated, Washington Opportunity Pathways Account-State)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Gaming Vendor Contract** - Funding is provided to obtain temporary project staff and other resources to facilitate the replacement of the Lottery's gaming systems vendor contract. The current contract expires June 30, 2016. (Lottery Administrative Account-State, Washington Opportunity Pathways Account-State)



## 2013-15 Omnibus Operating Budget State Lottery Commission

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington State Gambling Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	155.5	0	30,402
2013-15 Maintenance Level	146.5	0	29,946
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-5
2. CTS Central Services	0.0	0	91
3. DES Central Services	0.0	0	-10
Policy -- Other Total	0.0	0	76
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	0	56
5. New Step M for Classified-Yr 2 Impl	0.0	0	7
6. State Employee Health Insurance	0.0	0	-50
7. Wellness - Smoker Surcharge	0.0	0	-7
8. PEBB - Coverage Waiver Surcharge	0.0	0	-44
Policy -- Comp Total	0.0	0	-38
Total Policy Changes	0.0	0	38
Total 2013-15 Biennium	146.5	0	29,984
Difference from 2011-13	-9.0	0	-418
% Change from 2011-13	-5.8%	0.0%	-1.4%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Washington State Gambling Comm**

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**WA State Comm on Hispanic Affairs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2.0	488	488
2013-15 Maintenance Level	2.0	474	474
<b>Policy Comp Changes:</b>			
1. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-1	-1
Total 2013-15 Biennium	2.0	473	473
Difference from 2011-13	0.0	-15	-15
% Change from 2011-13	0.0%	-3.1%	-3.1%

*Comments:*

**1. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**African-American Affairs Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2.0	469	469
2013-15 Maintenance Level	2.0	458	458
<b>Policy Comp Changes:</b>			
1. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-1	-1
Total 2013-15 Biennium	2.0	457	457
Difference from 2011-13	0.0	-12	-12
% Change from 2011-13	0.0%	-2.6%	-2.6%

*Comments:*

**1. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Human Rights Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	34.2	3,954	5,847
2013-15 Maintenance Level	34.2	4,063	6,024
<b>Policy Other Changes:</b>			
1. Service Animal Investigations	0.0	0	218
2. Attorney General Legal Services	0.0	-5	-5
3. CTS Central Services	0.0	5	5
4. DES Central Services	0.0	-2	-2
Policy -- Other Total	0.0	-2	216
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	22	36
6. New Step M for Classified-Yr 2 Impl	0.0	2	3
7. State Employee Health Insurance	0.0	-6	-10
8. Wellness - Smoker Surcharge	0.0	-1	-2
9. PEBB - Coverage Waiver Surcharge	0.0	-5	-9
Policy -- Comp Total	0.0	12	18
Total Policy Changes	0.0	10	234
Total 2013-15 Biennium	34.2	4,073	6,258
Difference from 2011-13	0.0	119	411
% Change from 2011-13	0.0%	3.0%	7.0%

*Comments:*

**1. Service Animal Investigations** - Expenditure authority is provided for additional financial resources from the U.S. Department of Housing and Urban Development for the investigation of discrimination cases involving service animals. (General Fund-Federal)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Human Rights Commission**

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Retirement Systems**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	249.0	0	52,637
2013-15 Maintenance Level	248.7	0	53,909
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-1
2. CTS Central Services	0.0	0	107
3. DES Central Services	0.0	0	-21
4. Upgrade Employer Reporting System	3.0	0	3,074
Policy -- Other Total	3.0	0	3,159
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	0	388
6. New Step M for Classified-Yr 2 Impl	0.0	0	4
7. State Employee Health Insurance	0.0	0	-80
8. Wellness - Smoker Surcharge	0.0	0	-12
9. PEBB - Coverage Waiver Surcharge	0.0	0	-71
Policy -- Comp Total	0.0	0	229
Total Policy Changes	3.0	0	3,388
Total 2013-15 Biennium	251.7	0	57,297
Difference from 2011-13	2.7	0	4,660
% Change from 2011-13	1.1%	0.0%	8.9%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Upgrade Employer Reporting System** - The Department of Retirement Systems' Employer Information System (EIS) is responsible for processing retirement data for 291,000 active members from over 1,300 employers who participate in the state's 16 pension plans, and the Deferred Compensation Program. EIS collects and processes more than one million transactions each month containing the critical core data that is ultimately used to calculate and distribute benefits. One-time funding and 3 FTE staff are provided to upgrade the EIS to provide the agency with a more efficient tool that will continue to meet the needs of its customers. (Department of Retirement Systems Expense Account-State, Deferred Compensation Administrative Account-Nonappropriated)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)



## 2013-15 Omnibus Operating Budget

### Department of Retirement Systems

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**State Investment Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	83.4	0	29,093
2013-15 Maintenance Level	83.4	0	29,950
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-6
2. CTS Central Services	0.0	0	81
3. DES Central Services	0.0	0	-6
4. Investment Officers and Staff	6.0	0	3,061
5. Investment Accounting	2.0	0	452
6. Audit Services	0.0	0	100
7. Office Space for Additional Staff	0.0	0	46
Policy -- Other Total	8.0	0	3,728
<b>Policy Comp Changes:</b>			
8. Investment Officer Compensation	0.0	0	2,352
9. New Step M for Classified-Yr 1 Impl	0.0	0	58
10. New Step M for Classified-Yr 2 Impl	0.0	0	2
11. State Employee Health Insurance	0.0	0	-27
12. Wellness - Smoker Surcharge	0.0	0	-4
13. PEBB - Coverage Waiver Surcharge	0.0	0	-24
Policy -- Comp Total	0.0	0	2,357
Total Policy Changes	8.0	0	6,085
Total 2013-15 Biennium	91.4	0	36,035
Difference from 2011-13	8.0	0	6,942
% Change from 2011-13	9.6%	0.0%	23.9%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Investment Officers and Staff** - Funding is provided to hire additional investment officers to manage global funds, tangible assets, and to move towards the model investment portfolio, including diversification by strategy, sector, and geography. Funding is also provided for additional technical positions to support these investment strategies. (State Investment Board Expense Account-State)

**5. Investment Accounting** - The SIB is moving its investment accounting book of record from its current provider to its custody bank. Accounting for the book of record is currently done by an outside provider, independent of the bank. This funding would allow the board to hire staff to perform investment accounting currently performed by the book of record provider. The staff and a new investment accounting application will provide a verification system independent of the custody bank, as is required by Office of Financial Management policy. (State Investment Board Expense Account-State)

## 2013-15 Omnibus Operating Budget State Investment Board

**6. Audit Services** - This funding would allow the SIB to contract with independent audit service providers to replace audit work no longer performed by the State Auditor's Office. The funding will provide access to qualified audit teams to provide assurance to the board regarding financial reporting, accountability and compliance, as well as information technology. (State Investment Board Expense Account-State)

**7. Office Space for Additional Staff** - This item provides increased office space for additional staff, including investment officers and investment accounting staff. (State Investment Board Expense Account-State)

**8. Investment Officer Compensation** - Funding is provided to bring investment officer compensation to within 10 percent of the 2010 peer average by FY 2015, in accordance with RCW 43.33A.100. (State Investment Board Expense Account-State)

**9. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**10. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**11. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**12. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**13. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Innovate Washington**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	15.2	5,634	9,448
2013-15 Maintenance Level	1.0	5,610	8,987
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. GF-S Reduction	-1.1	-5,609	-5,609
Policy -- Other Total	-1.1	-5,610	-5,610
Total Policy Changes	-1.1	-5,610	-5,610
Total 2013-15 Biennium	-0.1	0	3,377
Difference from 2011-13	-15.3	-5,634	-6,071
% Change from 2011-13	-100.7%	-100.0%	-64.3%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. GF-S Reduction** - Funding from the state general fund for Innovate Washington is eliminated; the agency retains funding from the Investing in Innovation Account--Nonappropriated.

**2013-15 Omnibus Operating Budget**  
**Department of Revenue**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,168.8	199,991	231,637
2013-15 Maintenance Level	1,164.3	209,831	236,918
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-43	-49
2. CTS Central Services	0.0	215	241
3. DES Central Services	0.0	-62	-67
4. Agency Security Program	3.0	994	994
5. Communications Services Reform	5.4	926	926
6. I-1183 Implementation Costs	6.5	1,004	1,004
7. Legacy Migration	9.0	0	11,604
8. Revenue/Transparency Legislation	3.5	938	938
Policy -- Other Total	27.4	3,972	15,591
<b>Policy Comp Changes:</b>			
9. New Step M for Classified-Yr 1 Impl	0.0	1,014	1,122
10. New Step M for Classified-Yr 2 Impl	0.0	163	168
11. State Employee Health Insurance	0.0	-341	-379
12. Wellness - Smoker Surcharge	0.0	-50	-56
13. PEBB - Coverage Waiver Surcharge	0.0	-303	-337
Policy -- Comp Total	0.0	483	518
Total Policy Changes	27.4	4,455	16,109
Total 2013-15 Biennium	1,191.7	214,286	253,027
Difference from 2011-13	22.9	14,295	21,390
% Change from 2011-13	2.0%	7.2%	9.2%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Agency Security Program** - Funding is provided for an updated agency security program to safeguard systems and data from cyber threats and security risks.

**5. Communications Services Reform** - Funding is provided to implement communications services reform (E2SHB 1971 Communication Services). The Department will update rules, forms and processes and assist taxpayers with changes to taxation of communication services.

**6. I-1183 Implementation Costs** - Funding is provided to establish auditing and administrative processes and documentation for liquor tax collections. With these additional resources, the Department will generate an additional \$4.8 million per year in state and local revenues through the enforcement of liquor taxes.

## 2013-15 Omnibus Operating Budget Department of Revenue

**7. Legacy Migration -** Funding is provided for the phased replacement of the core tax-collection systems. In a six-year project, the Department will replace these systems to reduce operational risks and increase available features. Business licensing system replacement is funded by the Master License Account. (Data Processing Revolving Account--State, Master License Account-State)

**8. Revenue/Transparency Legislation -** Funding is provided for SB XXXX (tax preferences) which provides several tax preferences and provides new transparency measures for tax preferences.

**9. New Step M for Classified-Yr 1 Impl -** Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**10. New Step M for Classified-Yr 2 Impl -** A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**11. State Employee Health Insurance -** Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**12. Wellness - Smoker Surcharge -** State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**13. PEBB - Coverage Waiver Surcharge -** Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Board of Tax Appeals**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	11.2	2,339	2,339
2013-15 Maintenance Level	11.2	2,398	2,398
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	-1	-1
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	6	6
3. State Employee Health Insurance	0.0	-4	-4
4. Wellness - Smoker Surcharge	0.0	-1	-1
5. PEBB - Coverage Waiver Surcharge	0.0	-3	-3
Policy -- Comp Total	0.0	-2	-2
Total Policy Changes	0.0	-3	-3
Total 2013-15 Biennium	11.2	2,395	2,395
Difference from 2011-13	0.0	56	56
% Change from 2011-13	0.0%	2.4%	2.4%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Minority & Women's Business Enterp**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	17.0	0	3,655
2013-15 Maintenance Level	17.0	0	3,890
<b>Policy Other Changes:</b>			
1. Small Business Certification	1.0	0	200
2. Attorney General Legal Services	0.0	0	-1
3. CTS Central Services	0.0	0	4
4. DES Central Services	0.0	0	-5
Policy -- Other Total	1.0	0	198
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 2 Impl	0.0	0	1
6. State Employee Health Insurance	0.0	0	-6
7. Wellness - Smoker Surcharge	0.0	0	-1
8. PEBB - Coverage Waiver Surcharge	0.0	0	-5
Policy -- Comp Total	0.0	0	-11
Total Policy Changes	1.0	0	187
Total 2013-15 Biennium	18.0	0	4,077
Difference from 2011-13	1.0	0	422
% Change from 2011-13	5.9%	0.0%	11.6%

*Comments:*

**1. Small Business Certification** - Funding is provided to the Office of Minority and Women's Business Enterprises (OMWBE) for the Small Business Enterprises certification project, in cooperation with the Department of Transportation. Prior to implementing this new program, OMWBE will provide assurances to the Office of Financial Management and the Legislature that the backlog of existing certification cases has been eliminated. (Office of Minority and Women's Business Enterprises Account-State)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)



## **2013-15 Omnibus Operating Budget Minority & Women's Business Enterp**

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Office of Insurance Commissioner**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	232.0	650	53,095
2013-15 Maintenance Level	232.4	1,300	55,116
<b>Policy Other Changes:</b>			
1. Public School Employees	0.0	-900	-900
2. Attorney General Legal Services	0.0	0	-6
3. CTS Central Services	0.0	0	107
4. DES Central Services	0.0	0	-17
5. Health Benefit Exchange	2.6	0	676
Policy -- Other Total	2.6	-900	-140
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	286
7. New Step M for Classified-Yr 2 Impl	0.0	0	19
8. State Employee Health Insurance	0.0	0	-77
9. Wellness - Smoker Surcharge	0.0	0	-11
10. PEBB - Coverage Waiver Surcharge	0.0	0	-67
Policy -- Comp Total	0.0	0	150
Total Policy Changes	2.6	-900	10
Total 2013-15 Biennium	235.0	400	55,126
Difference from 2011-13	3.0	-250	2,031
% Change from 2011-13	1.3%	-38.5%	3.8%

*Comments:*

**1. Public School Employees** - Ongoing funding is adjusted for the public school employee health benefit audit program for the OIC to adopt rules and carry out oversight and reporting responsibilities pursuant to Chapter 3, Laws of 2012 (ESSB 5940) on public school employees' insurance benefits. (General Fund-State).

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Health Benefit Exchange** - Staff and funding are provided to implement Engrossed Substitute House Bill 1947 (Washington Health Benefit Exchange). The bill provides various funding options for the operations of the Washington Health Benefit Exchange (Exchange), one of which directs health insurance premium taxes collected on Exchange plans and for plans provided to new clients under the Medicaid expansion into the Health Benefit Exchange Account (Account). The Office of the Insurance Commissioner will be responsible for identifying these taxes and directing them into the Account. (Health Benefit Exchange Account-State)

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget

### Office of Insurance Commissioner

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Consolidated Technology Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	279.5	0	208,054
2013-15 Maintenance Level	279.5	0	185,378
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-2
2. CTS Central Services	0.0	0	116
3. DES Central Services	0.0	0	-111
4. Enterprise Network Security	10.9	0	10,478
5. State Data Center Operations	0.0	0	34,404
Policy -- Other Total	10.9	0	44,885
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	116
7. State Employee Health Insurance	0.0	0	-90
8. Wellness - Smoker Surcharge	0.0	0	-13
9. PEBB - Coverage Waiver Surcharge	0.0	0	-79
Policy -- Comp Total	0.0	0	-66
Total Policy Changes	10.9	0	44,819
Total 2013-15 Biennium	290.4	0	230,197
Difference from 2011-13	10.9	0	22,143
% Change from 2011-13	3.9%	0.0%	10.6%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Enterprise Network Security** - Funding is provided to enhance enterprise security services for Washington State's information technology (IT) systems. (Data Processing Revolving Account-Nonappropriated)

**5. State Data Center Operations** - Funding is provided for core data network and security services for the State Data Center (SDC). Most of the existing Consolidated Technology Services (CTS) information technology services will move from the Office Building Two data center to the SDC. Expenditure authority is provided for one-time costs to build out the SDC's core infrastructure and associated project management costs. Funding also is provided for ongoing maintenance and operation costs of the SDC. (Data Processing Revolving Account-Nonappropriated)

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Consolidated Technology Services**

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**State Board of Accountancy**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	11.3	0	2,692
2013-15 Maintenance Level	11.3	0	2,702
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-2
2. CTS Central Services	0.0	0	2
3. DES Central Services	0.0	0	-1
Policy -- Other Total	0.0	0	-1
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	0	2
5. New Step M for Classified-Yr 2 Impl	0.0	0	2
6. State Employee Health Insurance	0.0	0	-3
7. PEBB - Coverage Waiver Surcharge	0.0	0	-3
Policy -- Comp Total	0.0	0	-2
Total Policy Changes	0.0	0	-3
Total 2013-15 Biennium	11.3	0	2,699
Difference from 2011-13	0.0	0	7
% Change from 2011-13	0.0%	0.0%	0.3%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget State Board of Accountancy**

**7. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Forensic Investigations Council**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	0	490
2013-15 Maintenance Level	0.0	0	288
<b>Policy Other Changes:</b>			
1. Identifying Human Remains	0.0	0	210
Policy -- Other Total	0.0	0	210
Total Policy Changes	0.0	0	210
Total 2013-15 Biennium	0.0	0	498
Difference from 2011-13	0.0	0	8
% Change from 2011-13	0.0%	0.0%	1.6%

*Comments:*

**1. Identifying Human Remains** - The Legislature established funding in Fiscal Year 2013 to reimburse King County for the time spent by its forensic anthropologist to work on cases from other counties. This funding will be ongoing to continue the human remains identification work statewide. (Death Investigations Account-State)



**2013-15 Omnibus Operating Budget**  
**Dept of Enterprise Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,070.0	6,710	479,724
2013-15 Maintenance Level	1,070.0	7,284	461,428
<b>Policy Other Changes:</b>			
1. Time, Leave & Attendance System	0.0	0	3,013
2. Statewide Financial System (ERP)	0.0	0	2,400
3. Time, Leave & Attendance System	0.0	0	5,000
4. Adjust to Revenue	0.0	0	-3
5. Attorney General Legal Services	0.0	0	-14
6. CTS Central Services	0.0	3	249
7. DES Central Services	0.0	-1	-91
8. Transfer Geospatial Portal to DES	0.0	0	212
9. Efficiencies & Savings to State Gov	-27.2	0	-20,158
10. Fund Consolidation	0.0	0	23
11. Flags	0.0	10	10
12. Visitor Center Rent	0.0	0	-12
Policy -- Other Total	-27.2	12	-9,371
<b>Policy Comp Changes:</b>			
13. New Step M for Classified-Yr 2 Impl	0.0	0	3
14. State Employee Health Insurance	0.0	-7	-346
15. Wellness - Smoker Surcharge	0.0	-1	-52
16. PEBB - Coverage Waiver Surcharge	0.0	-6	-309
Policy -- Comp Total	0.0	-14	-704
Total Policy Changes	-27.2	-2	-10,075
Total 2013-15 Biennium	1,042.8	7,282	451,353
Difference from 2011-13	-27.2	572	-28,371
% Change from 2011-13	-2.5%	8.5%	-5.9%

**Comments:**

**1. Time, Leave & Attendance System** - Funding is provided for the repayment of short-term financing used for the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

**2. Statewide Financial System (ERP)** - Existing fund balance related to closing out the Central Stores and Materials Management Center programs will provide funding for process assessment and preparation associated with the configuration and implementation of a modernized financial management system known as Enterprise Resource Planning. The scope of work scheduled for 2013-15 is estimated at \$2.4 million. (Enterprise Services Account-Nonappropriated)

**3. Time, Leave & Attendance System** - Existing fund balance in the Data Processing Account will be used to complete the pilot implementation of a time, leave and attendance system. Implementation of this enterprise solution will first focus on the Department of Transportation and Department of Ecology as pilot agencies. The scope of work scheduled for 2013-15 is estimated at \$15 million. (Data Processing Revolving Account-Nonappropriated)

## 2013-15 Omnibus Operating Budget

### Dept of Enterprise Services

**4. Adjust to Revenue** - Adjust spending authority to match expected revenue. (Commemorative Works Account-Nonappropriated)

**5. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**6. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**7. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**8. Transfer Geospatial Portal to DES** - The existing Geospatial Portal that is managed and used by multiple agencies is transferred to the Department of Enterprise Services to be centrally managed and offered as a shared service. (Data Processing Revolving Account-Nonappropriated)

**9. Efficiencies & Savings to State Gov** - Funding is reduced in recognition of efficiencies gained by consolidating back-office functions such as internal human resources, accounting, purchasing, contracts, and facilities management after the consolidation of five state agencies in the implementation of Chapter 43, Laws of 2011, 1st Special Session (ESSB 5931). (Personnel Service Account-State, Data Processing Revolving Account-Nonappropriated, Enterprise Services Account-State)

**10. Fund Consolidation** - Several large funds are consolidated into two funds to provide operational efficiencies and to simplify the Department of Enterprise Services' financial systems after the merger of five state agencies in the implementation of Chapter 43, Laws of 2011, 1st special session. (ESSB 5931). (Personnel Service Account-State, Data Processing Revolving Account-Non-appropriated, Public Printing Revolving Account-Non-appropriated, Enterprise Services Account-State, Enterprise Services Account-Non-appropriated)

**11. Flags** - Funding is provided to purchase flags representing nations with a consular presence in the state of Washington.

**12. Visitor Center Rent** - The Department of Enterprise Services will lower the amount of rent charged for the Capitol Campus visitor center by twenty percent.

**13. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**16. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington Horse Racing Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	28.5	0	6,746
2013-15 Maintenance Level	28.5	0	5,708
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-1
2. DES Central Services	0.0	0	-1
3. License and Background Check Fees	0.0	0	30
Policy -- Other Total	0.0	0	28
<b>Policy Comp Changes:</b>			
4. State Employee Health Insurance	0.0	0	-6
5. Wellness - Smoker Surcharge	0.0	0	-1
6. PEBB - Coverage Waiver Surcharge	0.0	0	-5
Policy -- Comp Total	0.0	0	-12
Total Policy Changes	0.0	0	16
Total 2013-15 Biennium	28.5	0	5,724
Difference from 2011-13	0.0	0	-1,022
% Change from 2011-13	0.0%	0.0%	-15.2%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. License and Background Check Fees** - Funding is increased to reflect that, in each year of the 2013-15 biennium, the Horse Racing Commission will increase license fees by five percent and background check fees by one dollar to recover the actual costs of licensing and background investigations. (Horse Racing Commission Operating Account-State)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Bd of Industrial Insurance Appeals**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	163.8	0	39,213
2013-15 Maintenance Level	161.0	0	39,243
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-2
2. CTS Central Services	0.0	0	94
3. DES Central Services	0.0	0	-13
Policy -- Other Total	0.0	0	79
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	0	304
5. New Step M for Classified-Yr 2 Impl	0.0	0	16
6. State Employee Health Insurance	0.0	0	-52
7. Wellness - Smoker Surcharge	0.0	0	-8
8. PEBB - Coverage Waiver Surcharge	0.0	0	-46
Policy -- Comp Total	0.0	0	214
Total Policy Changes	0.0	0	293
Total 2013-15 Biennium	161.0	0	39,536
Difference from 2011-13	-2.8	0	323
% Change from 2011-13	-1.7%	0.0%	0.8%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Bd of Industrial Insurance Appeals**

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**WA State Liquor Control Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	843.0	0	192,976
2013-15 Maintenance Level	275.5	0	63,210
<b>Policy Other Changes:</b>			
1. Enforcement Officers	5.0	0	1,041
2. I-502 Implementation	0.0	0	2,494
3. Attorney General Legal Services	0.0	0	-14
4. Administrative Hearings	0.0	0	1
5. CTS Central Services	0.0	0	111
6. DES Central Services	0.0	0	-66
Policy -- Other Total	5.0	0	3,567
<b>Policy Comp Changes:</b>			
7. New Step M for Classified-Yr 1 Impl	0.0	0	374
8. New Step M for Classified-Yr 2 Impl	0.0	0	8
9. State Employee Health Insurance	0.0	0	-79
10. Wellness - Smoker Surcharge	0.0	0	-12
11. PEBB - Coverage Waiver Surcharge	0.0	0	-70
Policy -- Comp Total	0.0	0	221
Total Policy Changes	5.0	0	3,788
Total 2013-15 Biennium	280.5	0	66,998
Difference from 2011-13	-562.5	0	-125,978
% Change from 2011-13	-66.7%	0.0%	-65.3%

*Comments:*

**1. Enforcement Officers** - Funding is provided for additional enforcement officers to address public safety concerns associated with the increase in on- and off-premise licensees, product theft and smuggling, and underage consumption. Officers will perform duties such as educating licensees and conducting investigations and undercover compliance checks. (Liquor Revolving Account-State)

**2. I-502 Implementation** - Funding is provided to implement Initiative 502 (an act relating to marijuana). The Liquor Control Board will conduct additional rulemaking, update information technology, and implement licensing activities related to marijuana production, distribution, and sales. Expenditure authority is increased in the Liquor Revolving Account to reflect these costs. (Liquor Revolving Account-State).

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**6. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget WA State Liquor Control Board

**7. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**8. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**9. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Utilities and Transportation Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	167.4	0	48,626
2013-15 Maintenance Level	165.7	0	48,831
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-1,901
2. CTS Central Services	0.0	0	94
3. DES Central Services	0.0	0	-12
4. Federal Stimulus Funds	0.5	0	150
5. Federal Funding Rate Decrease	0.0	0	-960
6. Utility Damage Prevention Awareness	0.0	0	1,250
7. Communication Services Reform	0.0	0	5,071
Policy -- Other Total	0.5	0	3,692
<b>Policy Comp Changes:</b>			
8. New Step M for Classified-Yr 1 Impl	0.0	0	186
9. New Step M for Classified-Yr 2 Impl	0.0	0	16
10. State Employee Health Insurance	0.0	0	-53
11. Wellness - Smoker Surcharge	0.0	0	-6
12. PEBB - Coverage Waiver Surcharge	0.0	0	-46
Policy -- Comp Total	0.0	0	97
Total Policy Changes	0.5	0	3,789
Total 2013-15 Biennium	166.2	0	52,620
Difference from 2011-13	-1.2	0	3,994
% Change from 2011-13	-0.7%	0.0%	8.2%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Federal Stimulus Funds** - Expenditure authority is extended for the 2010 American Recovery and Reinvestment Act (ARRA) grant used for electricity sector activities and the policy initiatives that significantly affect electric utility resource alternatives and infrastructure investment. The grant expires in December 2013. (General Fund-Federal)

**5. Federal Funding Rate Decrease** - Funding is reduced to reflect decreases in federal appropriations to state pipeline safety programs. (Pipeline Safety Account-Federal)

**6. Utility Damage Prevention Awareness** - Funding is provided for a program to increase public awareness of the "Call 811 before you dig" utility location service. (Pipeline Safety Account-State)



## 2013-15 Omnibus Operating Budget Utilities and Transportation Comm

**7. Communication Services Reform** - Funding is provided to establish a state universal communications service program that will terminate on June 30, 2019, providing that eligible communications providers may receive distributions from the Universal Communications Services Account pursuant to Engrossed Second Substitute House Bill 1971 (communications services). One-time rulemaking costs for FY 2014 will be appropriated from the Public Services Revolving Account-State. (Public Serves Revolving Account-State-Appropriated, Universal Communications Services Fund-State-Non-appropriated).

**8. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**9. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**10. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**11. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**12. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Board for Volunteer Firefighters**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	4.0	0	1,043
2013-15 Maintenance Level	4.0	0	1,054
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-1
2. DES Central Services	0.0	0	-7
Policy -- Other Total	0.0	0	-8
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	0	-1
4. PEBB - Coverage Waiver Surcharge	0.0	0	-1
Policy -- Comp Total	0.0	0	-2
Total Policy Changes	0.0	0	-10
Total 2013-15 Biennium	4.0	0	1,044
Difference from 2011-13	0.0	0	1
% Change from 2011-13	0.0%	0.0%	0.1%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington State Patrol**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	510.7	67,738	129,581
2013-15 Maintenance Level	511.7	70,648	133,306
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-4	-4
2. CTS Central Services	0.0	114	114
3. DES Central Services	0.0	-45	-45
4. Criminal History System Upgrade	0.0	0	3,480
5. Sergeant Mobile Laptop Computers	0.2	85	85
6. Crim. History Microfilm Conversion	0.0	0	536
7. Firearm Offenders	0.1	0	154
8. Aviation Rent and Utilities	0.0	64	64
9. Firefighter Apprenticeship	0.0	0	300
10. Crime Lab GF-S/Death Investigations	0.0	-4,226	0
Policy -- Other Total	0.3	-4,012	4,684
<b>Policy Comp Changes:</b>			
11. WSP Lieutenants' Association	0.0	40	40
12. WSP Troopers' Association	0.0	337	355
13. New Step M for Classified-Yr 1 Impl	0.0	308	464
14. New Step M for Classified-Yr 2 Impl	0.0	28	40
15. State Employee Health Insurance	0.0	-104	-153
16. Wellness - Smoker Surcharge	0.0	-15	-22
17. PEBB - Coverage Waiver Surcharge	0.0	-92	-137
Policy -- Comp Total	0.0	502	587
Total Policy Changes	0.3	-3,510	5,271
Total 2013-15 Biennium	512.0	67,138	138,577
Difference from 2011-13	1.3	-600	8,996
% Change from 2011-13	0.3%	-0.9%	6.9%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Criminal History System Upgrade** - Funding is provided for the replacement of the Washington State Identification System and Washington Crime Information Center, which store and share criminal justice information within Washington State and with other states, federal agencies, and other countries. This funding will begin a phased upgrade to current technology capable of interfacing with modern web-based systems. (Enhanced 911 Account-State)

## 2013-15 Omnibus Operating Budget Washington State Patrol

**5. Sergeant Mobile Laptop Computers** - The Mobile Office Platform Program is expanded to include sergeant vehicles. This program impacts both the omnibus appropriations act and the transportation budget. This funding represents only the General Fund-State portion of the total program costs.

**6. Crim. History Microfilm Conversion** - Funding is provided to convert the microfilm library of approximately 17 million source documents to electronic images. This will improve the efficiency in accessing those documents and eliminate the need to maintain and operate two archival systems. (Fingerprint Identification Account-State)

**7. Firearm Offenders** - Funding is provided for implementation of Chapter 183, Laws of 2013 (SHB 1612). The Washington State Patrol must build a new database within the state's existing criminal records system.

**8. Aviation Rent and Utilities** - Costs are shared between the omnibus appropriations budget and the transportation budget for aviation hangar rental and utility costs based on flight hours. Under this policy the transportation budget is responsible for 93 percent of the hangar rental and utility costs. The policy is changed to reflect a fifty-fifty cost split based on space utilized by the Washington State Patrol's two King Air jets and the Cessna program planes.

**9. Firefighter Apprenticeship** - Funding to support the Fire Fighter Apprenticeship program is increased. (Fire Services Account-State)

**10. Crime Lab GF-S/Death Investigations** - Funding from the state general fund for the state crime lab is reduced and appropriation authority is increased from the Death Investigations Account for the 2013-15 biennium. (General Fund-State, Death Investigations Account-State)

**11. WSP Lieutenants' Association** - Funding is provided for the arbitration award for the Washington State Patrol Lieutenants' Association that includes a pay increase of 3 percent effective July 1, 2014, and paid parking for assigned agency vehicles for non-reserved parking on the Capital campus. (General Fund-State, State Highway Account-State, State Patrol Highway Account-Federal)

**12. WSP Troopers' Association** - Funding is provided for the arbitration award for the Washington State Patrol Troopers' Association that includes a pay increase of 3 percent effective July 1, 2013, and a longevity pay increase of 1 percent for troopers in their 5th-9th years, effective July 1, 2014. (General Fund-State, General Fund-Federal, State Patrol Highway Account-State, Various Other Accounts)

**13. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**14. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**15. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**16. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**17. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Criminal Justice Training Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	34.1	28,740	42,449
2013-15 Maintenance Level	35.4	31,124	42,082
<b>Policy Other Changes:</b>			
1. Drug Task Forces	0.0	-2,000	-2,000
2. Attorney General Legal Services	0.0	-3	-3
3. CTS Central Services	0.0	7	7
4. DES Central Services	0.0	-2	-2
5. Partial BLEA Reimbursement	0.0	-1,552	0
6. Crisis Intervention Training	0.0	330	330
7. Driving Simulator	0.0	246	0
8. EVOC Training	0.0	58	58
9. Jail Booking and Reporting System	0.0	162	162
10. Vendor Rate Increase	0.0	43	43
Policy -- Other Total	0.0	-2,711	-1,405
<b>Policy Comp Changes:</b>			
11. New Step M for Classified-Yr 1 Impl	0.0	22	22
12. New Step M for Classified-Yr 2 Impl	0.0	2	2
13. State Employee Health Insurance	0.0	-10	-10
14. Wellness - Smoker Surcharge	0.0	-2	-2
15. PEBB - Coverage Waiver Surcharge	0.0	-9	-9
Policy -- Comp Total	0.0	3	3
Total Policy Changes	0.0	-2,708	-1,402
Total 2013-15 Biennium	35.4	28,416	40,680
Difference from 2011-13	1.3	-324	-1,769
% Change from 2011-13	3.8%	-1.1%	-4.2%

**Comments:**

- 1. Drug Task Forces** - Funding for the Rural Drug Task Force grant funding is eliminated effective July 1, 2013.
- 2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)
- 4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 5. Partial BLEA Reimbursement** - Funding is reduced to reflect a 25 percent partial reimbursement of the Basic Law Enforcement Academy (BLEA) costs for law enforcement agencies that send cadets for training, and for local reimbursement of ammunition costs. (General Fund-Private/Local)
- 6. Crisis Intervention Training** - Funding is provided to implement eight hours of crisis intervention training into the BLEA and to provide an eight-hour optional in-service curriculum for officers already in the field.

## 2013-15 Omnibus Operating Budget Criminal Justice Training Comm

**7. Driving Simulator** - Funding is shifted from General Fund-Private/Local to General Fund-State for the costs of using driving simulators for statewide advanced driver training. (General Fund-State, General Fund-Private/Local)

**8. EVOC Training** - Funding is provided for the costs of conducting 40 hours of Emergency Vehicle Operator Course (EVOC) training at the Washington State Patrol academy for cadets attending the BLEA. In the 2012 Supplemental Operating Budget, funding had been reduced to perform some of this training in-house.

**9. Jail Booking and Reporting System** - The Washington Association of Sheriffs and Police Chiefs (WASPC) is responsible for the state Jail Booking and Reporting System (JBRS) which is funded in the Criminal Justice Training Commission (CJTC) budget. WASPC has a contract with Appriss (the vendor) to operate the system. The Department of Revenue (DOR) has audited the vendor and has determined the vendor is required to pay sales tax on JBRS system, under RCW 82.04.257. DOR has sent a sales tax bill to the vendor for \$300,000 in back taxes. The ongoing tax is identified as \$162,000 each biennium. Since WASPC is the end user, WASPC will be billed for this sales tax by the vendor. Funding is provided to cover this increased cost to WASPC.

**10. Vendor Rate Increase** - Funding is provided to cover the cost of the increased daily meal rate charged by the training facility food vendor, \$0.69 per person in FY 2014 and \$1.40 per person in FY 2015.

**11. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**12. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**13. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**14. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**15. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Labor and Industries**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,784.4	35,325	633,621
2013-15 Maintenance Level	2,776.9	34,068	639,894
<b>Policy Other Changes:</b>			
1. Vancouver Office Move	0.0	0	649
2. Vocational Rehabilitation Pilot	7.5	0	1,336
3. Attorney General Legal Services	0.0	-5	2,966
4. Administrative Hearings	0.0	4	7
5. CTS Central Services	0.0	5	493
6. DES Central Services	0.0	-1	-160
7. Electronic Benefit Payments	1.5	0	2,429
8. Elevator Program Staff	6.0	1,526	1,526
9. Knowledge Management	1.0	0	2,029
10. Medical Management Best Practices	12.0	0	4,150
11. Federal Medicaid Expansion	0.0	-1,040	-1,040
12. Farm Internship Program	0.0	208	208
13. Transportation Improvement Projects	0.0	0	287
Policy -- Other Total	28.0	697	14,880
<b>Policy Comp Changes:</b>			
14. New Step M for Classified-Yr 1 Impl	0.0	194	3,840
15. New Step M for Classified-Yr 2 Impl	0.0	8	233
16. State Employee Health Insurance	0.0	-37	-904
17. Wellness - Smoker Surcharge	0.0	-6	-134
18. PEBB - Coverage Waiver Surcharge	0.0	-33	-806
Policy -- Comp Total	0.0	126	2,229
Total Policy Changes	28.0	823	17,109
Total 2013-15 Biennium	2,804.9	34,891	657,003
Difference from 2011-13	20.5	-434	23,382
% Change from 2011-13	0.7%	-1.2%	3.7%

**Comments:**

**1. Vancouver Office Move** - One-time funding is provided for tenant improvements and other move-related costs for the Department of Labor and Industries' (L&I) Region 4 field office. The new office space will backfill currently unused state-owned space in the Vancouver area. (Accident Account-State, Medical Aid Account-State)

**2. Vocational Rehabilitation Pilot** - Expenditure authority and staff are provided for L&I to implement Engrossed House Bill 1470 (worker's compensation/vocational rehabilitation), which extends the Vocational Improvement Project for injured workers until June 30, 2016. (Medical Aid Account-State)

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget

### Department of Labor and Industries

**5. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**6. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**7. Electronic Benefit Payments** - Expenditure authority is provided for L&I to implement direct deposit and prepaid debit cards as benefit payment methods for injured workers and crime victims. Agency staff estimate that 34,300 injured workers will utilize these payment options by FY 2018. Funding will provide information technology (IT) project staff to reconfigure internal agency systems, build and test a customer interface, and for outreach to clients and agency staff. Legislative changes are required to allow benefit payment methods other than checks. (Accident Account-State, Medical Aid Account-State)

**8. Elevator Program Staff** - Funding is provided for five additional elevator program staff intended to ensure that statutorily required annual inspections and other reviews are completed on schedule. The additional staff are funded by a 13 percent fee increase.

**9. Knowledge Management** - Expenditure authority is provided for a knowledge management system that will replace the current online reference system used by claims managers and the third party administrators who manage claims for self-insured employers. The purpose of the new system is to provide expedited electronic access to policies and procedures, guidelines, medical management, technical reference material, and other information used to make claims decisions. Funding will be used to purchase a commercial off-the-shelf system and for IT staff to manage the project and provide ongoing support. (Accident Account-State, Medical Aid Account-State)

**10. Medical Management Best Practices** - Funding is provided for a pilot project to provide additional clinical staff to bring the current ratio of Occupational Nurse Consultants (ONCs) to claim managers from 1:23 to 1:10. The addition of clinical staff is intended to provide the medical expertise and intervention that will help claimants return to work. The Department shall report back to the Legislature by December 1, 2014 on the impact of this pilot project on claimants' return to work. (Accident Account-State, Medical Aid Account-State)

**11. Federal Medicaid Expansion** - The Department of Labor and Industries (L&I) Crime Victims Compensation Program provides services, including medical care for crime victims. Funding is reduced to reflect the anticipated shift of clients to expanded Medicaid when it becomes available under the Affordable Care Act (ACA) in January 2014. Funding is retained for services to: 1) clients who are ineligible for Medicaid or the Health Benefit Exchange (HBE) due to citizenship status; 2) clients who cannot afford to pay HBE cost-sharing requirements and receive a financial hardship exemption, and; 3) Medicare clients, Dual-eligible clients, and clients enrolled in the Healthcare for Workers with Disabilities (HWD) program.

**12. Farm Internship Program** - Expenditure authority is provided for the creation of a farm internship pilot program in sixteen counties and requires certification by the Department. (Accident Account-State, Medical Aid Account-State)

**13. Transportation Improvement Projects** - Expenditure authority is provided for L&I to implement the provisions of Chapter 113, Laws of 2013 (SHB Bill 1420) (transportation improvement projects), which exempts public improvement contracts that are funded in whole or in part by federal transportation funds from the contract retainage requirement. (Public Works Administration Account-State, Medical Aid Account-State, Accident Account-State)

**14. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**15. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)



## 2013-15 Omnibus Operating Budget

### Department of Labor and Industries

**16. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**17. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**18. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Licensing**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	230.9	2,444	40,579
2013-15 Maintenance Level	231.6	2,451	41,117
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-16
2. Administrative Hearings	0.0	0	1
3. CTS Central Services	0.0	2	24
4. DES Central Services	0.0	-1	-13
5. Debt Collection Practices	3.6	0	592
6. Master Esthetician License	0.0	0	166
7. Scrap Metal Theft	2.8	0	566
8. Wolf Conflict Management	0.0	0	32
Policy -- Other Total	6.3	0	1,352
<b>Policy Comp Changes:</b>			
9. New Step M for Classified-Yr 2 Impl	0.0	0	12
10. State Employee Health Insurance	0.0	-3	-59
11. Wellness - Smoker Surcharge	0.0	-1	-8
12. PEBB - Coverage Waiver Surcharge	0.0	-3	-54
Policy -- Comp Total	0.0	-7	-109
Total Policy Changes	6.3	-7	1,243
Total 2013-15 Biennium	237.9	2,444	42,360
Difference from 2011-13	7.1	0	1,781
% Change from 2011-13	3.1%	0.0%	4.4%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Debt Collection Practices** - Expenditure authority is approved to implement licensing requirements for persons or entities engaged in the business of purchasing delinquent debt for collection purposes to be licensed as collection agencies under the Collection Agency Act (CAA) and to comply with all other requirements of the CAA. (Business and Professions Account-State).

**6. Master Esthetician License** - Chapter 187, Laws of 2013 (SHB 1779) provides expenditure authority for one-time costs associated with the creation and regulation of an endorsement for master estheticians including a definition of scope of practice and an increase in required school hours for this endorsement. (Business and Professions Account-State).

## 2013-15 Omnibus Operating Budget Department of Licensing

**7. Scrap Metal Theft** - Chapter 322, Laws of 2013 p.v. (ESHB 1552) provides expenditure authority to expand metal theft prevention and establish a licensing and regulatory program within the Department of Licensing. It requires a person engaging in the business of a scrap metal processor, scrap metal recycler, or scrap metal supplier to obtain a scrap metal license. (Business and Professions Account).

**8. Wolf Conflict Management** - Chapter 329, Laws of 2013 (E2SSB 5193), increases the initial and renewal registration fee for personalized license plates. One-time funding is provided for DOL to make the necessary modifications to its software and licensing systems to reflect the increased fee.

**9. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**10. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**11. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**12. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Military Department**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	323.4	14,004	338,964
2013-15 Maintenance Level	323.4	14,850	261,569
<b>Policy Other Changes:</b>			
1. Emergency Management Division	0.0	-448	0
2. Attorney General Legal Services	0.0	-5	-5
3. CTS Central Services	0.0	125	125
4. DES Central Services	0.0	-29	-29
5. Disaster Response Account	0.0	0	3,769
6. Next Generation 911 Capability	0.0	0	8,000
7. GF-S/E911	0.0	-10,842	0
Policy -- Other Total	0.0	-11,199	11,860
<b>Policy Comp Changes:</b>			
8. New Step M for Classified-Yr 1 Impl	0.0	138	308
9. New Step M for Classified-Yr 2 Impl	0.0	17	37
10. State Employee Health Insurance	0.0	-39	-100
11. Wellness - Smoker Surcharge	0.0	-6	-15
12. PEBB - Coverage Waiver Surcharge	0.0	-35	-91
Policy -- Comp Total	0.0	75	139
Total Policy Changes	0.0	-11,124	11,999
Total 2013-15 Biennium	323.4	3,726	273,568
Difference from 2011-13	0.0	-10,278	-65,396
% Change from 2011-13	0.0%	-73.4%	-19.3%

*Comments:*

**1. Emergency Management Division** - Funding for staff in the Emergency Management Division is shifted from General Fund-State to General Fund-Federal. (General Fund-State, General Fund-Federal)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Disaster Response Account** - Funds are appropriated to complete projects necessary to recover from previously declared disasters. (Disaster Response Account-State)

**6. Next Generation 911 Capability** - Expenditure authority is provided from the Enhanced 911 account to begin the upgrade of the current 911 telephone system to accommodate Next Generation 911 (NG911) technology. During Fiscal Years 2014 and 2015, financial assistance will be provided to 22 counties for the replacement of 911 telephone equipment that is at the end of its life, and will not be supported by the manufacturer beyond 2014. (General Fund-Federal, Enhanced 911 Account-State)

## 2013-15 Omnibus Operating Budget Military Department

**7. GF-S/E911 - General fund-state appropriations are reduced, appropriation authority is increased from the Enhanced 911 Account for the 2013-15 biennium. (General Fund-State, Enhanced 911 Account-State)**

**8. New Step M for Classified-Yr 1 Impl -** Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**9. New Step M for Classified-Yr 2 Impl -** A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**10. State Employee Health Insurance -** Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**11. Wellness - Smoker Surcharge -** State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**12. PEBB - Coverage Waiver Surcharge -** Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Employment Relations Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	41.6	4,236	7,803
2013-15 Maintenance Level	41.3	4,211	7,800
<b>Policy Other Changes:</b>			
1. Higher Education Workload Adjust	0.0	-219	0
2. Attorney General Legal Services	0.0	-1	-2
3. CTS Central Services	0.0	5	7
4. DES Central Services	0.0	-1	-2
Policy -- Other Total	0.0	-216	3
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	30	52
6. State Employee Health Insurance	0.0	-6	-10
7. Wellness - Smoker Surcharge	0.0	-1	-2
8. PEBB - Coverage Waiver Surcharge	0.0	-5	-9
Policy -- Comp Total	0.0	18	31
Total Policy Changes	0.0	-198	34
Total 2013-15 Biennium	41.3	4,013	7,834
Difference from 2011-13	-0.3	-223	31
% Change from 2011-13	-0.6%	-5.3%	0.4%

*Comments:*

**1. Higher Education Workload Adjust** - Appropriations are adjusted to reflect the distribution of workload between higher education employers supported by appropriations from the Higher Education Personnel Services Account and those services supported by General Fund-State appropriations. (General Fund-State, Higher Education Personnel Services Account-State)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget**

### **Public Employment Relations Comm**

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	16,479.9	5,481,543	11,071,210
2013-15 Maintenance Level	16,534.8	5,790,458	11,489,958
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	1.6	-77,161	89,326
2. Attorney General Legal Services	0.0	-420	-600
3. Administrative Hearings	0.0	147	211
4. CTS Central Services	0.0	1,776	2,540
5. DES Central Services	0.0	-996	-1,424
6. Autism Licensing	0.5	0	56
7. Agency Provider Parity	0.0	32,945	65,888
8. Adult Behavior Services & Accntblty	3.5	1,473	2,833
9. Replace Staff Personal Computers	0.0	326	434
10. Access Data/Documents in FamLink	0.0	310	410
11. Implement Family Assmnt Rspnse Svcs	29.5	1,783	16,548
12. PC and Server Replacement	0.0	198	198
13. Mental Health Services Need	6.0	183	566
14. Prison Rape Elimination Act (PREA)	2.2	437	437
15. Educational Outcomes	0.2	93	124
16. Child Welfare System Performance	0.3	90	118
17. Family Drug Court	0.0	0	283
18. Child Protective Services Workload	20.0	2,788	3,621
19. Involuntary Commitment	1.0	17,726	27,964
20. Electronic Medical Record System	0.0	4,134	4,374
21. De-Certified Bed Days	0.0	-1,200	0
22. Critical Community Placements	1.5	2,956	5,779
23. Community Crisis Stabilization	23.0	1,628	1,116
24. SOLA Needs	22.0	1,594	3,186
25. Improving Graduation Rates	0.0	892	892
26. Basic Plus Waiver	6.5	4,475	8,712
27. Provider Fiscal Agent	0.0	6,441	26,381
28. Eligibility Simplification	-25.3	-1,903	-3,806
29. Information System Changes	4.5	1,150	6,221
30. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,862
31. Delay Nursing Home Rebase	0.0	-31,428	-62,856
32. Health Path Washington	13.2	705	5,545
33. Mental Health Security Enhancements	50.7	7,478	9,563
34. Earn Adoption Incentive Grant	0.0	-1,633	0
35. Reform Telecommunication Svcs	21.3	19,558	16,783
36. Adult Family Home Agreement	0.0	1,538	3,044
37. In-Home Provider Arbitration	4.7	113,181	226,364
38. Walla Walla Veterans Home	0.0	777	1,553
39. Community Connections Grant	2.0	0	1,593
40. Empowering Adults Grant	0.4	0	800
41. Disability Standard Change	0.0	2,000	2,000
42. Discontinued Contract	0.0	-412	-412
43. Criminal Incompetency	0.0	1,298	2,152
44. Competency Evaluations	0.0	240	240



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
(Dollars in Thousands)

		<b>Striking Amd 2ESSB 5034 June 27</b>		
		<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
45.	RSN Viability	0.0	298	298
46.	Child Care Reform	0.0	18	18
47.	Hub Home Model	0.0	250	250
48.	PCAP Expansion	0.0	0	5,476
49.	Improving Child Care Quality	0.0	15,962	16,124
50.	LEP Pilots	0.0	500	500
51.	IMD Conversions	0.0	-266	4,293
52.	Improving Service Delivery	4.5	1,293	2,038
53.	Mental Health First Aid	0.0	75	96
54.	Dual Eligibles Grant	0.0	0	76
55.	Quality Measures Grant	0.0	0	500
56.	PC Replacement	0.0	44	44
57.	Performance-Based Contracting	0.0	200	200
58.	FAR Caseload Savings	0.0	-1,024	-1,365
59.	TANF WCCC Caseload Savings	0.0	-156,131	-108,074
60.	Reduce WorkFirst Partners	0.0	-2,000	-2,000
61.	TANF Redesign Caseload	0.0	-3,630	-3,630
62.	Extended Foster Care	5.8	4,486	6,380
63.	Powell Fatality Team	0.0	100	356
64.	AFH Quality Assurance	3.5	399	797
65.	IFS Expansion	0.0	1,488	1,488
66.	State Food Assistance	0.0	9,425	9,425
67.	LTC Planning Task Force	0.4	50	100
68.	MR v Dreyfus Exception to Rule	4.3	6,750	13,338
69.	Managed Care Rates	0.0	-1,126	-2,252
70.	Predictive Modeling	0.0	712	712
71.	Diabetes Prevention	0.5	126	154
Policy -- Other Total		208.2	-11,009	415,961
<b>Policy Comp Changes:</b>				
72.	New Step M for Classified-Yr 1 Impl	0.0	19,410	25,468
73.	New Step M for Classified-Yr 2 Impl	0.0	785	1,010
74.	Family Childcare Provider CBA	0.0	970	970
75.	State Employee Health Insurance	0.0	-3,948	-5,222
76.	Coll. Bargained Personal Leave Day	0.0	1,105	1,539
77.	Wellness - Smoker Surcharge	0.0	-586	-775
78.	PEBB - Coverage Waiver Surcharge	0.0	-3,508	-4,643
Policy -- Comp Total		0.0	14,228	18,347
<b>Policy Transfer Changes:</b>				
79.	McNeil Island Stewardship	-36.7	-7,000	-7,000
Policy -- Transfer Total		-36.7	-7,000	-7,000
Total Policy Changes		171.5	-3,781	427,308
Total 2013-15 Biennium		16,706.3	5,786,677	11,917,266
Difference from 2011-13		226.4	305,134	846,056

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
% Change from 2011-13	1.4%	5.6%	7.6%

*Comments:*

- 1. Federal Medicaid Expansion** - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations, some of whom are currently served with state only funding. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. In addition, current medicaid enrollees in the Presumptive Supplemental Security Income program will receive an enhanced 75 percent federal match because Washington is an "expansion state" under the Affordable Care Act. Individuals who would have become new enrollees will become newly eligible for Medicaid at 100% federal match. State and federal funding for Regional Support Networks is adjusted to reflect these changes and to reflect offsets in non-Medicaid funding for services to those who will now be eligible for Medicaid. (General Fund-State, General Fund-Federal)
- 2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 3. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)
- 4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)
- 5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 6. Autism Licensing** - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)
- 7. Agency Provider Parity** - RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)
- 8. Adult Behavior Services & Acctnblty** - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)
- 9. Replace Staff Personal Computers** - Funding is provided for the Children's Administration (CA) to replace staff personal computers that are more than four years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years beginning in FY 2015. (General Fund-State, General Fund-Federal)
- 10. Access Data/Documents in FamLink** - Funding is provided for CA to purchase a software application that will enable staff to access Famlink data through ad hoc reports. Funding is also provided to implement an interface between FamLink and the Management Document Imaging System (MODIS) that will create a single point of access for child welfare documents. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**11. Implement Family Assmnt Rspnse Svcs** - Funding is provided for goods and services, staff, and staff training for Family Assessment Response (FAR) implementation and operations. FAR is an alternative to Child Protective Services (CPS) investigation for families screened in for low to moderate risk of child maltreatment, and aims to safely avoid out-of-home foster care placements by engaging and providing basic needs to families. FAR is the demonstration project for Washington's Title IV-E waiver. (General Fund-Federal, Child and Family Reinvestment Account-State)

**12. PC and Server Replacement** - Funding is provided to replace servers and staff personal computers that are more than four years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years beginning in FY 2015. (General Fund-State)

**13. Mental Health Services Need** - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

**14. Prison Rape Elimination Act (PREA)** - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

**15. Educational Outcomes** - Funding is provided for Second Substitute House Bill 1566 (youth in out-of-home care), which requires that certain youth in foster care receive an educational liaison and outlines the responsibilities of state agencies and school districts regarding the education of foster youth. The CA will modify Famlink to track educational liaisons for foster youth in grades six through 12, and will conduct background checks of educational liaisons. (General Fund-State, General Fund-Federal)

**16. Child Welfare System Performance** - Funding is provided for CA to implement the provisions of Engrossed Substitute House Bill 1774 (child welfare system). The CA will set up and maintain a data-sharing agreement with Partners for our Children, an entity within the University of Washington School of Social Work, for the purpose of measuring the performance of the child welfare system. (General Fund-State, General Fund-Federal)

**17. Family Drug Court** - Pierce County has lost federal funding that supports the family drug court. One time state funding is provided for the county to transition these services to other funds.

**18. Child Protective Services Workload** - Child Protective Services (CPS) case workers and support staff are provided for CA field offices in which the average monthly CPS caseload per worker exceeds 18:1. The purpose of the additional staff is to reduce the response and investigation times of potential child abuse or neglect cases. (General Fund-State, General Fund-Federal)

**19. Involuntary Commitment** - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). This act accelerates the date for changes which broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for RSNs to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

**20. Electronic Medical Record System** - Funding is provided for the state psychiatric hospitals to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10) by October 1, 2014. These funds must be used for an electronic medical record system that meets federal criteria for electronic sharing of patient information and clinical care summaries with doctors' offices, hospitals, and health systems which use federally certified electronic health record systems. The procurement and implementation shall be conducted to allow for these services to be expanded to the Department of Corrections. (General Fund-State, General Fund-Federal)

**21. De-Certified Bed Days** - The state hospitals are required to de-certify patients who remain after they no longer require active treatment for their mental disorder. This results in a loss of federal and local revenue for patients who have Medicare or private insurance. The state hospitals shall reduce the number of de-certified bed days in the 2013-15 biennium. (General Fund-State, General Fund-Federal, General Fund-Local)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**22. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

**23. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

**24. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

**25. Improving Graduation Rates** - Funding is provided for CA to contract with a nonprofit entity that will establish a demonstration site in one or more school districts in Western Washington. The goal of the contract is to improve the graduation rates of dependent youth by two percent per year over five school year periods beginning in 2014-15.

**26. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for graduating high school students who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services, for use during the transition from high school to employment. (General Fund-State, General Fund-Federal)

**27. Provider Fiscal Agent** - The federal Office of the Inspector General has issued a finding for three consecutive years regarding time reporting for individual providers. The Department of Social and Health Services (DSHS) will contract with a fiscal employer agent to pay all W-2 paid providers. Implementing this change will result in compliance with Medicaid rules regarding time reporting for W-2 providers, federal financial participation requirements for federal matching funds, and meet collective bargaining agreement requirements. (General Fund-State, General Fund-Federal)

**28. Eligibility Simplification** - Implementation of the Affordable Care Act simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will require fewer staff to process applications for children, families, and pregnant women which will be determined by the Health Benefit Exchange. (General Fund-State, General Fund-Federal)

**29. Information System Changes** - Funding and 4.5 FTEs are provided to support the first phase in modifying the Automated Client Eligibility System to support the new modified gross income rules implemented as part of the Affordable Care Act medicaid expansion. (General Fund-State, General Fund-Federal)

**30. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**31. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing non-capital nursing home rate components until July 1, 2015. The Comparison add-on and Acuity add-on to the nursing home rate will be extended to June 30, 2015. (General Fund-State, General Fund-Federal)

**32. Health Path Washington** - Washington was awarded a developmental grant to design improved coordination of services and manage costs for clients dually eligible for both Medicaid and Medicare. The design grant does not require a state match in the first year of development; however, there is a 25% state match in the second year and 50% match in subsequent years. (General Fund-State, General Fund-Federal)

**33. Mental Health Security Enhancements** - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**34. Earn Adoption Incentive Grant** - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**35. Reform Telecommunication Svcs** - The state telephone assistance program and a statewide information and referral network are currently supported through a portion of taxes that are deposited into the non-appropriated Telephone Assistance Account. This account is eliminated and the programs are shifted to the state general fund in accordance with Substitute House Bill 1971 (communication services).

**36. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)

**37. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

**38. Walla Walla Veterans Home** - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

**39. Community Connections Grant** - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**40. Empowering Adults Grant** - The Department of Social and Health Services (DSHS) will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the United States Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**41. Disability Standard Change** - Funding is provided for the implementation of House Bill 2069 (Disability Changes). The legislation broadens the disability standard applied by the department in making disability determinations for the Aged, Blind, and Disabled program. The disability definition criteria is reduced by shortening the time a person is likely to be disabled from 12 months to 9 months and reducing the time the disability will prevent the individual from performing work that he or she was able to perform in the prior 15 years to 10 years. Funding is provided for the estimated caseload impact.

**42. Discontinued Contract** - Funding is reduced to reflect the discontinuation of a training contract.

**43. Criminal Incompetency** - Chapter 289, Laws of 2013 (E2SHB 1114) modifies procedures and standards for involuntary treatment of persons who have been deemed incompetent to stand trial for violent felonies. This is expected to increase the number of individuals committed to state hospitals by approximately 20 persons per day. RSNs are provided funding to develop and implement alternative community programs which are expected to decrease the utilization of state hospital beds and allow for these beds to be used for increased commitments expected under the bill. These funds can be used to increase the number of program of assertive community treatment teams, mobile outreach crisis teams, crisis triage centers, or other alternatives approved by the Department of Social and Health Services that will result in decreased utilization of state hospital beds. Individuals who meet criteria for additional periods of commitment under the bill may be served through these programs if it is determined that a less restrictive alternative can meet their needs. (General Fund-State, General Fund-Federal)

**44. Competency Evaluations** - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial) which requires additional resources to meet timely completion of competency evaluations for in-custody defendants.

**45. RSN Viability** - Funding is provided to maintain financial viability and provide stability for services in the Chelan-Douglas Regional Support Network (RSN). This funding will be used to provide payments to RSNs in eastern Washington which have used less than their allocated or contracted patient days of care at the state hospital to replace the share of the reimbursements from CD-RSN that the RSNs would have received under Chapter RCW 71.24.320.

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**46. Child Care Reform** - Funding is provided for implementation of section 1, chapter 337, Laws of 2013 (2SSB 5595). The act requires the Department of Social and Health Services to provide training on professionalism to employees who provide services to parents applying for or receiving subsidized child care services. The funding is provided for curriculum development and online training to meet the requirements of the bill.

**47. Hub Home Model** - Funding is provided for a community-based organization to provide training and technical assistance to CA in developing five Hub Home models in DSHS Region 2. The Hub Home model of foster care delivery is designed to improve child outcomes, support foster children and families, and ensure that children are placed in the least restrictive placement feasible.

**48. PCAP Expansion** - Federal appropriation authority is increased to allow the Department to expand the Parent Child Assistance Program with federal funds.

**49. Improving Child Care Quality** - Funding is provided to improve the quality of subsidized child care. The Department of Social and Health Services (DSHS) shall provide a 2.0 percent base rate increase to all subsidized child care providers. In addition, DSHS shall provide an additional 2.0 percent increase to all providers who achieve level 2 or above in the Early Achievers quality rating and improvement system. These rate increases take effect September 1, 2013. (General Fund-State, General Fund-Federal)

**50. LEP Pilots** - Funding is provided for expansion of pilots which assist refugees with limited-english proficiency (LEP) to obtain and maintain employment.

**51. IMD Conversions** - By July of 2014, the Department of Social and Health Services (DSHS) shall move or convert a minimum of 128 residential beds in Institutions of Mental Diseases (IMDs) to eight settings which have 16 or fewer beds and are eligible for federal Medicaid funding. One-time start-up funding of \$2.6 million in General Fund-State is provided in FY 2014. These settings shall be prioritized for individuals who are eligible for Medicaid including those newly eligible under the Affordable Care Act. DSHS may pay the same rate in these settings which it is paying in the two pilot sites authorized by the Legislature in the 2012 legislative session. The General Fund-State savings for the 2015-17 biennium associated with this step is estimated at \$5.5 million. (General Fund-State, General Fund-Federal)

**52. Improving Service Delivery** - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**53. Mental Health First Aid** - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

**54. Dual Eligibles Grant** - The Department of Social and Health Services (DSHS) will work with community partners to provide options counseling to Medicare-Medicaid individuals (dual eligibles) to ensure that these individuals have access to an unbiased and consumer friendly source of information. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**55. Quality Measures Grant** - The Department of Social and Health Services (DSHS) will develop staff capacity to collect, report, and analyze data on the initial core set of health care quality measures for adults enrolled in Medicaid. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**56. PC Replacement** - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

**57. Performance-Based Contracting** - Funding is provided to plan the implementation of performance-based contracts for family support and related services.

**58. FAR Caseload Savings** - A 30 percent decline in foster care placements is anticipated for cases referred to the FAR pathway in the final six months of FY 2015. The resulting General Fund-State caseload savings are transferred to the Child & Family Reinvestment Account in Section 8 of the budget and are used to serve additional FAR families. (General Fund-State, General Fund-Federal)

**59. TANF WCCC Caseload Savings** - Funding for the Workfirst program is adjusted to reflect reductions in the cash assistance and child care caseloads.

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**60. Reduce WorkFirst Partners** - Funding is reduced for WorkFirst services provided by the State Board of Community and Technical Colleges and Employment Security. These reductions will be applied proportionately.

**61. TANF Redesign Caseload** - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.

**62. Extended Foster Care** - Staff and funding are provided for Engrossed Second Substitute Senate Bill 5405 (extended foster care). Extended foster care services will be available to eligible youth who have an open dependency case at age 18 and are participating in a program or activity designed to promote employment or reduce barriers to employment. (General Fund-State, General Fund-Federal)

**63. Powell Fatality Team** - Funding is provided for Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made in the Child Fatality Review of the Powell case. Funding will be used for initial and ongoing domestic violence training for CA social workers. (General Fund-State, General Fund-Federal)

**64. AFH Quality Assurance** - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

**65. IFS Expansion** - In order to increase the number of clients served by the Individual and Family Services (IFS) program, the Developmental Disabilities Administration (DDA) must utilize past experience about award utilization to guide the number of authorized awards, and must change the maximum annual dollar amount awarded to each service priority level. Clients who are not receiving paid services from DDA may be added to the IFS program during the 2013-15 biennium. Corresponding changes must be made to the State Supplementary Payment (SSP) program to ensure that award levels are consistent for clients in the IFS program and clients receiving SSP in lieu of IFS. (General Fund-State)

**66. State Food Assistance** - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.

**67. LTC Planning Task Force** - Funding is provided for member reimbursement, staff support, or other expenses associated with the work of the Joint Legislative Executive Committee on planning for Aging and Disability. The committee shall issue an interim report to the legislature by December 10, 2013 and issue final recommendations to the Governor and relevant standing committees of the Legislature by December 10, 2014. (General Fund-State, General Fund-Federal)

**68. MR v Dreyfus Exception to Rule** - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

**69. Managed Care Rates** - Rates for the managed care plan options administered by the department are reduced five percent. (General Fund-State, General Fund-Federal)

**70. Predictive Modeling** - Funding is provided for the development and implementation of a predictive modeling information application that will be used to improve coordination of services and outcomes to clients in the Temporary Assistance for Needy Families program.

**71. Diabetes Prevention** - Staff and funding are provided for the Health Care Authority, DSHS, and the Department of Health to collaborate to identify goals, benchmarks, and plans for preventing and controlling diabetes. (General Fund-State, General Fund-Federal)

**72. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**73. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

**74. Family Childcare Provider CBA** - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.

**75. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**76. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**77. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**78. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**79. McNeil Island Stewardship** - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services. Prior to the April 2011 closure of the McNeil Island prison, marine operations, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Fire department and security functions will remain with the Special Commitment Center.



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Children and Family Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,475.0	572,757	1,065,407
2013-15 Maintenance Level	2,455.4	582,838	1,072,528
<b>Policy Other Changes:</b>			
1. Replace Staff Personal Computers	0.0	326	434
2. Access Data/Documents in FamLink	0.0	310	410
3. Implement Family Assmnt Rspnse Svcs	29.5	1,783	16,548
4. Educational Outcomes	0.2	93	124
5. Child Welfare System Performance	0.3	90	118
6. Child Protective Services Workload	20.0	2,788	3,621
7. Improving Graduation Rates	0.0	892	892
8. Earn Adoption Incentive Grant	0.0	-1,633	0
9. Discontinued Contract	0.0	-412	-412
10. Hub Home Model	0.0	250	250
11. Improving Child Care Quality	0.0	1,188	1,350
12. Performance-Based Contracting	0.0	200	200
13. FAR Caseload Savings	0.0	-1,024	-1,365
14. Extended Foster Care	5.8	4,486	6,380
15. Powell Fatality Team	0.0	100	356
Policy -- Other Total	55.7	9,437	28,906
<b>Policy Comp Changes:</b>			
16. New Step M for Classified-Yr 1 Impl	0.0	3,122	4,044
17. New Step M for Classified-Yr 2 Impl	0.0	155	201
18. State Employee Health Insurance	0.0	-606	-784
19. Wellness - Smoker Surcharge	0.0	-90	-116
20. PEBB - Coverage Waiver Surcharge	0.0	-539	-697
Policy -- Comp Total	0.0	2,042	2,648
Total Policy Changes	55.7	11,479	31,554
Total 2013-15 Biennium	2,511.1	594,317	1,104,082
Difference from 2011-13	36.1	21,560	38,675
% Change from 2011-13	1.5%	3.8%	3.6%

*Comments:*

**1. Replace Staff Personal Computers** - Funding is provided for the Children's Administration (CA) to replace staff personal computers that are more than four years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years beginning in FY 2015. (General Fund-State, General Fund-Federal)

**2. Access Data/Documents in FamLink** - Funding is provided for CA to purchase a software application that will enable staff to access Famlink data through ad hoc reports. Funding is also provided to implement an interface between FamLink and the Management Document Imaging System (MODIS) that will create a single point of access for child welfare documents. (General Fund-State, General Fund-Federal)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Children and Family Services**

**3. Implement Family Assmnt Rspnse Svcs** - Funding is provided for goods and services, staff, and staff training for Family Assessment Response (FAR) implementation and operations. FAR is an alternative to Child Protective Services (CPS) investigation for families screened in for low to moderate risk of child maltreatment, and aims to safely avoid out-of-home foster care placements by engaging and providing basic needs to families. FAR is the demonstration project for Washington's Title IV-E waiver. (General Fund-Federal, Child and Family Reinvestment Account-State)

**4. Educational Outcomes** - Funding is provided for Second Substitute House Bill 1566 (youth in out-of-home care), which requires that certain youth in foster care receive an educational liaison and outlines the responsibilities of state agencies and school districts regarding the education of foster youth. The CA will modify Famlink to track educational liaisons for foster youth in grades six through 12, and will conduct background checks of educational liaisons. (General Fund-State, General Fund-Federal)

**5. Child Welfare System Performance** - Funding is provided for CA to implement the provisions of Engrossed Substitute House Bill 1774 (child welfare system). The CA will set up and maintain a data-sharing agreement with Partners for our Children, an entity within the University of Washington School of Social Work, for the purpose of measuring the performance of the child welfare system. (General Fund-State, General Fund-Federal)

**6. Child Protective Services Workload** - Child Protective Services (CPS) case workers and support staff are provided for CA field offices in which the average monthly CPS caseload per worker exceeds 18:1. The purpose of the additional staff is to reduce the response and investigation times of potential child abuse or neglect cases. (General Fund-State, General Fund-Federal)

**7. Improving Graduation Rates** - Funding is provided for CA to contract with a nonprofit entity that will establish a demonstration site in one or more school districts in Western Washington. The goal of the contract is to improve the graduation rates of dependent youth by two percent per year over five school year periods beginning in 2014-15.

**8. Earn Adoption Incentive Grant** - Funding is provided for an earned federal Adoption Incentive Grant for completed adoptions. Grant funds will be used as a one-time replacement for state general funds. (General Fund-State, General Fund-Federal)

**9. Discontinued Contract** - Funding is reduced to reflect the discontinuation of a training contract.

**10. Hub Home Model** - Funding is provided for a community-based organization to provide training and technical assistance to CA in developing five Hub Home models in DSHS Region 2. The Hub Home model of foster care delivery is designed to improve child outcomes, support foster children and families, and ensure that children are placed in the least restrictive placement feasible.

**11. Improving Child Care Quality** - Funding is provided to improve the quality of subsidized child care. The Department of Social and Health Services (DSHS) shall provide a 2.0 percent base rate increase to all subsidized child care providers. In addition, DSHS shall provide an additional 2.0 percent increase to all providers who achieve level 2 or above in the Early Achievers quality rating and improvement system. These rate increases take effect September 1, 2013. (General Fund-State, General Fund-Federal)

**12. Performance-Based Contracting** - Funding is provided to plan the implementation of performance-based contracts for family support and related services.

**13. FAR Caseload Savings** - A 30 percent decline in foster care placements is anticipated for cases referred to the FAR pathway in the final six months of FY 2015. The resulting General Fund-State caseload savings are transferred to the Child & Family Reinvestment Account in Section 8 of the budget and are used to serve additional FAR families. (General Fund-State, General Fund-Federal)

**14. Extended Foster Care** - Staff and funding are provided for Engrossed Second Substitute Senate Bill 5405 (extended foster care). Extended foster care services will be available to eligible youth who have an open dependency case at age 18 and are participating in a program or activity designed to promote employment or reduce barriers to employment. (General Fund-State, General Fund-Federal)

**15. Powell Fatality Team** - Funding is provided for Substitute Senate Bill 5315 (Powell Fatality Team), which implements recommendations made in the Child Fatality Review of the Powell case. Funding will be used for initial and ongoing domestic violence training for CA social workers. (General Fund-State, General Fund-Federal)

**16. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Children and Family Services**

**17. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**18. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**19. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**20. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Juvenile Rehabilitation**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	755.9	170,981	179,690
2013-15 Maintenance Level	737.0	176,397	182,002
<b>Policy Other Changes:</b>			
1. PC and Server Replacement	0.0	198	198
2. Mental Health Services Need	6.0	183	566
3. Prison Rape Elimination Act (PREA)	2.2	437	437
Policy -- Other Total	8.2	818	1,201
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	1,142	1,148
5. New Step M for Classified-Yr 2 Impl	0.0	30	30
6. State Employee Health Insurance	0.0	-226	-226
7. Coll. Bargained Personal Leave Day	0.0	182	182
8. Wellness - Smoker Surcharge	0.0	-34	-34
9. PEBB - Coverage Waiver Surcharge	0.0	-201	-202
Policy -- Comp Total	0.0	893	898
<b>Policy Transfer Changes:</b>			
10. Transfer Office of Juvenile Justice	4.0	2,114	4,946
Policy -- Transfer Total	4.0	2,114	4,946
Total Policy Changes	12.2	3,825	7,045
Total 2013-15 Biennium	749.2	180,222	189,047
Difference from 2011-13	-6.8	9,241	9,357
% Change from 2011-13	-0.9%	5.4%	5.2%

*Comments:*

**1. PC and Server Replacement** - Funding is provided to replace servers and staff personal computers that are more than four years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years beginning in FY 2015. (General Fund-Statel)

**2. Mental Health Services Need** - The recent closure of Maple Lane School resulted in the transfer of youth with high mental health acuity into Echo Glen Children's Center and Green Hill School. However, mental health staffing levels were not correspondingly adjusted. Recent data indicates that 72 percent of JRA youth are suffering from mental illness and 20 percent of JRA youth are on suicide precautionary level (up eight percent from four years prior). Funding is provided for six direct care mental health staff to supervise and care for youth living in the mental health living units.

**3. Prison Rape Elimination Act (PREA)** - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in juvenile institutions. Funding and FTEs are providing for a temporary program administrator, on-call staff to backfill while regular staff attend PREA training, and for the cost of federally-mandated audits. Of the total costs, \$376,000 are estimated to be one-time and \$61,000 to be ongoing.

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Juvenile Rehabilitation**

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**10. Transfer Office of Juvenile Justice** - Staff and funding for the Office of Juvenile Justice are transferred from the Department of Social and Health Services (DSHS) Administration and Supporting Services Division to JRA to reflect internal agency restructuring. (General Fund-State, General Fund-Federal, General Fund-Local)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,643.3	880,826	1,587,031
2013-15 Maintenance Level	2,625.5	933,865	1,651,624
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.0	-50,718	23,909
2. Autism Licensing	0.5	0	56
3. Involuntary Commitment	1.0	17,726	27,964
4. Electronic Medical Record System	0.0	4,134	4,374
5. De-Certified Bed Days	0.0	-1,200	0
6. Mental Health Security Enhancements	50.7	7,478	9,563
7. Criminal Incompetency	0.0	1,298	2,152
8. Competency Evaluations	0.0	240	240
9. RSN Viability	0.0	298	298
10. Improving Service Delivery	3.0	561	863
11. Mental Health First Aid	0.0	75	96
Policy -- Other Total	55.2	-20,108	69,515
<b>Policy Comp Changes:</b>			
12. New Step M for Classified-Yr 1 Impl	0.0	3,788	4,260
13. New Step M for Classified-Yr 2 Impl	0.0	197	219
14. State Employee Health Insurance	0.0	-782	-889
15. Coll. Bargained Personal Leave Day	0.0	433	493
16. Wellness - Smoker Surcharge	0.0	-116	-132
17. PEBB - Coverage Waiver Surcharge	0.0	-695	-791
Policy -- Comp Total	0.0	2,825	3,160
Total Policy Changes	55.2	-17,283	72,675
Total 2013-15 Biennium	2,680.7	916,582	1,724,299
Difference from 2011-13	37.4	35,756	137,268
% Change from 2011-13	1.4%	4.1%	8.7%

*Comments:*

**1. Federal Medicaid Expansion** - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations, some of whom are currently served with state only funding. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. In addition, current medicaid enrollees in the Presumptive Supplemental Security Income program will receive an enhanced 75 percent federal match because Washington is an "expansion state" under the Affordable Care Act. Individuals who would have become new enrollees will become newly eligible for Medicaid at 100% federal match. State and federal funding for Regional Support Networks is adjusted to reflect these changes and to reflect offsets in non-Medicaid funding for services to those who will now be eligible for Medicaid. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

#### Mental Health

**2. Autism Licensing** - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

**3. Involuntary Commitment** - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). This act accelerates the date for changes which broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for RSNs to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

**4. Electronic Medical Record System** - Funding is provided for the state psychiatric hospitals to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10) by October 1, 2014. These funds must be used for an electronic medical record system that meets federal criteria for electronic sharing of patient information and clinical care summaries with doctors' offices, hospitals, and health systems which use federally certified electronic health record systems. The procurement and implementation shall be conducted to allow for these services to be expanded to the Department of Corrections. (General Fund-State, General Fund-Federal)

**5. De-Certified Bed Days** - The state hospitals are required to de-certify patients who remain after they no longer require active treatment for their mental disorder. This results in a loss of federal and local revenue for patients who have Medicare or private insurance. The state hospitals shall reduce the number of de-certified bed days in the 2013-15 biennium. (General Fund-State, General Fund-Federal, General Fund-Local)

**6. Mental Health Security Enhancements** - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**7. Criminal Incompetency** - Chapter 289, Laws of 2013 (E2SHB 1114) modifies procedures and standards for involuntary treatment of persons who have been deemed incompetent to stand trial for violent felonies. This is expected to increase the number of individuals committed to state hospitals by approximately 20 persons per day. RSNs are provided funding to develop and implement alternative community programs which are expected to decrease the utilization of state hospital beds and allow for these beds to be used for increased commitments expected under the bill. These funds can be used to increase the number of program of assertive community treatment teams, mobile outreach crisis teams, crisis triage centers, or other alternatives approved by the Department of Social and Health Services that will result in decreased utilization of state hospital beds. Individuals who meet criteria for additional periods of commitment under the bill may be served through these programs if it is determined that a less restrictive alternative can meet their needs. (General Fund-State, General Fund-Federal)

**8. Competency Evaluations** - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial) which requires additional resources to meet timely completion of competency evaluations for in-custody defendants.

**9. RSN Viability** - Funding is provided to maintain financial viability and provide stability for services in the Chelan-Douglas Regional Support Network (RSN). This funding will be used to provide payments to RSNs in eastern Washington which have used less than their allocated or contracted patient days of care at the state hospital to replace the share of the reimbursements from CD-RSN that the RSNs would have received under Chapter RCW 71.24.320.

**10. Improving Service Delivery** - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**11. Mental Health First Aid** - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**

**12. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**13. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**16. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**17. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	642,053	1,114,761
2013-15 Maintenance Level	1.0	667,735	1,161,352
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.0	-50,718	23,909
2. Involuntary Commitment	0.0	17,578	27,738
3. Criminal Incompetency	0.0	1,298	2,152
4. RSN Viability	0.0	298	298
Policy -- Other Total	0.0	-31,544	54,097
<b>Policy Comp Changes:</b>			
5. PEBB - Coverage Waiver Surcharge	0.0	-1	-1
Policy -- Comp Total	0.0	-1	-1
Total Policy Changes	0.0	-31,545	54,096
Total 2013-15 Biennium	1.0	636,190	1,215,448
Difference from 2011-13	1.0	-5,863	100,687
% Change from 2011-13	0.0%	-0.9%	9.0%

*Comments:*

**1. Federal Medicaid Expansion** - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations, some of whom are currently served with state only funding. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. In addition, current medicaid enrollees in the Presumptive Supplemental Security Income program will receive an enhanced 75 percent federal match because Washington is an "expansion state" under the Affordable Care Act. Individuals who would have become new enrollees will become newly eligible for Medicaid at 100% federal match. State and federal funding for Regional Support Networks is adjusted to reflect these changes and to reflect offsets in non-Medicaid funding for services to those who will now be eligible for Medicaid. (General Fund-State, General Fund-Federal)

**2. Involuntary Commitment** - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). This act accelerates the date for changes which broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for RSNs to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**

**3. Criminal Incompetency** - Chapter 289, Laws of 2013 (E2SHB 1114) modifies procedures and standards for involuntary treatment of persons who have been deemed incompetent to stand trial for violent felonies. This is expected to increase the number of individuals committed to state hospitals by approximately 20 persons per day. RSNs are provided funding to develop and implement alternative community programs which are expected to decrease the utilization of state hospital beds and allow for these beds to be used for increased commitments expected under the bill. These funds can be used to increase the number of program of assertive community treatment teams, mobile outreach crisis teams, crisis triage centers, or other alternatives approved by the Department of Social and Health Services that will result in decreased utilization of state hospital beds. Individuals who meet criteria for additional periods of commitment under the bill may be served through these programs if it is determined that a less restrictive alternative can meet their needs. (General Fund-State, General Fund-Federal)

**4. RSN Viability** - Funding is provided to maintain financial viability and provide stability for services in the Chelan-Douglas Regional Support Network (RSN). This funding will be used to provide payments to RSNs in eastern Washington which have used less than their allocated or contracted patient days of care at the state hospital to replace the share of the reimbursements from CD-RSN that the RSNs would have received under Chapter RCW 71.24.320.

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,573.4	227,620	448,563
2013-15 Maintenance Level	2,552.1	253,868	463,966
<b>Policy Other Changes:</b>			
1. Electronic Medical Record System	0.0	4,134	4,374
2. De-Certified Bed Days	0.0	-1,200	0
3. Mental Health Security Enhancements	50.7	7,478	9,563
Policy -- Other Total	50.7	10,412	13,937
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	3,764	4,222
5. New Step M for Classified-Yr 2 Impl	0.0	196	218
6. State Employee Health Insurance	0.0	-768	-867
7. Coll. Bargained Personal Leave Day	0.0	433	493
8. Wellness - Smoker Surcharge	0.0	-114	-129
9. PEBB - Coverage Waiver Surcharge	0.0	-682	-771
Policy -- Comp Total	0.0	2,829	3,166
Total Policy Changes	50.7	13,241	17,103
Total 2013-15 Biennium	2,602.8	267,109	481,069
Difference from 2011-13	29.4	39,489	32,506
% Change from 2011-13	1.1%	17.4%	7.3%

*Comments:*

**1. Electronic Medical Record System** - Funding is provided for the state psychiatric hospitals to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the International Classification of Diseases (ICD-10) by October 1, 2014. These funds must be used for an electronic medical record system that meets federal criteria for electronic sharing of patient information and clinical care summaries with doctors' offices, hospitals, and health systems which use federally certified electronic health record systems. The procurement and implementation shall be conducted to allow for these services to be expanded to the Department of Corrections. (General Fund-State, General Fund-Federal)

**2. De-Certified Bed Days** - The state hospitals are required to de-certify patients who remain after they no longer require active treatment for their mental disorder. This results in a loss of federal and local revenue for patients who have Medicare or private insurance. The state hospitals shall reduce the number of de-certified bed days in the 2013-15 biennium. (General Fund-State, General Fund-Federal, General Fund-Local)

**3. Mental Health Security Enhancements** - Funding is provided to implement security enhancements at Eastern State Hospital and Western State Hospital. These enhancements include installation of a secondary fence, walk-through metal detectors, parcel scanners, as well as additional psychiatric security attendants and nurses, registered nurses, and staff training. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

Agency 300  
Program 030  
Subprogram 8000

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.6	2,424	7,322
2013-15 Maintenance Level	3.1	3,219	9,505
Total 2013-15 Biennium	3.1	3,219	9,505
Difference from 2011-13	2.5	795	2,183
% Change from 2011-13	416.7%	32.8%	29.8%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	69.3	8,729	16,385
2013-15 Maintenance Level	69.3	9,043	16,801
<b>Policy Other Changes:</b>			
1. Autism Licensing	0.5	0	56
2. Involuntary Commitment	1.0	148	226
3. Competency Evaluations	0.0	240	240
4. Improving Service Delivery	3.0	561	863
5. Mental Health First Aid	0.0	75	96
Policy -- Other Total	4.5	1,024	1,481
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	24	38
7. New Step M for Classified-Yr 2 Impl	0.0	1	1
8. State Employee Health Insurance	0.0	-14	-22
9. Wellness - Smoker Surcharge	0.0	-2	-3
10. PEBB - Coverage Waiver Surcharge	0.0	-12	-19
Policy -- Comp Total	0.0	-3	-5
Total Policy Changes	4.5	1,021	1,476
Total 2013-15 Biennium	73.8	10,064	18,277
Difference from 2011-13	4.5	1,335	1,892
% Change from 2011-13	6.5%	15.3%	11.6%

*Comments:*

**1. Autism Licensing** - Funding is provided to the Health Care Authority (HCA) to add Applied Behavioral Analysis therapy as a covered mental health service for children 20 years of age and younger who are members of the Apple Health Kid's program. These services are a direct response to the negotiated settlement agreement from legal action taken against HCA (W.A.A. vs. Porter). Local expenditure authority is provided to the Department of Social and Health Services to license agencies as certified mental health agencies to provide these new services. It is estimated that 15 new certified mental health agencies will be licensed. (General Fund-Private/Local)

**2. Involuntary Commitment** - Staff and funding are provided to implement Chapter 335, Laws of 2013 (ESSB 5480). This act accelerates the date for changes which broaden the criteria for involuntary commitment under the state's involuntary treatment act from July 1, 2015 to July 1, 2014. Funding is provided for RSNs to develop and implement a variety of community services including increases in evaluation and treatment center beds, program of assertive community treatment teams, mobile outreach crisis teams, crisis triage or stabilization beds, peer support services, and other services approved by the Department of Social and Health Services that will serve as alternatives to the need for additional state hospital capacity. (General Fund-State, General Fund-Federal)

**3. Competency Evaluations** - Funding is provided to implement Substitute Senate Bill 5551 (competency to stand trial) which requires additional resources to meet timely completion of competency evaluations for in-custody defendants.

**4. Improving Service Delivery** - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) and Second Substitute Senate Bill 5732 (behavioral health services). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Mental Health**

**5. Mental Health First Aid** - The Department of Social and Health Services, Division of Behavioral Health and Recovery, Mental Health Division, shall provide funds for mental health first aid training targeted at teachers and educational staff. The training model will follow the model developed by the department of psychology in Melbourne, Australia.

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	3,081.3	992,616	1,932,377
2013-15 Maintenance Level	3,056.6	1,020,863	1,972,326
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.2	-588	584
2. Agency Provider Parity	0.0	4,377	8,753
3. Critical Community Placements	1.5	2,956	5,779
4. Community Crisis Stabilization	23.0	1,628	1,116
5. SOLA Needs	22.0	1,594	3,186
6. Basic Plus Waiver	6.5	4,475	8,712
7. Provider Fiscal Agent	0.0	1,547	6,337
8. Recover Cost of AFH Quality Assuran	0.0	0	380
9. In-Home Provider Arbitration	0.0	33,908	67,818
10. IFS Expansion	0.0	1,488	1,488
11. MR v Dreyfus Exception to Rule	3.3	1,263	2,480
Policy -- Other Total	56.5	52,648	106,633
<b>Policy Comp Changes:</b>			
12. New Step M for Classified-Yr 1 Impl	0.0	2,160	4,278
13. New Step M for Classified-Yr 2 Impl	0.0	73	151
14. State Employee Health Insurance	0.0	-515	-1,011
15. Coll. Bargained Personal Leave Day	0.0	375	749
16. Wellness - Smoker Surcharge	0.0	-76	-149
17. PEBB - Coverage Waiver Surcharge	0.0	-457	-897
Policy -- Comp Total	0.0	1,560	3,121
Total Policy Changes	56.5	54,208	109,754
Total 2013-15 Biennium	3,113.1	1,075,071	2,082,080
Difference from 2011-13	31.8	82,455	149,703
% Change from 2011-13	1.0%	8.3%	7.8%

*Comments:*

**1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. Enrollment in the Presumptive Supplemental Security Income (SSI) program will close on January 1, 2014. The Presumptive Supplemental Security Income program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act (ACA). New clients can enroll under the expansion with a 100 percent federal match. Under the ACA, the federal government will match Medicaid work that is application and maintenance related at 75 percent, instead of the current 50 percent. (General Fund-State, General Fund-Federal)



## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

#### Developmental Disabilities

**2. Agency Provider Parity** - RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)

**3. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

**4. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

**5. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

**6. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for graduating high school students who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services, for use during the transition from high school to employment. (General Fund-State, General Fund-Federal)

**7. Provider Fiscal Agent** - The federal Office of the Inspector General has issued a finding for three consecutive years regarding time reporting for individual providers. The Department of Social and Health Services (DSHS) will contract with a fiscal employer agent to pay all W-2 paid providers. Implementing this change will result in compliance with Medicaid rules regarding time reporting for W-2 providers, federal financial participation requirements for federal matching funds, and meet collective bargaining agreement requirements. (General Fund-State, General Fund-Federal)

**8. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**9. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

**10. IFS Expansion** - In order to increase the number of clients served by the Individual and Family Services (IFS) program, the Developmental Disabilities Administration (DDA) must utilize past experience about award utilization to guide the number of authorized awards, and must change the maximum annual dollar amount awarded to each service priority level. Clients who are not receiving paid services from DDA may be added to the IFS program during the 2013-15 biennium. Corresponding changes must be made to the State Supplementary Payment (SSP) program to ensure that award levels are consistent for clients in the IFS program and clients receiving SSP in lieu of IFS. (General Fund-State)

**11. MR v Dreyfus Exception to Rule** - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

**12. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**

**13. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**16. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**17. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	768.9	825,739	1,577,982
2013-15 Maintenance Level	851.1	844,856	1,611,402
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.2	-588	584
2. Agency Provider Parity	0.0	4,377	8,753
3. Critical Community Placements	1.5	2,956	5,779
4. Community Crisis Stabilization	23.0	1,628	1,116
5. SOLA Needs	22.0	1,594	3,186
6. Basic Plus Waiver	6.5	4,475	8,712
7. Provider Fiscal Agent	0.0	1,547	6,337
8. Recover Cost of AFH Quality Assuran	0.0	0	380
9. In-Home Provider Arbitration	0.0	33,908	67,818
10. IFS Expansion	0.0	1,488	1,488
11. MR v Dreyfus Exception to Rule	3.3	1,263	2,480
Policy -- Other Total	56.5	52,648	106,633
<b>Policy Comp Changes:</b>			
12. New Step M for Classified-Yr 1 Impl	0.0	876	1,268
13. New Step M for Classified-Yr 2 Impl	0.0	27	40
14. State Employee Health Insurance	0.0	-196	-268
15. Coll. Bargained Personal Leave Day	0.0	86	86
16. Wellness - Smoker Surcharge	0.0	-29	-40
17. PEBB - Coverage Waiver Surcharge	0.0	-174	-237
Policy -- Comp Total	0.0	590	849
Total Policy Changes	56.5	53,238	107,482
Total 2013-15 Biennium	907.5	898,094	1,718,884
Difference from 2011-13	138.7	72,355	140,902
% Change from 2011-13	18.0%	8.8%	8.9%

*Comments:*

**1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. Enrollment in the Presumptive Supplemental Security Income (SSI) program will close on January 1, 2014. The Presumptive Supplemental Security Income program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act (ACA). New clients can enroll under the expansion with a 100 percent federal match. Under the ACA, the federal government will match Medicaid work that is application and maintenance related at 75 percent, instead of the current 50 percent. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

#### Developmental Disabilities

**2. Agency Provider Parity** - RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)

**3. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

**4. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

**5. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

**6. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for graduating high school students who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services, for use during the transition from high school to employment. (General Fund-State, General Fund-Federal)

**7. Provider Fiscal Agent** - The federal Office of the Inspector General has issued a finding for three consecutive years regarding time reporting for individual providers. The Department of Social and Health Services (DSHS) will contract with a fiscal employer agent to pay all W-2 paid providers. Implementing this change will result in compliance with Medicaid rules regarding time reporting for W-2 providers, federal financial participation requirements for federal matching funds, and meet collective bargaining agreement requirements. (General Fund-State, General Fund-Federal)

**8. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**9. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

**10. IFS Expansion** - In order to increase the number of clients served by the Individual and Family Services (IFS) program, the Developmental Disabilities Administration (DDA) must utilize past experience about award utilization to guide the number of authorized awards, and must change the maximum annual dollar amount awarded to each service priority level. Clients who are not receiving paid services from DDA may be added to the IFS program during the 2013-15 biennium. Corresponding changes must be made to the State Supplementary Payment (SSP) program to ensure that award levels are consistent for clients in the IFS program and clients receiving SSP in lieu of IFS. (General Fund-State)

**11. MR v Dreyfus Exception to Rule** - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

**12. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**

**13. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**16. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**17. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,153.8	154,942	330,555
2013-15 Maintenance Level	2,186.4	169,269	351,029
<b>Policy Comp Changes:</b>			
1. New Step M for Classified-Yr 1 Impl	0.0	1,274	2,994
2. New Step M for Classified-Yr 2 Impl	0.0	46	111
3. State Employee Health Insurance	0.0	-313	-734
4. Coll. Bargained Personal Leave Day	0.0	289	663
5. Wellness - Smoker Surcharge	0.0	-46	-108
6. PEBB - Coverage Waiver Surcharge	0.0	-278	-652
Policy -- Comp Total	0.0	972	2,274
Total Policy Changes	0.0	972	2,274
Total 2013-15 Biennium	2,186.4	170,241	353,303
Difference from 2011-13	32.6	15,299	22,748
% Change from 2011-13	1.5%	9.9%	6.9%

*Comments:*

**1. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)

Agency 300  
Program 040  
Subprogram 8000

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	133.5	9,187	19,773
2013-15 Maintenance Level	0.0	2,800	4,000
Total 2013-15 Biennium	0.0	2,800	4,000
Difference from 2011-13	-133.5	-6,387	-15,773
% Change from 2011-13	-100.0%	-69.5%	-79.8%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Developmental Disabilities**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	25.2	2,748	4,067
2013-15 Maintenance Level	19.2	3,938	5,895
<b>Policy Comp Changes:</b>			
1. New Step M for Classified-Yr 1 Impl	0.0	10	16
2. State Employee Health Insurance	0.0	-6	-9
3. Wellness - Smoker Surcharge	0.0	-1	-1
4. PEBB - Coverage Waiver Surcharge	0.0	-5	-8
Policy -- Comp Total	0.0	-2	-2
Total Policy Changes	0.0	-2	-2
Total 2013-15 Biennium	19.2	3,936	5,893
Difference from 2011-13	-6.0	1,188	1,826
% Change from 2011-13	-23.8%	43.2%	44.9%

*Comments:*

**1. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**4. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Long-Term Care**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,363.4	1,600,831	3,410,729
2013-15 Maintenance Level	1,416.0	1,717,610	3,641,483
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	1.4	-12,119	5,566
2. Agency Provider Parity	0.0	28,568	57,135
3. Adult Behavior Services & Accntblty	3.5	1,473	2,833
4. Provider Fiscal Agent	0.0	4,894	20,044
5. Recover Cost of AFH Quality Assuran	0.0	-4,175	1,482
6. Delay Nursing Home Rebase	0.0	-31,428	-62,856
7. Health Path Washington	13.2	705	5,545
8. Adult Family Home Agreement	0.0	1,538	3,044
9. In-Home Provider Arbitration	4.7	79,273	158,546
10. Walla Walla Veterans Home	0.0	777	1,553
11. Community Connections Grant	2.0	0	1,593
12. Empowering Adults Grant	0.4	0	800
13. Improving Service Delivery	0.5	109	217
14. Dual Eligibles Grant	0.0	0	76
15. Quality Measures Grant	0.0	0	500
16. AFH Quality Assurance	3.5	399	797
17. LTC Planning Task Force	0.4	50	100
18. MR v Dreyfus Exception to Rule	1.0	5,487	10,858
19. Managed Care Rates	0.0	-1,126	-2,252
Policy -- Other Total	30.6	74,425	205,581
<b>Policy Comp Changes:</b>			
20. New Step M for Classified-Yr 1 Impl	0.0	1,306	2,204
21. New Step M for Classified-Yr 2 Impl	0.0	58	92
22. State Employee Health Insurance	0.0	-272	-447
23. Wellness - Smoker Surcharge	0.0	-40	-66
24. PEBB - Coverage Waiver Surcharge	0.0	-241	-397
Policy -- Comp Total	0.0	811	1,386
Total Policy Changes	30.6	75,236	206,967
Total 2013-15 Biennium	1,446.5	1,792,846	3,848,450
Difference from 2011-13	83.2	192,015	437,721
% Change from 2011-13	6.1%	12.0%	12.8%

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

### Long-Term Care

*Comments:*

**1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. Enrollment in the Presumptive Supplemental Security Income (SSI) program will close on January 1, 2014. The Presumptive Supplemental Security Income program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act (ACA). New clients can enroll under the expansion with a 100 percent federal match. Under the ACA, the federal government will match Medicaid work that is application and maintenance related at 75 percent, instead of the current 50 percent. (General Fund-State, General Fund-Federal)

**2. Agency Provider Parity** - RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)

**3. Adult Behavior Services & Acctnbly** - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)

**4. Provider Fiscal Agent** - The federal Office of the Inspector General has issued a finding for three consecutive years regarding time reporting for individual providers. The Department of Social and Health Services (DSHS) will contract with a fiscal employer agent to pay all W-2 paid providers. Implementing this change will result in compliance with Medicaid rules regarding time reporting for W-2 providers, federal financial participation requirements for federal matching funds, and meet collective bargaining agreement requirements. (General Fund-State, General Fund-Federal)

**5. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**6. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing non-capital nursing home rate components until July 1, 2015. The Comparison add-on and Acuity add-on to the nursing home rate will be extended to June 30, 2015. (General Fund-State, General Fund-Federal)

**7. Health Path Washington** - Washington was awarded a developmental grant to design improved coordination of services and manage costs for clients dually eligible for both Medicaid and Medicare. The design grant does not require a state match in the first year of development; however, there is a 25% state match in the second year and 50% match in subsequent years. (General Fund-State, General Fund-Federal)

**8. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)

**9. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

**10. Walla Walla Veterans Home** - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

#### Long-Term Care

**11. Community Connections Grant** - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**12. Empowering Adults Grant** - The Department of Social and Health Services (DSHS) will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the United States Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**13. Improving Service Delivery** - Staff and funding are provided to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (SSSB 5732). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**14. Dual Eligibles Grant** - The Department of Social and Health Services (DSHS) will work with community partners to provide options counseling to Medicare-Medicaid individuals (dual eligibles) to ensure that these individuals have access to an unbiased and consumer friendly source of information. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**15. Quality Measures Grant** - The Department of Social and Health Services (DSHS) will develop staff capacity to collect, report, and analyze data on the initial core set of health care quality measures for adults enrolled in Medicaid. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**16. AFH Quality Assurance** - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

**17. LTC Planning Task Force** - Funding is provided for member reimbursement, staff support, or other expenses associated with the work of the Joint Legislative Executive Committee on planning for Aging and Disability. The committee shall issue an interim report to the legislature by December 10, 2013 and issue final recommendations to the Governor and relevant standing committees of the Legislature by December 10, 2014. (General Fund-State, General Fund-Federal)

**18. MR v Dreyfus Exception to Rule** - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

**19. Managed Care Rates** - Rates for the managed care plan options administered by the department are reduced five percent. (General Fund-State, General Fund-Federal)

**20. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**21. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**22. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**23. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Long-Term Care**

**24. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Economic Services Administration**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	4,275.6	854,036	2,059,044
2013-15 Maintenance Level	4,208.3	928,130	2,118,293
<b>Policy Other Changes:</b>			
1. Eligibility Simplification	-25.3	-1,903	-3,806
2. Information System Changes	4.5	1,150	6,221
3. Reform Telecommunication Svcs	5.5	9,458	9,458
4. Disability Standard Change	0.0	2,000	2,000
5. Child Care Reform	0.0	18	18
6. Improving Child Care Quality	0.0	14,774	14,774
7. LEP Pilots	0.0	500	500
8. TANF WCCC Caseload Savings	0.0	-156,131	-108,074
9. Reduce WorkFirst Partners	0.0	-2,000	-2,000
10. TANF Redesign Caseload	0.0	-3,630	-3,630
11. State Food Assistance	0.0	9,425	9,425
12. Predictive Modeling	0.0	712	712
Policy -- Other Total	-15.3	-125,627	-74,402
<b>Policy Comp Changes:</b>			
13. New Step M for Classified-Yr 1 Impl	0.0	6,132	7,656
14. New Step M for Classified-Yr 2 Impl	0.0	164	205
15. Family Childcare Provider CBA	0.0	970	970
16. State Employee Health Insurance	0.0	-1,103	-1,390
17. Wellness - Smoker Surcharge	0.0	-163	-206
18. PEBB - Coverage Waiver Surcharge	0.0	-980	-1,235
Policy -- Comp Total	0.0	5,020	6,000
Total Policy Changes	-15.3	-120,607	-68,402
Total 2013-15 Biennium	4,193.0	807,523	2,049,891
Difference from 2011-13	-82.6	-46,513	-9,153
% Change from 2011-13	-1.9%	-5.5%	-0.4%

*Comments:*

**1. Eligibility Simplification** - Implementation of the Affordable Care Act simplifies the eligibility rules for the Medicaid program. The Economic Services Administration will require fewer staff to process applications for children, families, and pregnant women which will be determined by the Health Benefit Exchange. (General Fund-State, General Fund-Federal)

**2. Information System Changes** - Funding and 4.5 FTEs are provided to support the first phase in modifying the Automated Client Eligibility System to support the new modified gross income rules implemented as part of the Affordable Care Act medicaid expansion. (General Fund-State, General Fund-Federal)

**3. Reform Telecommunication Svcs** - The state telephone assistance program and a statewide information and referral network are currently supported through a portion of taxes that are deposited into the non-appropriated Telephone Assistance Account. This account is eliminated and the programs are shifted to the state general fund in accordance with Substitute House Bill 1971 (communication services).

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Economic Services Administration**

**4. Disability Standard Change** - Funding is provided for the implementation of House Bill 2069 (Disability Changes). The legislation broadens the disability standard applied by the department in making disability determinations for the Aged, Blind, and Disabled program. The disability definition criteria is reduced by shortening the time a person is likely to be disabled from 12 months to 9 months and reducing the time the disability will prevent the individual from performing work that he or she was able to perform in the prior 15 years to 10 years. Funding is provided for the estimated caseload impact.

**5. Child Care Reform** - Funding is provided for implementation of section 1, chapter 337, Laws of 2013 (2SSB 5595). The act requires the Department of Social and Health Services to provide training on professionalism to employees who provide services to parents applying for or receiving subsidized child care services. The funding is provided for curriculum development and online training to meet the requirements of the bill.

**6. Improving Child Care Quality** - Funding is provided to improve the quality of subsidized child care. The Department of Social and Health Services shall provide a 2 percent base rate increases to all subsidized child care providers. In addition, DSHS shall provide an additional 2 percent increase to all providers who achieve level 2 or above in the Early Achievers quality rating and improvement system. These rate increases take effect September 1, 2013.

**7. LEP Pilots** - Funding is provided for expansion of pilots which assist refugees with limited-english proficiency (LEP) to obtain and maintain employment.

**8. TANF WCCC Caseload Savings** - Funding for the Workfirst program is adjusted to reflect reductions in the cash assistance and child care caseloads.

**9. Reduce WorkFirst Partners** - Funding is reduced for WorkFirst services provided by the State Board of Community and Technical Colleges and Employment Security. These reductions will be applied proportionately.

**10. TANF Redesign Caseload** - Funding is reduced due to an expectation that the redesign of the TANF program and WorkFirst activities will result in shorter lengths of stay on the program. This reduction assumes a three month shorter length of stay for 11 percent of the projected caseload for SFY 2015.

**11. State Food Assistance** - Funding is provided to bring the state food assistance benefit to 75 percent of the federal supplemental nutrition assistance program benefit level.

**12. Predictive Modeling** - Funding is provided for the development and implementation of a predictive modeling information application that will be used to improve coordination of services and outcomes to clients in the Temporary Assistance for Needy Families program.

**13. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**14. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**15. Family Childcare Provider CBA** - Funding is pursuant to an agreement between the Service Employees International Union Local 925 and the state of Washington, additional funding is provided to maintain health care benefits, increase training scholarship funds, and to enhance non-standard hours bonus pay.

**16. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**17. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Economic Services Administration**

**18. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Alcohol & Substance Abuse**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	73.3	144,960	365,043
2013-15 Maintenance Level	70.3	148,499	371,983
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.0	-13,736	59,267
2. Family Drug Court	0.0	0	283
3. PCAP Expansion	0.0	0	5,476
4. IMD Conversions	0.0	-266	4,293
Policy -- Other Total	0.0	-14,002	69,319
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	42	72
6. New Step M for Classified-Yr 2 Impl	0.0	3	3
7. State Employee Health Insurance	0.0	-18	-25
8. Wellness - Smoker Surcharge	0.0	-3	-4
9. PEBB - Coverage Waiver Surcharge	0.0	-16	-23
Policy -- Comp Total	0.0	8	23
Total Policy Changes	0.0	-13,994	69,342
Total 2013-15 Biennium	70.3	134,505	441,325
Difference from 2011-13	-3.0	-10,455	76,282
% Change from 2011-13	-4.1%	-7.2%	20.9%

*Comments:*

**1. Federal Medicaid Expansion** - Implementation of the Affordable Care Act expands Medicaid eligibility for individuals, between the ages of 19 and 64 with income at or below 138 percent of the federal poverty level, who are not otherwise categorically eligible for Medicaid. It is expected that this newly eligible group will be comprised primarily of adult populations. During the first three years of the expansion, the federal government will provide 100 percent Federal Financial Participation (FFP) for the newly eligible group's medical costs. The FFP will ramp down and after 10 years the federal government will continue to pay 90 percent of the FFP for the newly eligible group. In addition, current medicaid enrollees in the Presumptive Supplemental Security Income program will receive an enhanced 75 percent federal match because Washington is an "expansion state" under the Affordable Care Act. Individuals who would have become new enrollees will become newly eligible for Medicaid at 100% federal match. State and federal funding for counties is adjusted to reflect these changes and to reflect offsets in non-Medicaid funding for services to those who will now be eligible for Medicaid. (General Fund-State, General Fund-Federal, Criminal Justice Treatment Account)

**2. Family Drug Court** - Pierce County has lost federal funding that supports the family drug court. One time state funding is provided for the county to transition these services to other funds.

**3. PCAP Expansion** - Federal appropriation authority is increased to allow the Department to expand the Parent Child Assistance Program with federal funds.



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Alcohol & Substance Abuse**

**4. IMD Conversions** - By July of 2014, the Department of Social and Health Services (DSHS) shall move or convert a minimum of 128 residential beds in Institutions of Mental Diseases (IMDs) to eight settings which have 16 or fewer beds and are eligible for federal Medicaid funding. One-time start-up funding of \$2.6 million in General Fund-State is provided in FY 2014. These settings shall be prioritized for individuals who are eligible for Medicaid including those newly eligible under the Affordable Care Act. DSHS may pay the same rate in these settings which it is paying in the two pilot sites authorized by the Legislature in the 2012 legislative session. The General Fund-State savings for the 2015-17 biennium associated with this step is estimated at \$5.5 million. (General Fund-State, General Fund-Federal)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Vocational Rehabilitation**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	322.1	21,255	129,081
2013-15 Maintenance Level	320.1	22,482	124,670
<b>Policy Other Changes:</b>			
1. Reform Telecommunication Svcs	15.8	10,100	7,325
Policy -- Other Total	15.8	10,100	7,325
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	544	544
3. New Step M for Classified-Yr 2 Impl	0.0	25	25
4. State Employee Health Insurance	0.0	-105	-105
5. Wellness - Smoker Surcharge	0.0	-16	-16
6. PEBB - Coverage Waiver Surcharge	0.0	-93	-93
Policy -- Comp Total	0.0	355	355
Total Policy Changes	15.8	10,455	7,680
Total 2013-15 Biennium	335.9	32,937	132,350
Difference from 2011-13	13.8	11,682	3,269
% Change from 2011-13	4.3%	55.0%	2.5%

*Comments:*

**1. Reform Telecommunication Svcs** - The telephone assistance excise tax and the telecommunication relay service excise tax are eliminated. The Washington Telephone Assistance Program and the administration and services provided through the Office for the Deaf and Hard of Hearing will be supported through biennial general fund appropriations. (General Fund-State and the Telecommunications Devices for the Hearing and Speech Impaired-State)

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Vocational Rehabilitation**

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Administration/Support Svcs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	436.2	50,543	97,021
2013-15 Maintenance Level	497.1	60,308	100,539
<b>Policy Other Changes:</b>			
1. Improving Service Delivery	1.0	623	958
2. Diabetes Prevention	0.5	126	154
Policy -- Other Total	1.5	749	1,112
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 1 Impl	0.0	844	932
4. New Step M for Classified-Yr 2 Impl	0.0	41	45
5. State Employee Health Insurance	0.0	-180	-204
6. Wellness - Smoker Surcharge	0.0	-27	-31
7. PEBB - Coverage Waiver Surcharge	0.0	-161	-183
Policy -- Comp Total	0.0	517	559
<b>Policy Transfer Changes:</b>			
8. Transfer Office of Juvenile Justice	-4.0	-2,114	-4,946
Policy -- Transfer Total	-4.0	-2,114	-4,946
Total Policy Changes	-2.5	-848	-3,275
Total 2013-15 Biennium	494.6	59,460	97,264
Difference from 2011-13	58.4	8,917	243
% Change from 2011-13	13.4%	17.6%	0.3%

*Comments:*

**1. Improving Service Delivery** - Staff and funding are provided to implement Engrossed Substitute House Bill 1519 (health care coordination) or Second Substitute Senate Bill 5732 (adult behavioral health). These bills require the use of evidence-based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**2. Diabetes Prevention** - Staff and funding are provided for the Health Care Authority, DSHS, and the Department of Health to collaborate to identify goals, benchmarks, and plans for preventing and controlling diabetes. (General Fund-State, General Fund-Federal)

**3. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Administration/Support Svcs**

**5. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**6. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**7. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**8. Transfer Office of Juvenile Justice** - Staff and funding for the Office of Juvenile Justice are transferred from the DSHS Administration and Supporting Services Division to the Juvenile Rehabilitation Administration to reflect internal agency restructuring. (General Fund-State, General Fund-Federal, General Fund-Local)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Special Commitment Center**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	413.7	84,295	84,295
2013-15 Maintenance Level	407.3	78,992	78,992
<b>Policy Other Changes:</b>			
1. PC Replacement	0.0	44	44
Policy -- Other Total	0.0	44	44
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	330	330
3. New Step M for Classified-Yr 2 Impl	0.0	39	39
4. State Employee Health Insurance	0.0	-141	-141
5. Coll. Bargained Personal Leave Day	0.0	115	115
6. Wellness - Smoker Surcharge	0.0	-21	-21
7. PEBB - Coverage Waiver Surcharge	0.0	-125	-125
Policy -- Comp Total	0.0	197	197
<b>Policy Transfer Changes:</b>			
8. McNeil Island Stewardship	-36.7	-7,000	-7,000
Policy -- Transfer Total	-36.7	-7,000	-7,000
Total Policy Changes	-36.7	-6,759	-6,759
Total 2013-15 Biennium	370.7	72,233	72,233
Difference from 2011-13	-43.1	-12,062	-12,062
% Change from 2011-13	-10.4%	-14.3%	-14.3%

*Comments:*

**1. PC Replacement** - Funding is provided to replace servers and staff personal computers that are more than six years old. Financing is provided through a Department of Enterprise Services operational lease with repayment spanning over four years.

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Special Commitment Center**

**5. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**6. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**7. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**8. McNeil Island Stewardship** - The stewardship of McNeil Island and associated funding are transferred to the Correctional Industries program within the Department of Corrections. Facility maintenance within the perimeter of the Special Commitment Center and the Pierce County Secure Community Transition Facility will remain the responsibility of the Department of Social and Health Services. Prior to the April 2011 closure of the McNeil Island prison, marine operations, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Fire department and security functions will remain with the Special Commitment Center.

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Payments to Other Agencies**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	108,443	161,492
2013-15 Maintenance Level	0.0	120,474	175,518
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-420	-600
2. Administrative Hearings	0.0	147	211
3. CTS Central Services	0.0	1,776	2,540
4. DES Central Services	0.0	-996	-1,424
Policy -- Other Total	0.0	507	727
Total Policy Changes	0.0	507	727
Total 2013-15 Biennium	0.0	120,981	176,245
Difference from 2011-13	0.0	12,538	14,753
% Change from 2011-13	0.0%	11.6%	9.1%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Information System Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	198.6	0	0
2013-15 Maintenance Level	197.6	0	0
Total 2013-15 Biennium	197.6	0	0
Difference from 2011-13	-1.0	0	0
% Change from 2011-13	-0.5%	0.0%	0.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Consolidated Field Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	441.7	0	0
2013-15 Maintenance Level	543.9	0	0
Total 2013-15 Biennium	543.9	0	0
Difference from 2011-13	102.3	0	0
% Change from 2011-13	23.2%	0.0%	0.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Aging & Disability Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	4,444.7	2,593,447	5,343,106
2013-15 Maintenance Level	4,472.6	2,738,473	5,613,809
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion (040)	0.2	-588	584
2. Federal Medicaid Expansion (050)	1.4	-12,119	5,566
3. Agency Provider Parity (040)	0.0	4,377	8,753
4. Agency Provider Parity (050)	0.0	28,568	57,135
5. Adult Behavior Services & Accntblty (050)	3.5	1,473	2,833
6. Critical Community Placements (040)	1.5	2,956	5,779
7. Community Crisis Stabilization (040)	23.0	1,628	1,116
8. SOLA Needs (040)	22.0	1,594	3,186
9. Basic Plus Waiver (040)	6.5	4,475	8,712
10. Provider Fiscal Agent (040)	0.0	1,547	6,337
11. Provider Fiscal Agent (050)	0.0	4,894	20,044
12. Recover Cost of AFH Quality Assuran (040)	0.0	0	380
13. Recover Cost of AFH Quality Assuran (050)	0.0	-4,175	1,482
14. Delay Nursing Home Rebase (050)	0.0	-31,428	-62,856
15. Health Path Washington (050)	13.2	705	5,545
16. Adult Family Home Agreement (050)	0.0	1,538	3,044
17. In-Home Provider Arbitration (040)	0.0	33,908	67,818
18. In-Home Provider Arbitration (050)	4.7	79,273	158,546
19. Walla Walla Veterans Home (050)	0.0	777	1,553
20. Community Connections Grant (050)	2.0	0	1,593
21. Empowering Adults Grant (050)	0.4	0	800
22. Improving Service Delivery (050)	0.5	109	217
23. Dual Eligibles Grant (050)	0.0	0	76
24. Quality Measures Grant (050)	0.0	0	500
25. AFH Quality Assurance (050)	3.5	399	797
26. IFS Expansion (040)	0.0	1,488	1,488
27. LTC Planning Task Force (050)	0.4	50	100
28. MR v Dreyfus Exception to Rule (040)	3.3	1,263	2,480
29. MR v Dreyfus Exception to Rule (050)	1.0	5,487	10,858
30. Managed Care Rates (050)	0.0	-1,126	-2,252
Policy -- Other Total	87.0	127,073	312,214
<b>Policy Comp Changes:</b>			
31. New Step M for Classified-Yr 1 Impl (040)	0.0	2,160	4,278
32. New Step M for Classified-Yr 1 Impl (050)	0.0	1,306	2,204
33. New Step M for Classified-Yr 2 Impl (040)	0.0	73	151
34. New Step M for Classified-Yr 2 Impl (050)	0.0	58	92
35. State Employee Health Insurance (040)	0.0	-515	-1,011
36. State Employee Health Insurance (050)	0.0	-272	-447
37. Coll. Bargained Personal Leave Day (040)	0.0	375	749
38. Wellness - Smoker Surcharge (040)	0.0	-76	-149
39. Wellness - Smoker Surcharge (050)	0.0	-40	-66
40. PEBB - Coverage Waiver Surcharge (040)	0.0	-457	-897

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Aging & Disability Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
41. PEBB - Coverage Waiver Surcharge (050)	0.0	-241	-397
Policy -- Comp Total	0.0	2,371	4,507
Total Policy Changes	87.0	129,444	316,721
Total 2013-15 Biennium	4,559.6	2,867,917	5,930,530
Difference from 2011-13	114.9	274,470	587,424
% Change from 2011-13	2.6%	10.6%	11.0%

*Comments:*

**1. Federal Medicaid Expansion** - Staffing and funding adjustments are made due to the expansion of Medicaid eligibility to include people whose incomes are at 138 percent of the federal poverty level or less, as allowed by the Patient Protection and Affordable Care Act. Enrollment in the Presumptive Supplemental Security Income (SSI) program will close on January 1, 2014. The Presumptive Supplemental Security Income program provides Medicaid coverage for approximately 20,000 clients with long-term medical conditions that make them likely to meet federal disability criteria, but their federal disability determinations are pending. The federal government provides a 50 percent match for this program. Washington will receive an enhanced 75 percent federal match for currently enrolled clients because Washington is an "expansion state" under the Affordable Care Act (ACA). New clients can enroll under the expansion with a 100 percent federal match. Under the ACA, the federal government will match Medicaid work that is application and maintenance related at 75 percent, instead of the current 50 percent. (General Fund-State, General Fund-Federal)

**3. Agency Provider Parity** - RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)

**5. Adult Behavior Services & Acctnblty** - Funding is provided to implement enhanced services facilities per Second Substitute Senate Bill 5732 (behavioral health services) for individuals residing in state hospitals with mental illness who do not respond to active treatment. (General Fund-State, General Fund-Federal)

**6. Critical Community Placements** - Funding is provided for out-of-home community residential placements for 51 individuals with developmental disabilities. These clients will need placement as they move from other state residential settings, including foster care, juvenile rehabilitation, mental health institutions, and the Department of Corrections. (General Fund-State, General Fund-Federal)

**7. Community Crisis Stabilization** - The Department of Social and Health Services will create and operate a community crisis stabilization home for children and a mobile treatment team that will operate statewide. These services will provide time-limited supports to preserve, maintain, and strengthen an individual's ability to remain in the community with his or her family rather than move to a residential or institutional placement. (General Fund-State, General Fund-Federal)

**8. SOLA Needs** - The Department of Social and Health Services will create two new State Operated Living Alternative (SOLA) homes for young people with developmental disabilities, one in the Spokane area and another in the Yakima area. SOLA homes provide an additional zero reject alternative for children who are not eligible for a Residential Habilitation Center placement. (General Fund-State, General Fund-Federal)

**9. Basic Plus Waiver** - The Department of Social and Health Services will increase Medicaid waiver slots for 734 individuals with developmental disabilities. This additional capacity is intended for graduating high school students who are not already on a Medicaid Waiver but are currently eligible for Medicaid personal care services, for use during the transition from high school to employment. (General Fund-State, General Fund-Federal)

## 2013-15 Omnibus Operating Budget

### Dept of Social and Health Services

### Aging & Disability Services

**10. Provider Fiscal Agent** - The federal Office of the Inspector General has issued a finding for three consecutive years regarding time reporting for individual providers. The Department of Social and Health Services (DSHS) will contract with a fiscal employer agent to pay all W-2 paid providers. Implementing this change will result in compliance with Medicaid rules regarding time reporting for W-2 providers, federal financial participation requirements for federal matching funds, and meet collective bargaining agreement requirements. (General Fund-State, General Fund-Federal)

**12. Recover Cost of AFH Quality Assuran** - Adult family home license fees will be increased \$50 per bed in fiscal year 2014. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**14. Delay Nursing Home Rebase** - The Department of Social and Health Services will delay rebasing non-capital nursing home rate components until July 1, 2015. The Comparison add-on and Acuity add-on to the nursing home rate will be extended to June 30, 2015. (General Fund-State, General Fund-Federal)

**15. Health Path Washington** - Washington was awarded a developmental grant to design improved coordination of services and manage costs for clients dually eligible for both Medicaid and Medicare. The design grant does not require a state match in the first year of development; however, there is a 25% state match in the second year and 50% match in subsequent years. (General Fund-State, General Fund-Federal)

**16. Adult Family Home Agreement** - Pursuant to an agreement between the Washington State Residential Care Council and the State of Washington, additional funding is provided for a specialty adult family home contract for community placement of clients currently in Western State Hospital and for an increase in the bed hold rate for days 8 through 20. (General Fund-State, General Fund-Federal)

**17. In-Home Provider Arbitration** - Pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington for the 2013-15 biennium, additional funding is provided for new or increased: wages, pay differentials, mileage reimbursements; comprehensive health benefits, training contributions, initial certification and testing fee subsidies, union presentations and paid holidays. Additional administrative funding is also provided to implement the arbitration award. (General Fund-State, General Fund-Federal)

**19. Walla Walla Veterans Home** - The Walla Walla veterans home will open its doors in July 2014. Medicaid clients who reside in the new veterans home will be part of the long-term care nursing facility forecast. The Department of Social and Health Services appropriation is increased to reflect the cost reimbursement for Medicaid clients anticipated in this new facility. (General Fund-State, General Fund-Federal)

**20. Community Connections Grant** - The Department of Social and Health Services will work with the Aging and Disability Resource Centers to strengthen and expand the person-centered access programs to help citizens learn about the long-term services and supports that best meet their needs. The funding for this effort has been awarded to DSHS by the U.S. Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**21. Empowering Adults Grant** - The Department of Social and Health Services (DSHS) will provide assistance on evidence-based practices to help older adults and adults with disabilities to better manage chronic conditions, such as hypertension, arthritis, diabetes, depression and obesity. Funding for this effort has been awarded to DSHS by the United States Department of Health and Human Services' Administration of Community Living and requires no state funds. (General Fund-Federal)

**22. Improving Service Delivery** - Staff and funding are provided to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (SSSB 5732). These bills require the use of evidence based practices and the creation of performance measures for service coordination organizations. (General Fund-State, General Fund-Federal)

**23. Dual Eligibles Grant** - The Department of Social and Health Services (DSHS) will work with community partners to provide options counseling to Medicare-Medicaid individuals (dual eligibles) to ensure that these individuals have access to an unbiased and consumer friendly source of information. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**24. Quality Measures Grant** - The Department of Social and Health Services (DSHS) will develop staff capacity to collect, report, and analyze data on the initial core set of health care quality measures for adults enrolled in Medicaid. The funding for this effort has been awarded to DSHS by the Centers for Medicare and Medicaid Services and requires no state funds. (General Fund-Federal)

**25. AFH Quality Assurance** - Funding is provided for the provisions of Substitute Senate Bill 5630 (adult family home quality).

**2013-15 Omnibus Operating Budget**  
**Dept of Social and Health Services**  
**Aging & Disability Services**

**26. IFS Expansion** - In order to increase the number of clients served by the Individual and Family Services (IFS) program, the Developmental Disabilities Administration (DDA) must utilize past experience about award utilization to guide the number of authorized awards, and must change the maximum annual dollar amount awarded to each service priority level. Clients who are not receiving paid services from DDA may be added to the IFS program during the 2013-15 biennium. Corresponding changes must be made to the State Supplementary Payment (SSP) program to ensure that award levels are consistent for clients in the IFS program and clients receiving SSP in lieu of IFS. (General Fund-State)

**27. LTC Planning Task Force** - Funding is provided for member reimbursement, staff support, or other expenses associated with the work of the Joint Legislative Executive Committee on planning for Aging and Disability. The committee shall issue an interim report to the legislature by December 10, 2013 and issue final recommendations to the Governor and relevant standing committees of the Legislature by December 10, 2014. (General Fund-State, General Fund-Federal)

**28. MR v Dreyfus Exception to Rule** - Funding is provided for the workload impact, as well as the per capita cost impact, from an anticipated increase in exception-to-rule (ETR) requests due to the M.R. lawsuit. An ETR refers to additional paid service granted when a client presents a situation that differs from the majority, and is in the interest of both the overall economy and the client's welfare. The exception may not contradict a specific provision of federal law or state statute. (General Fund-State, General Fund-Federal)

**30. Managed Care Rates** - Rates for the managed care plan options administered by the department are reduced five percent. (General Fund-State, General Fund-Federal)

**31. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**33. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**35. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**37. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**38. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**40. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,641.1	157,544	1,105,116
2013-15 Maintenance Level	1,623.7	158,292	1,070,696
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	-1.2	-8,362	-13,075
2. Attorney General Legal Services	0.0	-12	-97
3. CTS Central Services	0.0	71	319
4. DES Central Services	0.0	-31	-141
5. Health Professions Licensees	0.2	0	35
6. Board of Denturists	0.1	0	10
7. Denturism	0.1	0	10
8. Dental Hygienists and Assistants	0.0	0	11
9. Nurses Surcharge	0.1	0	1,008
10. Suicide Assessment Training	0.2	0	34
11. Medical Assistants	0.1	0	10
12. Disciplining Authorities	9.6	0	2,185
13. Impaired Dentist Program	0.0	0	220
14. Board of Pharmacy	0.4	0	51
15. Home Care Continuing Education	0.1	0	12
16. Physician Assistants	0.1	0	18
17. Clinical Affiliation Agreements	0.0	11	11
18. Online Licensing	4.1	65	1,693
19. MD Licensure Requirements	0.1	0	14
20. MQAC Communication Plan	0.0	0	200
21. Newborn Screening	2.4	0	1,382
22. Prescription Monitoring Program	2.7	0	923
23. HIV Drug Rebates	0.0	-3,431	0
24. Public Health Block Grant	-1.5	-760	-760
25. Midwives	0.0	14	14
26. WA Autism Alliance	0.0	270	270
27. Public Health Laboratories	0.0	-2,350	0
28. Water Filtration	0.0	0	150
29. Coordination of Care	0.1	0	64
30. Birth Certificates	0.8	0	141
31. UW Health Science Library	1.0	0	654
32. Diarrhetic Shellfish Poisoning	0.3	0	156
33. Diabetes Prevention	0.5	115	115
Policy -- Other Total	19.9	-14,400	-4,363
<b>Policy Comp Changes:</b>			
34. New Step M for Classified-Yr 1 Impl	0.0	476	2,522
35. New Step M for Classified-Yr 2 Impl	0.0	16	158
36. State Employee Health Insurance	0.0	-90	-536
37. Wellness - Smoker Surcharge	0.0	-13	-78
38. PEBB - Coverage Waiver Surcharge	0.0	-81	-478
Policy -- Comp Total	0.0	308	1,588

**2013-15 Omnibus Operating Budget**  
**Department of Health**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
<b>Policy Transfer Changes:</b>			
39. Public Health Funding Transfer	0.0	-24,772	-24,772
Policy -- Transfer Total	0.0	-24,772	-24,772
Total Policy Changes	19.9	-38,864	-27,547
Total 2013-15 Biennium	1,643.6	119,428	1,043,149
Difference from 2011-13	2.5	-38,116	-61,967
% Change from 2011-13	0.2%	-24.2%	-5.6%

*Comments:*

**1. Federal Medicaid Expansion** - Under the federal Affordable Care Act, individuals and families with incomes up to 400 percent of the federal poverty level will be eligible for coverage under the Medicaid expansion or for subsidized private coverage through the Washington Health Benefit Exchange. Funding for HIV Client Services and the Breast, Cervical, and Colon Health Program (BCCHP) are reduced to reflect the anticipated shift of clients to Medicaid or subsidized coverage in the Exchange when those options become available. HIV Client Services provides assistance to eligible HIV-positive clients, and the BCCHP provides breast, cervical, and colon cancer screenings and other supportive and preventive health services to low-income clients. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Health Professions Licensees** - Expenditure authority is provided for the Department of Health (DOH) to implement the provisions of House Bill 1003 (health professions licensees). The DOH will respond to complaints regarding licensed healthcare providers disqualified by the Department of Social & Health Services (DSHS) from having unsupervised access to vulnerable adults. (Health Professions Account-State)

**6. Board of Denturists** - Expenditure authority is provided for the DOH to implement Substitute House Bill 1270 (board of denturists). The DOH will adopt rules to change licensing and disciplinary authorities from the DOH Secretary to the Board of Denturists. (Health Professions Account-State)

**7. Denturism** - Expenditure authority is provided for the DOH to implement Substitute House Bill 1271 (denturism). The DOH will adopt rules to expand the types of services a licensed denturist may provide. (Health Professions Account-State)

**8. Dental Hygienists and Assistants** - Expenditure authority is provided to implement House Bill 1330 (dental hygienists, assistants), which allows licensed dental hygienists or dental assistants to provide certain services under the supervision of a dentist. (Health Professions Account-State)

**9. Nurses Surcharge** - Expenditure authority is provided for the DOH to implement the provisions of Substitute House Bill 1343 (nurses surcharge). The June 30, 2013, expiration date for a \$5 surcharge paid by registered nurses and licensed practical nurses on license applications and renewals is removed. Surcharge revenue is used to support a central nursing resource center. (Nursing Resource Center Account- Non-appropriated)



## 2013-15 Omnibus Operating Budget Department of Health

**10. Suicide Assessment Training** - Expenditure authority is provided for the DOH to implement the provisions of Substitute House Bill 1376 (suicide assessment training). The DOH will adopt rules to change requirements regarding mandatory training of licensed healthcare professionals in suicide assessment, treatment, and management. (Health Professions Account-State)

**11. Medical Assistants** - Expenditure authority is provided for the DOH to implement the provisions of Engrossed Substitute House Bill 1515 (medical assistants). The DOH will update rules regarding certified and registered medical assistants. (Health Professions Account-State)

**12. Disciplining Authorities** - Expenditure authority is provided for the DOH to implement the provisions of Second Substitute House Bill 1518 (disciplining authorities). The expiration date on pilot projects granting independent authority to the Nursing Care Quality Assurance Commission and Medical Care Quality Assurance Commission over matters such as staffing and budgeting is removed. A five-year pilot project granting independent authority to the Chiropractic Quality Assurance Commission is established. (Health Professions Account-State)

**13. Impaired Dentist Program** - Expenditure authority is provided for the DOH to implement the provisions of House Bill 1534 (impaired dentist program). The DOH is authorized to increase the maximum surcharge on licensed dentists used to fund the impaired dentist program from \$25 to \$50. The impaired dentist program serves licensed dentists who voluntarily seek or agree to substance abuse treatment. (Health Professions Account-State)

**14. Board of Pharmacy** - Expenditure authority is provided for the DOH to implement House Bill 1609 (board of pharmacy). The DOH will update rules to change the name of the Board to the Pharmacy Quality Assurance Commission, and will provide for the travel and member pay of eight additional commission members. (Health Professions Account-State)

**15. Home Care Continuing Education** - Expenditure authority is provided for the DOH to implement Substitute House Bill 1629 (home care aide continuing education). The DOH will adopt rules regarding continuing education and credentialing requirements for long-term care workers. (Health Professions Account-State)

**16. Physician Assistants** - Expenditure authority is provided for the DOH to implement the provisions of Substitute House Bill 1737 (physician assistants). The Medical Quality Assurance Commission and Board of Osteopathic Medicine and Surgery will adopt rules to modernize the regulation of physician assistants and will report to the Legislature by December 31, 2014. (Health Professions Account-State)

**17. Clinical Affiliation Agreements** - Funding is provided for a work group convened by DOH to study and recommend language to standardize clinical affiliation agreements for licensed physicians, licensed osteopathic physicians and surgeons, and licensed nurses. The work group will report its findings to the Governor and appropriate committees of the legislature by November 15, 2014. (General Fund-State)

**18. Online Licensing** - Funding is provided beginning in FY 2015 for DOH to implement online access and credit card payment functionality for new license applications for all health care professions, as well as new license applications and renewals for at least five regulated facility types. (General Fund-State, General Fund-Private/Local, Health Professions Account-State, Medical Test Site Licensure Account-State)

**19. MD Licensure Requirements** - The Medical Quality Assurance Commission (MQAC) will update the training standards for licensed allopathic physicians in Washington state. One-time expenditure authority is provided to cover the costs of rulemaking to update these licensure requirements. (Health Professions Account-State)

**20. MQAC Communication Plan** - Expenditure authority is provided for the MQAC to continue a quarterly newsletter, direct mailings, and educational events for stakeholders. (Health Professions Account-State)

**21. Newborn Screening** - The DOH will add a screening for Severe Combined Immunodeficiency Disease (SCID) to the state newborn screening program. Fees paid by the facility of birth to fund these screenings will increase from \$60.90 to \$69 per child. (Health Professions Account-State)

**22. Prescription Monitoring Program** - The Prescription Monitoring Program (PMP) helps practitioners and dispensers identify and prevent abuse, misuse, duplication and forgery of prescriptions, as well as prevent harmful drug interactions. Federal grant funding was used to develop the PMP, but is not available for ongoing operations and maintenance. House Bill 1565 (prescription monitoring program) authorizes the use of the Medicaid Fraud Penalty Account for the operations and maintenance of the PMP. The DOH will continue to seek outside grant funding to support PMP enhancements. (Medicaid Fraud Penalty Account-State)

## 2013-15 Omnibus Operating Budget Department of Health

**23. HIV Drug Rebates** - The DOH receives drug rebate revenue from pharmaceutical companies on medications purchased through the HIV Client Services program for eligible clients. The DOH anticipates deferring enough rebate revenue to the 2013-15 biennium to cover a one-time fund shift from the state general fund. The rebate revenue will help cover the cost of insurance premiums and HIV drug assistance for clients. (General Fund-State, General Fund-Private/Local)

**24. Public Health Block Grant** - The state provides non-categorical financial support to Local Health Jurisdictions (LHJs) through the Local Capacity Development Fund, the Motor Vehicle Excise Tax (MVET) replacement funds, and the Blue Ribbon Commission funds. The MVET is paid from the Treasurer's Office directly to LHJs through a directed formula. The other two sources are paid by the DOH to LHJs. These three disparate funding streams are collapsed into a single block grant dispersed through the Treasurer's Office. Savings are achieved by eliminating the DOH indirect charge on pass-through funds, and by eliminating DOH support activities beginning in FY 2015. The LHJs will be required to report spending information by category and outcome-oriented performance measures to the Legislature each November. (General Fund-State)

**25. Midwives** - Additional funding is provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. The department shall charge no more than \$525 annually for new or renewed licenses for the midwifery program.

**26. WA Autism Alliance** - One-time funding is provided for the Washington Autism Alliance to help autistic individuals and families with autistic children navigate and enroll in health insurance coverage during implementation of the ACA.

**27. Public Health Laboratories** - A portion of the state general fund for the Public Health Laboratories are shifted to the Medical Test Site Licensure Account on a one-time basis. (General Fund-State, Medical Test Site Licensure Account-State)

**28. Water Filtration** - Funding is provided to purchase water filtration systems for low-income households at risk from nitrate-contaminated wells in the lower Yakima basin. (State Toxics Control Account-State)

**29. Coordination of Care** - Funding is provided for DOH to integrate Prescription Monitoring Program (PMP) data with the coordinated care electronic tracking program. The integration will provide data from the PMP to emergency department personnel when a patient registers in the emergency department. The DOH shall request that insurers and third-party health care coverage administrators provide information to the coordinate care electronic tracking program. (Medicaid Fraud Penalty Account-State)

**30. Birth Certificates** - Expenditure authority is provided for the DOH to implement the provisions of Substitute House Bill 1525 (birth certificates). The DOH is authorized to charge a fee of up to \$20 to produce the noncertified copy of an original birth certificate at the request of an adult adoptee. (General Fund-Private/Local)

**31. UW Health Science Library** - Funding is provided for the implementation of Engrossed Senate Bill 5206 (UW Health Sciences Library). The DOH may apply a surcharge of up to \$25 for additional licensed health professions to access the University of Washington online health sciences library. (Health Professions Account-State)

**32. Diarrhetic Shellfish Poisoning** - Expenditure authority is provided for DOH to begin testing and analyzing diarrhetic shellfish poisoning samples at the Washington State Public Health Laboratory. (Biotoxin Account-State)

**33. Diabetes Prevention** - Staff and funding are provided for the Health Care Authority, the Department of Social and Health Services, and DOH to collaborate to identify goals, benchmarks, and plans for preventing and controlling diabetes.

**34. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**35. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**36. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Department of Health**

**37. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**38. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**39. Public Health Funding Transfer** - Local Capacity Development Funds and Blue Ribbon Commission funds for LHJs are collapsed into a single block grant with MVET replacement funds to be dispersed through the Treasurer's Office. There is no change to the level and distribution of total public health funds for LHJs. The LHJs are required to report spending information by category and outcome-oriented performance measures to the Legislature each November.

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	690.3	15,339	116,790
2013-15 Maintenance Level	690.3	14,035	125,095
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-2
2. CTS Central Services	0.0	28	173
3. DES Central Services	0.0	-6	-39
4. DVA Workforce Management System	0.0	0	204
5. Veterans Innovation Program	0.0	600	600
6. Lottery Games	0.0	0	-814
7. Walla Walla State Veterans Home	37.0	0	6,729
Policy -- Other Total	37.0	622	6,851
<b>Policy Comp Changes:</b>			
8. New Step M for Classified-Yr 1 Impl	0.0	38	772
9. New Step M for Classified-Yr 2 Impl	0.0	1	38
10. State Employee Health Insurance	0.0	-11	-199
11. Coll. Bargained Personal Leave Day	0.0	0	150
12. Wellness - Smoker Surcharge	0.0	-2	-29
13. PEBB - Coverage Waiver Surcharge	0.0	-9	-175
Policy -- Comp Total	0.0	17	557
Total Policy Changes	37.0	639	7,408
Total 2013-15 Biennium	727.3	14,674	132,503
Difference from 2011-13	37.0	-665	15,713
% Change from 2011-13	5.4%	-4.3%	13.5%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. DVA Workforce Management System** - The Department of Veterans Affairs (DVA) will begin the planning phase of an electronic time, leave, and attendance scheduling system for the state veteran homes. The current scheduling system is a manual, paper-based process. The new system will be more effective and reduce processing errors. (General Fund-Private/Local)

**5. Veterans Innovation Program** - Funding is provided for crisis and emergency relief, education, training, and employment assistance to veterans and their families in their communities through the Veterans Innovation Program during the 2013-15 Biennium. (General Fund-State)

**6. Lottery Games** - Funding is adjusted to implement House Bill 1982 (lottery games), which eliminates the veteran lottery raffle, a lottery game that generates insufficient net revenue. (Veterans Innovation Account)

## 2013-15 Omnibus Operating Budget Department of Veterans' Affairs

**7. Walla Walla State Veterans Home** - Federal and local expenditure authority is provided for the first year of operation of the Walla Walla State Veterans Home. DVA expects to break ground in May 2013 and open the facility in July 2014. (General Fund-Federal, General Fund-Private/Local)

**8. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**9. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**10. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**11. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This item provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**12. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**13. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Headquarters**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	18.9	3,630	3,640
2013-15 Maintenance Level	18.9	3,878	3,904
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	5	5
2. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	4	4
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 1 Impl	0.0	26	26
4. State Employee Health Insurance	0.0	-6	-6
5. Wellness - Smoker Surcharge	0.0	-1	-1
6. PEBB - Coverage Waiver Surcharge	0.0	-5	-5
Policy -- Comp Total	0.0	14	14
Total Policy Changes	0.0	18	18
Total 2013-15 Biennium	18.9	3,896	3,922
Difference from 2011-13	0.0	266	282
% Change from 2011-13	0.0%	7.3%	7.8%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Headquarters**

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Field Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	63.7	9,966	20,464
2013-15 Maintenance Level	63.7	10,040	20,330
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	16	21
2. DES Central Services	0.0	-3	-4
3. Veterans Innovation Program	0.0	600	600
4. Lottery Games	0.0	0	-814
Policy -- Other Total	0.0	613	-197
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	12	26
6. New Step M for Classified-Yr 2 Impl	0.0	1	3
7. State Employee Health Insurance	0.0	-5	-20
8. Wellness - Smoker Surcharge	0.0	-1	-3
9. PEBB - Coverage Waiver Surcharge	0.0	-4	-16
Policy -- Comp Total	0.0	3	-10
Total Policy Changes	0.0	616	-207
Total 2013-15 Biennium	63.7	10,656	20,123
Difference from 2011-13	0.0	690	-341
% Change from 2011-13	0.0%	6.9%	-1.7%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Veterans Innovation Program** - Funding is provided for crisis and emergency relief, education, training, and employment assistance to veterans and their families in their communities through the Veterans Innovation Program during the 2013-15 Biennium. (General Fund-State)

**4. Lottery Games** - Funding is adjusted to implement House Bill 1982 (lottery games), which eliminates the veteran lottery raffle, a lottery game that generates insufficient net revenue. (Veterans Innovation Account)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Field Services**

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Institutional Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	607.7	1,743	92,686
2013-15 Maintenance Level	607.7	117	100,861
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	0	-2
2. CTS Central Services	0.0	7	147
3. DES Central Services	0.0	-2	-34
4. DVA Workforce Management System	0.0	0	204
5. Walla Walla State Veterans Home	37.0	0	6,729
Policy -- Other Total	37.0	5	7,044
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	0	720
7. New Step M for Classified-Yr 2 Impl	0.0	0	35
8. State Employee Health Insurance	0.0	0	-173
9. Coll. Bargained Personal Leave Day	0.0	0	150
10. Wellness - Smoker Surcharge	0.0	0	-25
11. PEBB - Coverage Waiver Surcharge	0.0	0	-154
Policy -- Comp Total	0.0	0	553
Total Policy Changes	37.0	5	7,597
Total 2013-15 Biennium	644.7	122	108,458
Difference from 2011-13	37.0	-1,621	15,772
% Change from 2011-13	6.1%	-93.0%	17.0%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. DVA Workforce Management System** - The Department of Veterans Affairs (DVA) will begin the planning phase of an electronic time, leave, and attendance scheduling system for the state veteran homes. The current scheduling system is a manual, paper-based process. The new system will be more effective and reduce processing errors. (General Fund-Private/Local)

**5. Walla Walla State Veterans Home** - Federal and local expenditure authority is provided for the first year of operation of the Walla Walla State Veterans Home. DVA expects to break ground in May 2013 and open the facility in July 2014. (General Fund-Federal, General Fund-Private/Local)

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Veterans' Affairs**  
**Institutional Services**

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This item provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	7,950.7	1,602,757	1,626,752
2013-15 Maintenance Level	7,949.8	1,667,459	1,683,153
<b>Policy Other Changes:</b>			
1. Move OMNI off Mainframe	1.0	-2,780	-1,531
2. Federal Medicaid Expansion	0.0	-2,169	-2,169
3. Attorney General Legal Services	0.0	-87	-87
4. CTS Central Services	0.0	1,249	1,249
5. DES Central Services	0.0	-431	-431
6. New Hepatitis C Protocol	0.0	1,005	1,005
7. Assault Near Court Proceedings	0.0	72	72
8. Stalking Protection	0.0	96	96
9. Radio Infrastructure Upgrades	0.0	981	981
10. Maple Lane Ongoing Costs	2.5	672	672
11. Prison Rape Elimination Act (PREA)	3.0	358	358
12. Special Needs Population	11.3	1,305	1,305
13. Sex Offender Risk Assessment	4.0	0	530
14. Improving Safety	25.5	2,494	2,494
15. Reducing Corrections Costs	0.0	-2,627	-2,627
16. Delay Opening Units	-29.3	-7,766	-7,766
17. Residential DOSA	0.0	4,106	4,106
18. Drug Treatment Fund Shift	0.0	-4,106	0
19. Presentence Credits	1.3	-1,103	-1,103
20. Centralized Pharmacy	-10.0	-2,316	-2,316
21. Program Delivery Positions	27.6	0	0
22. Offender Housing Voucher Program	1.5	0	203
23. Crimes Against Pharmacies	0.0	72	72
24. Program Underexpenditures	0.0	-4,766	-4,766
25. Risk Needs Responsivity Programming	0.0	225	225
26. Trafficking	0.0	48	48
27. Vehicle Prowling	0.0	48	48
Policy -- Other Total	38.4	-15,420	-9,332
<b>Policy Comp Changes:</b>			
28. New Step M for Classified-Yr 1 Impl	0.0	10,112	10,118
29. New Step M for Classified-Yr 2 Impl	0.0	813	813
30. State Employee Health Insurance	0.0	-2,484	-2,485
31. Coll. Bargained Personal Leave Day	0.0	16	16
32. Wellness - Smoker Surcharge	0.0	-367	-367
33. PEBB - Coverage Waiver Surcharge	0.0	-2,207	-2,209
Policy -- Comp Total	0.0	5,883	5,886
<b>Policy Transfer Changes:</b>			
34. McNeil Island Stewardship	36.5	7,000	7,000
Policy -- Transfer Total	36.5	7,000	7,000
Total Policy Changes	74.9	-2,537	3,554

## 2013-15 Omnibus Operating Budget

### Department of Corrections

(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
Total 2013-15 Biennium	8,024.7	1,664,922	1,686,707
Difference from 2011-13	74.0	62,165	59,955
% Change from 2011-13	0.9%	3.9%	3.7%

*Comments:*

**1. Move OMNI off Mainframe** - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

**2. Federal Medicaid Expansion** - Implementation of the Affordable Care Act (ACA) expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the Federal Poverty Level. Savings will be realized by expanding the number of offenders who are eligible for hospital in-patient Medicaid reimbursement. The federal funds which are generated to offset these costs are reflected in the Health Care Authority budget. (General Fund-State, General Fund-Federal)

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**6. New Hepatitis C Protocol** - A new treatment protocol is made available for offenders screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy beyond any previous drug treatment therapies and is an allowable benefit on other insurance programs including Medicaid.

**7. Assault Near Court Proceedings** - Funding is provided for three additional prison beds to accommodate anticipated increases in the adult daily population (ADP). Pursuant to Engrossed Senate Bill 5484 (assault in the third degree), a person is guilty of assault in the third degree when that person assaults another individual in any area of a building that is used in connection with court proceedings. Assault in the third degree is a Class C felony offense ranked at Seriousness Level III on the adult felony sentencing grid. An offender convicted of assault in the third degree may receive a prison sentence of between 51-68 months. Based on the Administrative Office of the Courts, there may be 13-20 cases per year that would meet the criteria.

**8. Stalking Protection** - Pursuant to Engrossed Substitute House Bill 1383(Stalking Protection Orders), the definition of stalking is expanded and the penalties for violating stalking orders are increased. Two existing Class C felonies are expanded and an aggravating factor for court employees is added. A Class C felony ranked at a Seriousness Level V on the adult felony sentencing grid may be punishable with a term of prison confinement between 72-96 months. It is expected this will increase the demand for prison beds by four ADP.

**9. Radio Infrastructure Upgrades** - Funding is provided for certificate of participation debt service payments to replace critical radio systems essential to staff safety at Larch Corrections Center, Cedar Creek Corrections Center, Clallam Bay Corrections Center, Stafford Creek Corrections Center, and Airway Heights Corrections Center. Debt service payments are scheduled for ten years.

**10. Maple Lane Ongoing Costs** - In the 2012 supplemental operating budget, DOC was provided \$165,000 per year to assume responsibility for a warm closure of the Maple Lane School property. Additional funding is provided to pay for utilities, fire protection contracts, and other costs previously not covered but necessary to maintain Maple Lane so that it stays in good repair and maintains its value while long-term plans are made for the facility. An additional 0.5 FTE is provided, bringing the total to 2.5 FTEs for on site staffing coverage.

## 2013-15 Omnibus Operating Budget

### Department of Corrections

**11. Prison Rape Elimination Act (PREA)** - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in adult institutions. Standards released June 2012, require DOC to have one-third of its facilities audited by an outside source each year with the first deadline being August 2013. In addition, the DOC is required to monitor 70 jails with which it contracts for beds to demonstrate compliance system-wide. One-time funding is provided for one temporary FTE to conduct agency-wide training on PREA implementation. Two ongoing FTEs are provided to conduct internal compliance reviews, make audit preparations on four prisons and five work release sites each year, and monitor jail contracts. Of the total costs, \$120,000 are estimated to be one-time and \$238,000 to be ongoing.

**12. Special Needs Population** - Funding is provided for psychiatric associates to augment current staffing at Monroe Correctional Center and Washington State Penitentiary and to provide specialized mission housing units for offenders with developmental disabilities or traumatic brain injuries. In addition, funding is provided for a mental health counselor and additional custody staff to increase the number of Intensive Treatment Unit beds for offenders with mental illness at the Monroe Correctional Complex. Approximately nine percent of those incarcerated in the Washington prison system are offenders with special needs and many of these are housed in intensive management units for their own safety. These additional resources will contribute to housing for special needs as recommended by a review conducted by the Disability Rights of Washington.

**13. Sex Offender Risk Assessment** - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

**14. Improving Safety** - Pursuant to recommendations by the Statewide Security Advisory Committee, correctional officer staffing levels are increased in two areas: (1) stand-alone minimum security facilities on graveyard shift and (2) medium security housing units on the day shift.

**15. Reducing Corrections Costs** - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), the drug sentencing grid is modified so that any offender who commits a Seriousness Level I drug offense and has a criminal history score within the range of 3-5, will serve their sentence in jail. Currently, drug offenders who have committed an identical Seriousness Level 1 drug offense and have identical criminal history scores may be sentenced to either prison or jail. This item is expected to decrease the adult average daily prison population by 126 in FY 2015 and thereby help reduce the need for the DOC to open or build additional housing units.

**16. Delay Opening Units** - Policy to reduce the forecasted Adult Daily Prison (ADP) population is expected to decrease the demand for prison beds allowing savings to be achieved due to the delay of opening one medium security unit at Washington State Penitentiary (WSP). Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds. In addition, the DOC is authorized to rent local jail beds for short-term offenders who have 120 days or fewer remaining on their sentence when they would otherwise transfer from jail to DOC. When this policy is fully implemented, about 290 fewer offenders will go through the reception process annually, reducing the need for DOC capacity by an additional 52 beds. The DOC is authorized to open one medium unit at WSP and close one minimum unit at WSP within existing appropriations. Offenders residing in the new medium unit will receive health services at the existing WSP medical clinic and within existing resources. The DOC will use existing administrative resources to open the new medium unit thereby achieving additional savings.

**17. Residential DOSA** - Funding is provided to expand the Drug Offender Sentencing Alternative (DOSA) program to 220 residential beds. This program is provided as a community alternative by the courts for otherwise prison bound offenders who are in need of chemical dependency treatment and supervision. In FY 2013, the program was funded for 145 beds, but the courts have over-utilized this program by as much as 200 beds. This expansion will reduce the forecasted average daily population for prison beds by 197 in fiscal year 2014 and by 272 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

**18. Drug Treatment Fund Shift** - Excess funds from the Ignition Interlock Device account and the County Criminal Justice Assistance account will be used one-time to support drug treatment provided through the Drug Offender Sentencing Alternative (DOSA) residential program for offenders on community supervision. In 2012, there were 4,975 offenders who were admitted to this 95-day evidence-based residential program. Use of these excess funds does not impact or alter amounts distributed to the counties by the State Treasurer or Washington State Patrol appropriated levels in the County Criminal Justice Assistance account. (County Criminal Justice Assistance Account-State, Ignition Interlock Device Revolving Account-State)

## 2013-15 Omnibus Operating Budget

### Department of Corrections

**19. Presentence Credits** - Savings are assumed from the DOC calculating an offender's presentence good-time credits consistent with the rate applicable to offenders in the Department's facilities, pursuant to legislation. This change will make credit earning calculations consistent for all DOC offenders. The change is estimated to reduce the forecasted population by an average of 51 offenders in the 2013-15 biennium.

**20. Centralized Pharmacy** - The Department of Corrections will realize savings by creating a centralizing pharmacy. Five independent prison based pharmacies will be consolidated into two (one on the Eastern side and one on the Western side of the state). One-time funding in the amount of \$700,000 is in the capital budget to coincide with this item and will be used to modify leased space so that it can accommodate the storage and disbursement of pharmaceuticals. Savings is achieved from a reduction in pharmacy waste and reduced staffing requirements.

**21. Program Delivery Positions** - Position authority is provided for offender program delivery in DOC institutions. The DOC has shifted some offender programming from contract funding to staff delivering the services. No new funding is provided.

**22. Offender Housing Voucher Program** - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

**23. Crimes Against Pharmacies** - Pursuant to Senate Bill 5149 (Crimes Against Pharmacies), a special allegation may be brought against a person who commits robbery in the first degree if the crime is committed in a pharmacy. An additional 12 months is added to the standard sentence if the allegation is proven beyond a reasonable doubt. Funding is provided for three additional prison beds for an expected increase in adult daily population.

**24. Program Underexpenditures** - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the DOC is revamping the way programming is provided to offenders in prisons and in community supervision. This includes phasing-out several programs and replacing them with programs considered to be more effective and that follow the RNR model. The RNR model requires programming interventions to be dynamic and directly linked to criminal behavior. Upon full implementation, programming will be targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

**25. Risk Needs Responsivity Programming** - One-time funding is provided for the Department of Corrections (DOC) to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the Risk Needs Responsivity (RNR) model. By October 1, 2013, the consultant will provide an evaluation to the DOC, Office of Financial Management (OFM), and the Legislature on current plans and processes to phase out ineffective programs and to implement programs that are evidence-based or research-based. The Washington State Institute of Public Policy (WSIPP) will be consulted to systematically review select programs. Based on the report provided by the consultant and WSIPP's review of programs, the DOC will work collaboratively with the consultant to develop a comprehensive written implementation plan and provide it to OFM and the Legislature by January 15, 2014. The written plan must include an implementation timeline, the types of programs to be included, the locations for the programs, and a phasing up of the projected number of participants that will meet the threshold of available funds. Using the written implementation plan as a guide, the DOC must have programs in place and fully phase-up no later than June 30, 2015. The consultant will review quarterly the actual implementation compared to the written plan and will provide a report to the Secretary of DOC. The DOC will provide progress updates to OFM and the Legislature on July 1, 2014, and December 1, 2014.

**26. Trafficking** - Pursuant to Engrossed Substitute Senate Bill 5669 (Trafficking) the definition for a felony related to communication with a minor is expanded to include the purchase or sale of commercial sex acts and sex trafficking. This Class C felony may be punishable by 51-60 months in prison depending on criminal history. Consent of a minor no longer constitutes a defense. It is expected that this will increase the demand for prison beds by two ADP.

## 2013-15 Omnibus Operating Budget Department of Corrections

**27. Vehicle Prowling** - A new Class C felony offense is established pursuant to Engrossed Senate Bill 5053 (Vehicle Prowling). The offense is ranked at Seriousness Level V on the adult felony sentencing grid. Statistics on the number of adult offenses for vehicle prowling in the second degree are not available. Vehicle prowling in the second degree on the third or subsequent offense, would be subject to a standard range of confinement between 6-12 months in jail and 51-60 months in prison. An increase in the ADP for two prison beds is anticipated.

**28. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**29. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**30. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**31. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**32. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**33. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**34. McNeil Island Stewardship** - Funding is provided for Correctional Industries (CI) to manage stewardship of McNeil Island. Prior to the April 2011 closure of the McNeil Island prison, marine operations, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Fire department and security functions will remain with the Special Commitment Center.



**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Admin & Support Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	638.7	105,006	105,006
2013-15 Maintenance Level	635.7	110,670	110,670
<b>Policy Other Changes:</b>			
1. Move OMNI off Mainframe	1.0	281	1,530
2. Delay Opening Units	0.0	-319	-319
3. Risk Needs Responsivity Programming	0.0	225	225
Policy -- Other Total	1.0	187	1,436
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	698	698
5. New Step M for Classified-Yr 2 Impl	0.0	78	78
6. State Employee Health Insurance	0.0	-205	-205
7. Wellness - Smoker Surcharge	0.0	-30	-30
8. PEBB - Coverage Waiver Surcharge	0.0	-182	-182
Policy -- Comp Total	0.0	359	359
Total Policy Changes	1.0	546	1,795
Total 2013-15 Biennium	636.7	111,216	112,465
Difference from 2011-13	-2.1	6,210	7,459
% Change from 2011-13	-0.3%	5.9%	7.1%

*Comments:*

**1. Move OMNI off Mainframe** - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

**2. Delay Opening Units** - Policy to reduce the forecasted Adult Daily Prison (ADP) population is expected to decrease the demand for prison beds allowing savings to be achieved due to the delay of opening one medium security unit at Washington State Penitentiary (WSP). Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds. In addition, the DOC is authorized to rent local jail beds for short-term offenders who have 120 days or fewer remaining on their sentence when they would otherwise transfer from jail to DOC. When this policy is fully implemented, about 290 fewer offenders will go through the reception process annually, reducing the need for DOC capacity by an additional 52 beds. The DOC is authorized to open one medium unit at WSP and close one minimum unit at WSP within existing appropriations. Offenders residing in the new medium unit will receive health services at the existing WSP medical clinic and within existing resources. The DOC will use existing administrative resources to open the new medium unit thereby achieving additional savings.

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Admin & Support Services**

**3. Risk Needs Responsivity Programming** - One-time funding is provided for the Department of Corrections (DOC) to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the Risk Needs Responsivity (RNR) model. By October 1, 2013, the consultant will provide an evaluation to the DOC, Office of Financial Management (OFM), and the Legislature on current plans and processes to phase out ineffective programs and to implement programs that are evidence-based or research-based. The Washington State Institute of Public Policy (WSIPP) will be consulted to systematically review select programs. Based on the report provided by the consultant and WSIPP's review of programs, the DOC will work collaboratively with the consultant to develop a comprehensive written implementation plan and provide it to OFM and the Legislature by January 15, 2014. The written plan must include an implementation timeline, the types of programs to be included, the locations for the programs, and a phasing up of the projected number of participants that will meet the threshold of available funds. Using the written implementation plan as a guide, the DOC must have programs in place and fully phase-up no later than June 30, 2015. The consultant will review quarterly the actual implementation compared to the written plan and will provide a report to the Secretary of DOC. The DOC will provide progress updates to OFM and the Legislature on July 1, 2014, and December 1, 2014.

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Institutional Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	6,154.0	1,173,694	1,193,097
2013-15 Maintenance Level	6,183.6	1,216,618	1,227,631
<b>Policy Other Changes:</b>			
1. Federal Medicaid Expansion	0.0	-2,169	-2,169
2. New Hepatitis C Protocol	0.0	1,005	1,005
3. Assault Near Court Proceedings	0.0	72	72
4. Stalking Protection	0.0	96	96
5. Radio Infrastructure Upgrades	0.0	981	981
6. Maple Lane Ongoing Costs	2.5	672	672
7. Prison Rape Elimination Act (PREA)	3.0	358	358
8. Special Needs Population	11.3	1,305	1,305
9. Sex Offender Risk Assessment	2.0	0	294
10. Improving Safety	25.5	2,494	2,494
11. Reducing Corrections Costs	0.0	-2,627	-2,627
12. Delay Opening Units	-29.3	-7,447	-7,447
13. Presentence Credits	1.3	-1,103	-1,103
14. Centralized Pharmacy	-10.0	-2,316	-2,316
15. Program Delivery Positions	27.6	0	0
16. Offender Housing Voucher Program	0.8	0	96
17. Crimes Against Pharmacies	0.0	72	72
18. Program Underexpenditures	0.0	-2,543	-2,543
19. Trafficking	0.0	48	48
20. Vehicle Prowling	0.0	48	48
Policy -- Other Total	34.6	-11,054	-10,664
<b>Policy Comp Changes:</b>			
21. New Step M for Classified-Yr 1 Impl	0.0	7,452	7,452
22. New Step M for Classified-Yr 2 Impl	0.0	621	621
23. State Employee Health Insurance	0.0	-1,914	-1,914
24. Coll. Bargained Personal Leave Day	0.0	4	4
25. Wellness - Smoker Surcharge	0.0	-283	-283
26. PEBB - Coverage Waiver Surcharge	0.0	-1,701	-1,702
Policy -- Comp Total	0.0	4,179	4,178
Total Policy Changes	34.6	-6,875	-6,486
Total 2013-15 Biennium	6,218.2	1,209,743	1,221,145
Difference from 2011-13	64.2	36,049	28,048
% Change from 2011-13	1.0%	3.1%	2.4%

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Institutional Services**

*Comments:*

**1. Federal Medicaid Expansion** - Implementation of the Affordable Care Act (ACA) expands Medicaid eligibility for individuals between the ages of 19 and 64 with income at or below 138 percent of the Federal Poverty Level. Savings will be realized by expanding the number of offenders who are eligible for hospital in-patient Medicaid reimbursement. The federal funds which are generated to offset these costs are reflected in the Health Care Authority budget. (General Fund-State, General Fund-Federal)

**2. New Hepatitis C Protocol** - A new treatment protocol is made available for offenders screened as suitable candidates with Hepatitis C genotype 1. This protocol has proven efficacy beyond any previous drug treatment therapies and is an allowable benefit on other insurance programs including Medicaid.

**3. Assault Near Court Proceedings** - Funding is provided for three additional prison beds to accommodate anticipated increases in the adult daily population (ADP). Pursuant to Engrossed Senate Bill 5484 (assault in the third degree), a person is guilty of assault in the third degree when that person assaults another individual in any area of a building that is used in connection with court proceedings. Assault in the third degree is a Class C felony offense ranked at Seriousness Level III on the adult felony sentencing grid. An offender convicted of assault in the third degree may receive a prison sentence of between 51-68 months. Based on the Administrative Office of the Courts, there may be 13-20 cases per year that would meet the criteria.

**4. Stalking Protection** - Pursuant to Engrossed Substitute House Bill 1383(Stalking Protection Orders), the definition of stalking is expanded and the penalties for violating stalking orders are increased. Two existing Class C felonies are expanded and an aggravating factor for court employees is added. A Class C felony ranked at a Seriousness Level V on the adult felony sentencing grid may be punishable with a term of prison confinement between 72-96 months. It is expected this will increase the demand for prison beds by four ADP.

**5. Radio Infrastructure Upgrades** - Funding is provided for certificate of participation debt service payments to replace critical radio systems essential to staff safety at Larch Corrections Center, Cedar Creek Corrections Center, Clallam Bay Corrections Center, Stafford Creek Corrections Center, and Airway Heights Corrections Center. Debt service payments are scheduled for ten years.

**6. Maple Lane Ongoing Costs** - In the 2012 supplemental operating budget, DOC was provided \$165,000 per year to assume responsibility for a warm closure of the Maple Lane School property. Additional funding is provided to pay for utilities, fire protection contracts, and other costs previously not covered but necessary to maintain Maple Lane so that it stays in good repair and maintains its value while long-term plans are made for the facility. An additional 0.5 FTE is provided, bringing the total to 2.5 FTEs for on site staffing coverage.

**7. Prison Rape Elimination Act (PREA)** - The federal Prison Rape Elimination Act (PREA) sets standards intended to prevent, detect, and respond to sexual abuse in adult institutions. Standards released June 2012, require DOC to have one-third of its facilities audited by an outside source each year with the first deadline being August 2013. In addition, the DOC is required to monitor 70 jails with which it contracts for beds to demonstrate compliance system-wide. One-time funding is provided for one temporary FTE to conduct agency-wide training on PREA implementation. Two ongoing FTEs are provided to conduct internal compliance reviews, make audit preparations on four prisons and five work release sites each year, and monitor jail contracts. Of the total costs, \$120,000 are estimated to be one-time and \$238,000 to be ongoing.

**8. Special Needs Population** - Funding is provided for psychiatric associates to augment current staffing at Monroe Correctional Center and Washington State Penitentiary and to provide specialized mission housing units for offenders with developmental disabilities or traumatic brain injuries. In addition, funding is provided for a mental health counselor and additional custody staff to increase the number of Intensive Treatment Unit beds for offenders with mental illness at the Monroe Correctional Complex. Approximately nine percent of those incarcerated in the Washington prison system are offenders with special needs and many of these are housed in intensive management units for their own safety. These additional resources will contribute to housing for special needs as recommended by a review conducted by the Disability Rights of Washington.

**9. Sex Offender Risk Assessment** - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

**10. Improving Safety** - Pursuant to recommendations by the Statewide Security Advisory Committee, correctional officer staffing levels are increased in two areas: (1) stand-alone minimum security facilities on graveyard shift and (2) medium security housing units on the day shift.

## 2013-15 Omnibus Operating Budget

### Department of Corrections

#### Institutional Services

**11. Reducing Corrections Costs** - Pursuant to Senate Bill 5892 (Reducing Corrections Costs), the drug sentencing grid is modified so that any offender who commits a Seriousness Level I drug offense and has a criminal history score within the range of 3-5, will serve their sentence in jail. Currently, drug offenders who have committed an identical Seriousness Level 1 drug offense and have identical criminal history scores may be sentenced to either prison or jail. This item is expected to decrease the adult average daily prison population by 126 in FY 2015 and thereby help reduce the need for the DOC to open or build additional housing units.

**12. Delay Opening Units** - Policy to reduce the forecasted Adult Daily Prison (ADP) population is expected to decrease the demand for prison beds allowing savings to be achieved due to the delay of opening one medium security unit at Washington State Penitentiary (WSP). Increased residential beds for Drug Offender Sentencing Alternatives are expected to reduce ADP by 272 beds. In addition, the DOC is authorized to rent local jail beds for short-term offenders who have 120 days or fewer remaining on their sentence when they would otherwise transfer from jail to DOC. When this policy is fully implemented, about 290 fewer offenders will go through the reception process annually, reducing the need for DOC capacity by an additional 52 beds. The DOC is authorized to open one medium unit at WSP and close one minimum unit at WSP within existing appropriations. Offenders residing in the new medium unit will receive health services at the existing WSP medical clinic and within existing resources. The DOC will use existing administrative resources to open the new medium unit thereby achieving additional savings.

**13. Presentence Credits** - Savings are assumed from the DOC calculating an offender's presentence good-time credits consistent with the rate applicable to offenders in the Department's facilities, pursuant to legislation. This change will make credit earning calculations consistent for all DOC offenders. The change is estimated to reduce the forecasted population by an average of 51 offenders in the 2013-15 biennium.

**14. Centralized Pharmacy** - The Department of Corrections will realize savings by creating a centralizing pharmacy. Five independent prison based pharmacies will be consolidated into two (one on the Eastern side and one on the Western side of the state). One-time funding in the amount of \$700,000 is in the capital budget to coincide with this item and will be used to modify leased space so that it can accommodate the storage and disbursement of pharmaceuticals. Savings is achieved from a reduction in pharmacy waste and reduced staffing requirements.

**15. Program Delivery Positions** - Position authority is provided for offender program delivery in DOC institutions. The DOC has shifted some offender programming from contract funding to staff delivering the services. No new funding is provided.

**16. Offender Housing Voucher Program** - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

**17. Crimes Against Pharmacies** - Pursuant to Senate Bill 5149 (Crimes Against Pharmacies), a special allegation may be brought against a person who commits robbery in the first degree if the crime is committed in a pharmacy. An additional 12 months is added to the standard sentence if the allegation is proven beyond a reasonable doubt. Funding is provided for three additional prison beds for an expected increase in adult daily population.

**18. Program Underexpenditures** - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the DOC is revamping the way programming is provided to offenders in prisons and in community supervision. This includes phasing-out several programs and replacing them with programs considered to be more effective and that follow the RNR model. The RNR model requires programming interventions to be dynamic and directly linked to criminal behavior. Upon full implementation, programming will be targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Institutional Services**

**19. Trafficking** - Pursuant to Engrossed Substitute Senate Bill 5669 (Trafficking) the definition for a felony related to communication with a minor is expanded to include the purchase or sale of commercial sex acts and sex trafficking. This Class C felony may be punishable by 51-60 months in prison depending on criminal history. Consent of a minor no longer constitutes a defense. It is expected that this will increase the demand for prison beds by two ADP.

**20. Vehicle Prowling** - A new Class C felony offense is established pursuant to Engrossed Senate Bill 5053 (Vehicle Prowling). The offense is ranked at Seriousness Level V on the adult felony sentencing grid. Statistics on the number of adult offenses for vehicle prowl in the second degree are not available. Vehicle prowling in the second degree on the third or subsequent offense, would be subject to a standard range of confinement between 6-12 months in jail and 51-60 months in prison. An increase in the ADP for two prison beds is anticipated.

**21. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**22. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**23. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**24. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**25. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**26. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Community Corrections**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,151.8	255,615	260,207
2013-15 Maintenance Level	1,124.6	263,415	268,096
<b>Policy Other Changes:</b>			
1. Sex Offender Risk Assessment	2.0	0	236
2. Residential DOSA	0.0	4,106	4,106
3. Drug Treatment Fund Shift	0.0	-4,106	0
4. Offender Housing Voucher Program	0.8	0	107
5. Program Underexpenditures	0.0	-2,223	-2,223
Policy -- Other Total	2.8	-2,223	2,226
<b>Policy Comp Changes:</b>			
6. New Step M for Classified-Yr 1 Impl	0.0	1,962	1,968
7. New Step M for Classified-Yr 2 Impl	0.0	114	114
8. State Employee Health Insurance	0.0	-363	-364
9. Coll. Bargained Personal Leave Day	0.0	12	12
10. Wellness - Smoker Surcharge	0.0	-54	-54
11. PEBB - Coverage Waiver Surcharge	0.0	-322	-323
Policy -- Comp Total	0.0	1,349	1,353
Total Policy Changes	2.8	-874	3,579
Total 2013-15 Biennium	1,127.3	262,541	271,675
Difference from 2011-13	-24.5	6,926	11,468
% Change from 2011-13	-2.1%	2.7%	4.4%

*Comments:*

**1. Sex Offender Risk Assessment** - Funding is provided to expand the use of the Static 99 actuarial sex offender assessment tool to improve the diagnosis and treatment of offenders convicted of sex crimes. Sex offenders will be assessed at the time of intake and the additional information will be used in the classification process, and for placement and programming decisions. (County Criminal Justice Assistance Account - State)

**2. Residential DOSA** - Funding is provided to expand the Drug Offender Sentencing Alternative (DOSA) program to 220 residential beds. This program is provided as a community alternative by the courts for otherwise prison bound offenders who are in need of chemical dependency treatment and supervision. In FY 2013, the program was funded for 145 beds, but the courts have over-utilized this program by as much as 200 beds. This expansion will reduce the forecasted average daily population for prison beds by 197 in fiscal year 2014 and by 272 in fiscal year 2015, thereby reducing the need for the DOC to open or build additional housing units.

**3. Drug Treatment Fund Shift** - Excess funds from the Ignition Interlock Device account and the County Criminal Justice Assistance account will be used one-time to support drug treatment provided through the Drug Offender Sentencing Alternative (DOSA) residential program for offenders on community supervision. In 2012, there were 4,975 offenders who were admitted to this 95-day evidence-based residential program. Use of these excess funds does not impact or alter amounts distributed to the counties by the State Treasurer or Washington State Patrol appropriated levels in the County Criminal Justice Assistance account. (County Criminal Justice Assistance Account-State, Ignition Interlock Device Revolving Account-State)

## 2013-15 Omnibus Operating Budget

### Department of Corrections

### Community Corrections

**4. Offender Housing Voucher Program** - The DOC is required to maintain a list of approved offender housing providers pursuant to Engrossed Senate Bill 5105 (rental vouchers for offenders). When a new housing provider or location is added to the list, the DOC must give notice to the local jurisdictions and collaboratively develop a community impact statement with the local county and city governments. If the local government determines that the housing is in a neighborhood with an existing concentration of special-needs housing, they may request the housing provider be removed from the list. The DOC is provided one Community Corrections Specialist in the first year to develop a process and rules for approving housing providers and standardizing a community impact review. For ongoing oversight of the housing approval process, DOC is provided a 0.5 FTE. Approximately 24 offenders per year will remain in prison up to 60 days longer than they would have otherwise due to delays from housing options that are not approved, thereby increasing the need for prison capacity by four additional beds. (County Criminal Justice Assistance Account-State)

**5. Program Underexpenditures** - One-time savings is achieved by aligning funding levels for offender programming to more closely reflect expected 2013-15 biennial spending levels. The 2012 Supplemental Appropriations Act required the Department of Corrections (DOC) to implement an evidence-based Risk Needs Responsivity (RNR) model. In conjunction with this effort, the DOC is revamping the way programming is provided to offenders in prisons and in community supervision. This includes phasing-out several programs and replacing them with programs considered to be more effective and that follow the RNR model. The RNR model requires programming interventions to be dynamic and directly linked to criminal behavior. Upon full implementation, programming will be targeted so that offenders that are at a higher risk to reoffend are provided with more intensive and extensive services.

**6. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**9. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full-time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Correctional Industries**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	6.3	4,944	4,944
2013-15 Maintenance Level	6.0	6,966	6,966
<b>Policy Comp Changes:</b>			
1. State Employee Health Insurance	0.0	-2	-2
2. PEBB - Coverage Waiver Surcharge	0.0	-2	-2
Policy -- Comp Total	0.0	-4	-4
<b>Policy Transfer Changes:</b>			
3. McNeil Island Stewardship	36.5	7,000	7,000
Policy -- Transfer Total	36.5	7,000	7,000
Total Policy Changes	36.5	6,996	6,996
Total 2013-15 Biennium	42.5	13,962	13,962
Difference from 2011-13	36.3	9,018	9,018
% Change from 2011-13	580.0%	182.4%	182.4%

*Comments:*

**1. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**3. McNeil Island Stewardship** - Funding is provided for Correctional Industries (CI) to manage stewardship of McNeil Island. Prior to the April 2011 closure of the McNeil Island prison, marine operations, waste water treatment, water treatment, road maintenance, and general island maintenance were the responsibility of DOC. These tasks will revert to DOC as part of correctional industries, utilizing and providing job skills to offenders who are on community supervision or nearing the end of their sentence and preparing to enter local communities. In addition, the DOC shall utilize the CI workforce to provide the minimum maintenance and preservation necessary to remain in compliance with the federal deed for McNeil Island. Fire department and security functions will remain with the Special Commitment Center.

**2013-15 Omnibus Operating Budget**  
**Department of Corrections**  
**Interagency Payments**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	63,498	63,498
2013-15 Maintenance Level	0.0	69,790	69,790
<b>Policy Other Changes:</b>			
1. Move OMNI off Mainframe	0.0	-3,061	-3,061
2. Attorney General Legal Services	0.0	-87	-87
3. CTS Central Services	0.0	1,249	1,249
4. DES Central Services	0.0	-431	-431
Policy -- Other Total	0.0	-2,330	-2,330
Total Policy Changes	0.0	-2,330	-2,330
Total 2013-15 Biennium	0.0	67,460	67,460
Difference from 2011-13	0.0	3,962	3,962
% Change from 2011-13	0.0%	6.2%	6.2%

*Comments:*

**1. Move OMNI off Mainframe** - The Offender Management Network Information (OMNI) system has been running on an expensive Mainframe architecture with limited disaster recovery capabilities. OMNI stores offender data such as sentence data, supervision requirements, movements and locations, and case notes including disciplinary actions. The system is used for classification purposes, criminal history, and incident reporting. DOC will use a phased strategy to move OMNI off of the Mainframe into DOC's virtual server environment and build out an enterprise class disaster recovery capability. Savings are a net of reduced costs and new investments in equipment and licenses.

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Services for the Blind**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	75.0	4,290	25,466
2013-15 Maintenance Level	75.0	4,419	25,703
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	15	80
2. DES Central Services	0.0	-2	-10
3. Increase Vocational Rehabilitation	5.0	0	1,656
Policy -- Other Total	5.0	13	1,726
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	12	92
5. New Step M for Classified-Yr 2 Impl	0.0	4	17
6. State Employee Health Insurance	0.0	-4	-24
7. Wellness - Smoker Surcharge	0.0	-1	-4
8. PEBB - Coverage Waiver Surcharge	0.0	-4	-22
Policy -- Comp Total	0.0	7	59
Total Policy Changes	5.0	20	1,785
Total 2013-15 Biennium	80.0	4,439	27,488
Difference from 2011-13	5.0	149	2,022
% Change from 2011-13	6.7%	3.5%	7.9%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Increase Vocational Rehabilitation** - The department leverages excess federal grant capacity to provide direct services and client supports, such as education, training, adaptive devices, and to hire additional staff. Additional funding will lower the counselor caseload and allow the department to reach 165 more clients per year (it currently serves 1,316 clients). Lower caseloads increase successful rehabilitation rates and reduce the time it takes for clients to obtain services and become active in the job market. (General Fund-Federal, General Fund-Private/Local)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Dept of Services for the Blind**

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Student Achievement Council

(Dollars in Thousands)

	Striking Amd 2ESSB 5034 June 27		
	FTEs	NGF-P	Total
2011-13 Estimated Expenditures	48.2	325,468	345,430
2013-15 Maintenance Level	101.9	666,080	707,652
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-6	-10
2. College Bound Admin Funding	2.0	476	476
3. College Bound Scholarship Funding	0.0	36,036	36,036
4. Re-suspend Future Teachers Schol	0.0	-2,000	-2,000
5. Re-suspend Health Prof Scholarship	0.0	-7,650	-7,650
6. Re-suspend Small Grant Program	0.0	-1,032	-1,032
7. Re-suspend WA Scholars and WAVE	0.0	-8,422	-8,422
Policy -- Other Total	2.0	17,402	17,398
<b>Policy Comp Changes:</b>			
8. New Step M for Classified-Yr 2 Impl	0.0	5	6
9. State Employee Health Insurance	0.0	-15	-32
10. Wellness - Smoker Surcharge	0.0	-2	-5
11. PEBB - Coverage Waiver Surcharge	0.0	-13	-29
Policy -- Comp Total	0.0	-25	-60
Total Policy Changes	2.0	17,377	17,338
Total 2013-15 Biennium	103.9	683,457	724,990
Difference from 2011-13	55.7	357,989	379,560
% Change from 2011-13	115.6%	110.0%	109.9%

**Comments:**

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. College Bound Admin Funding** - In August 2008, Washington was awarded a federal College Access Challenge Grant (CACG). Some of those funds have been used for the College Bound Scholarship (CBS) program administration as the program has grown. Washington is no longer receiving CACG funding. Funding is provided to cover that portion of administrative costs no longer funded by the federal CACG grant.

**3. College Bound Scholarship Funding** - In 2007 the Legislature appropriated \$7.4 million to fund scholarships for eligible students in the College Bound Scholarship (CBS) program. The funds were used to purchase Guaranteed Education Tuition program units that are now worth over \$12.1 million as of July 2012. The first CBS cohort will begin receiving these funds in fall 2012. The initial \$7.4 million investment was designed to pay for initial CBS payouts. This item provides additional funding to cover CBS payouts for the 2013-15 biennium. (Education Legacy Trust Account-State)

**4. Re-suspend Future Teachers Schol** - Savings are achieved as a result of continuing the suspension of the Future Teachers Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

**5. Re-suspend Health Prof Scholarship** - Savings are achieved as a result of continuing the suspension of the Health Professionals Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

## 2013-15 Omnibus Operating Budget Student Achievement Council

**6. Re-suspend Small Grant Program** - Savings are achieved as a result of continuing the suspension of small grant programs that was implemented in the 2011-13 biennium for the 2013-15 biennium, including the Community Scholarship Matching Grant program, Western Interstate Commission for Higher Education student exchange, and state contributions to the Foster Care Endowed Scholarship Trust Fund.

**7. Re-suspend WA Scholars and WAVE** - Savings are achieved as a result of continuing the suspension of the Washington Scholars and Washington Award for Vocational Excellence Programs that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

**8. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**9. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Student Achievement Council**  
**Policy & Research Coordination**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	21.0	4,934	7,310
2013-15 Maintenance Level	42.0	10,177	14,997
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-6	-6
2. College Bound Admin Funding	2.0	476	476
Policy -- Other Total	2.0	470	470
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 2 Impl	0.0	3	3
4. State Employee Health Insurance	0.0	-12	-14
5. Wellness - Smoker Surcharge	0.0	-2	-2
6. PEBB - Coverage Waiver Surcharge	0.0	-11	-12
Policy -- Comp Total	0.0	-22	-25
Total Policy Changes	2.0	448	445
Total 2013-15 Biennium	44.0	10,625	15,442
Difference from 2011-13	23.0	5,691	8,132
% Change from 2011-13	109.5%	115.3%	111.2%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. College Bound Admin Funding** - In August 2008, Washington was awarded a federal College Access Challenge Grant (CACG). Some of those funds have been used for the College Bound Scholarship (CBS) program administration as the program has grown. Washington is no longer receiving CACG funding. Funding is provided to cover that portion of administrative costs no longer funded by the federal CACG grant.

**3. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Student Achievement Council**  
**Policy & Research Coordination**

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Student Achievement Council**  
**Student Financial Assistance**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	27.2	320,534	338,120
2013-15 Maintenance Level	59.9	655,903	692,655
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	0	-4
2. College Bound Scholarship Funding	0.0	36,036	36,036
3. Re-suspend Future Teachers Schol	0.0	-2,000	-2,000
4. Re-suspend Health Prof Scholarship	0.0	-7,650	-7,650
5. Re-suspend Small Grant Program	0.0	-1,032	-1,032
6. Re-suspend WA Scholars and WAVE	0.0	-8,422	-8,422
Policy -- Other Total	0.0	16,932	16,928
<b>Policy Comp Changes:</b>			
7. New Step M for Classified-Yr 2 Impl	0.0	2	3
8. State Employee Health Insurance	0.0	-3	-18
9. Wellness - Smoker Surcharge	0.0	0	-3
10. PEBB - Coverage Waiver Surcharge	0.0	-2	-17
Policy -- Comp Total	0.0	-3	-35
Total Policy Changes	0.0	16,929	16,893
Total 2013-15 Biennium	59.9	672,832	709,548
Difference from 2011-13	32.7	352,298	371,428
% Change from 2011-13	120.2%	109.9%	109.9%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. College Bound Scholarship Funding** - In 2007 the Legislature appropriated \$7.4 million to fund scholarships for eligible students in the College Bound Scholarship (CBS) program. The funds were used to purchase Guaranteed Education Tuition program units that are now worth over \$12.1 million as of July 2012. The first CBS cohort will begin receiving these funds in fall 2012. The initial \$7.4 million investment was designed to pay for initial CBS payouts. This item provides additional funding to cover CBS payouts for the 2013-15 biennium. (Education Legacy Trust Account-State)

**3. Re-suspend Future Teachers Schol** - Savings are achieved as a result of continuing the suspension of the Future Teachers Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

**4. Re-suspend Health Prof Scholarship** - Savings are achieved as a result of continuing the suspension of the Health Professionals Conditional Scholarship Program that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

**5. Re-suspend Small Grant Program** - Savings are achieved as a result of continuing the suspension of small grant programs that was implemented in the 2011-13 biennium for the 2013-15 biennium, including the Community Scholarship Matching Grant program, Western Interstate Commission for Higher Education student exchange, and state contributions to the Foster Care Endowed Scholarship Trust Fund.

**2013-15 Omnibus Operating Budget**  
**Student Achievement Council**  
**Student Financial Assistance**

**6. Re-suspend WA Scholars and WAVE** - Savings are achieved as a result of continuing the suspension of the Washington Scholars and Washington Award for Vocational Excellence Programs that was implemented in the 2011-13 biennium for the 2013-15 biennium. Those students who received awards in previous years will maintain those awards until they complete their programs.

**7. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

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**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget LEOFF 2 Retirement Board

(Dollars in Thousands)

	Striking Amd 2ESSB 5034 June 27		
	FTEs	NGF-P	Total
2011-13 Estimated Expenditures	6.0	0	2,044
2013-15 Maintenance Level	6.0	0	2,075
<b>Policy Other Changes:</b>			
1. Ombudsman Service Program	1.0	0	178
Policy -- Other Total	1.0	0	178
<b>Policy Comp Changes:</b>			
2. State Employee Health Insurance	0.0	0	-2
3. PEBB - Coverage Waiver Surcharge	0.0	0	-2
Policy -- Comp Total	0.0	0	-4
Total Policy Changes	1.0	0	174
Total 2013-15 Biennium	7.0	0	2,249
Difference from 2011-13	1.0	0	205
% Change from 2011-13	16.7%	0.0%	10.0%

*Comments:*

**1. Ombudsman Service Program** - Funding is provided for an Ombudsman Services Program to provide information, advice and assistance to members and survivors in identifying and obtaining the federal, state, local, private, and other benefits and services for which they qualify. (Law Enforcement Officers' and Firefighters Retirement System Plan 2 Expense Account-State)

**2. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**3. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Higher Education Coordinating Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	47.1	292,480	310,818
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-47.1	-292,480	-310,818
% Change from 2011-13	-100.0%	-100.0%	-100.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Higher Education Coordinating Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	20.9	1,041	3,017
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-20.9	-1,041	-3,017
% Change from 2011-13	-100.0%	-100.0%	-100.0%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Higher Education Coordinating Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	26.2	291,439	307,801
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	-26.2	-291,439	-307,801
% Change from 2011-13	-100.0%	-100.0%	-100.0%

*Comments:*

**2013-15 Omnibus Operating Budget****Public Schools**

(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	271.8	13,647,219	15,620,413
2013-15 Maintenance Level	279.0	14,560,472	16,448,733
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-15	-15
2. Administrative Hearings	0.0	13	13
3. CTS Central Services	0.0	114	114
4. DES Central Services	0.0	-84	-84
5. Suspend National Board Inflation	0.0	-3,006	-3,006
6. Reduce Early Elementary Class Size	0.0	103,595	103,595
7. Charter Schools (Initiative 1240)	2.3	584	584
8. Audit Workload Increase	1.0	0	200
9. Levy Equalization	0.0	8,298	8,298
10. Longitudinal Data System	4.5	1,174	1,174
11. Expand Full Day Kindergarten	0.0	89,824	89,824
12. Increase Pupil Transportation	0.0	131,681	131,681
13. Remove Hold Harmless	0.0	-24,717	-24,717
14. Materials, Supplies, & Op. Costs	0.0	373,958	373,958
15. ALE Audit Recoveries	0.0	-11,052	-11,052
16. Assessment Reforms	0.0	-24,961	-24,961
17. Kindergarten Readiness WaKIDS	0.0	712	712
18. Dropout Prevention and Retention	0.0	1,056	1,056
19. Financial Education Partnership	0.0	200	200
20. Increase Instructional Hours	0.0	96,973	96,973
21. Troubled Youth in Schools	0.4	138	138
22. State-Tribal Ed Compact	0.1	82	82
23. Computer Science Education	0.1	124	124
24. Cardiac Arrest	0.0	27	27
25. Dropout Prevention - Farming	0.0	208	208
26. Teacher & Principal Eval Training	0.0	15,000	15,000
27. School Pilot Program Data & Study	0.0	50	50
28. Parent Engagement Coordinator	0.0	11,874	11,874
29. Guidance Counselor	0.0	12,183	12,183
30. Bilingual Instruction	0.0	18,863	18,863
31. Navigation 101	0.0	-5,030	-5,030
32. Washington Innovation Schools	0.0	20	20
33. Career & Technical Education Grants	0.0	400	400
34. Non-Violence Leadership Training	0.0	170	170
35. PASS Act Program	0.0	-3,000	-3,000
36. Funding Adjustment	0.0	100	100
37. Washington Achievers Scholars	0.0	2,400	2,400
38. Regional Ed. Tech. Support Centers	0.0	-1,960	-1,960
39. Mobius Science Center	0.0	200	200
40. High School Acceleration	0.7	2,171	2,171
41. Persistently Lowest-Achieving Sch.	0.0	10,281	10,281
42. Alternative Learning Experience	0.0	-1,620	-1,620
43. Learning Assistance Program (LAP)	0.0	143,072	143,072
44. Re-Suspend Alternative Routes	0.0	-4,244	-4,244

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
(Dollars in Thousands)

		Striking Amd 2ESSB 5034 June 27		
		FTEs	NGF-P	Total
45.	Consolidate Grants & Programs	0.0	-6,469	-6,469
46.	Improved Student Outcomes (SB5946)	0.0	4,434	4,434
47.	School Nurses	0.0	50	50
Policy -- Other Total		9.1	943,871	944,071
Policy Comp Changes:				
48.	Suspend I-732 COLA	0.0	-295,467	-295,467
49.	New Step M for Classified-Yr 1 Impl	0.0	108	196
50.	New Step M for Classified-Yr 2 Impl	0.0	4	8
51.	State Employee Health Insurance	0.0	-44	-94
52.	Wellness - Smoker Surcharge	0.0	-10	-18
53.	PEBB - Coverage Waiver Surcharge	0.0	-57	-102
Policy -- Comp Total		0.0	-295,466	-295,477
Total Policy Changes		9.1	648,405	648,594
Total 2013-15 Biennium		288.0	15,208,877	17,097,327
Difference from 2011-13		16.2	1,561,658	1,476,914
% Change from 2011-13		6.0%	11.4%	9.5%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Suspend National Board Inflation** - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,489. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

**6. Reduce Early Elementary Class Size** - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations for high-poverty schools provided in School Years 2013-14 and 2014-15 reduce class size for grades kindergarten through first from 24.10 full-time equivalent students (FTEs) per-teacher to 20.85 students-per-teacher in the 2013-14 school year and to 20.30 students-per-teacher in the 2014-15 school year. As of the 2014-15 school year, allocations for class sizes below 24.10 will be contingent on, and proportional to, the school's documented average class size.

**7. Charter Schools (Initiative 1240)** - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to 40 publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.



## 2013-15 Omnibus Operating Budget Public Schools

**8. Audit Workload Increase** - One-time funding is provided to the Office of the Superintendent of Public Instruction to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (ESHB 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audit Account)

**9. Levy Equalization** - The 2013-15 biennial budget: increases state funding allocations for materials, supplies, and operating costs; grades K-1 class-size reductions in high-poverty schools; full-day kindergarten in high-poverty schools; guidance counselors and parent engagement coordinators; the Learning Assistance Program; the Transitional Bilingual program; and the pupil transportation program. Increased funding expands the levy base, which results in increased school district local-levy capacity as well as state payments for Local Effort Assistance (LEA). Amounts appropriated for LEA include funding sufficient for LEA distributions from the levy base as defined in RCW 84.52.0531 (3) (5).

**10. Longitudinal Data System** - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, the Office of the Superintendent of Public Instruction was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding is provided for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

**11. Expand Full Day Kindergarten** - Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012-13 school year to 43.75 percent of kindergarten enrollment in the 2013-14 and 2014-15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program.

**12. Increase Pupil Transportation** - Funding is provided to continue implementation of the new pupil transportation funding formula. Funds in the amount of \$42.8 million for the 2013-14 school year provide 40 percent of the enhancement needed for full funding. As of the 2014-15 school year, the budget provides 100 percent of funding necessary to fully complete phase-in of the state's new pupil-transportation funding formula as provided in Chapter 548, Laws of 2009 (ESHB 2261). Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations.

**13. Remove Hold Harmless** - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless amounts by the following basic education funding changes: (1) increasing the funding allocations for implementing the targets provided in statute, (2) providing additional allocations in the Learning Assistance Program and the Transitional Bilingual Program, and (3) providing additional allocations to fund an increase in 7th through 12th grade instructional hours.

**14. Materials, Supplies, & Op. Costs** - Allocations for Materials, Supplies, & Operating Costs (MSOC) are increased from a maintenance level of \$562.88 per full-time equivalent student in the 2013-14 school year to \$737.02 per full-time equivalent student. In the 2014-15 school year, MSOC allocations are increased to \$781.72. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2013-14 school year achieves 37 percent of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values. The allocation in the 2014-15 school year achieves 44 percent of the additional MSOC funding necessary. (Education Legacy Trust Account-State)

**15. ALE Audit Recoveries** - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. A one-time adjustment for audit recoveries is assumed based on the scope and size of the audit findings, adjusted by the historical ratio of SAO audit findings to the Office of the Superintendent of Public Instruction audit resolution recoveries for the ALE programs. (Performance Audits of Government Account-State)

**16. Assessment Reforms** - Savings are assumed from changes to the statewide required student assessments. The changes to assessments include: replacement of high school reading and writing exams with a single English language arts exam; and, utilization of the Smarter Balance test bank. Collection of Evidence grading is maintained at the Education Service Districts.

## 2013-15 Omnibus Operating Budget Public Schools

**17. Kindergarten Readiness WaKIDS** - Funding is provided for continued implementation of the Washington Kindergarten Inventory and Developing Skills (WaKIDS) program. With an increase in state-funded full-day kindergarten, more teachers will be trained in WaKIDS.

**18. Dropout Prevention and Retention** - The Building Bridges and Jobs for America's Graduates (JAG) programs are consolidated into a single dropout prevention and retention program and are enhanced in total by \$1,056,000.

**19. Financial Education Partnership** - Funding is provided for the financial literacy public-private partnership for fiscal years 2014 and 2015 to promote the financial literacy of students. Funding for the partnership was previously funded by a private grant. The grant is scheduled to expire at the end of the 2013 fiscal year. The general fund-state appropriation is provided to replace the grant funds previously used to support the partnership.

**20. Increase Instructional Hours** - An increase in instructional hours is funded for grades seven through 12. As of the 2014-15 school year, funding allocations for an additional 2.2222 hours of instruction per week is provided, increasing the total required instruction for each of grades seven through 12 to 1,080 hours per year.

**21. Troubled Youth in Schools** - Funds are provided to implement Chapter 197, Laws of 2013 (ESHB 1336, troubled youth in schools). The bill adds educator training requirements and school planning requirements regarding youth emotional and behavioral distress, including suicide screening and referral. The bill also establishes a temporary task force to identify best practices for school districts to develop partnerships with community agencies to support youth in need.

**22. State-Tribal Ed Compact** - Funds are provided to implement Chapter 242, Laws of 2013 (E2SHB 1134, state-tribal education compacts). One-time funding in the amount of \$53,000 is provided for reprogramming of the apportionment system. Additional funds are provided for the Office of the Superintendent of Public Instruction to adopt rules for the state-tribal education compacts and to administer the compact school application process.

**23. Computer Science Education** - Funding is provided to implement Chapter 241, Laws of 2013 (SHB 1472, computer science education). Funding is for computer science education grants to improve and expand access to computer science education. In addition, \$12,000 per year is provided for administrative support.

**24. Cardiac Arrest** - Funding is provided for the implementation of Chapter 181, 2013 Laws (SHB 1556, cardiac arrest/high school). The bill requires the Office of the Superintendent of Public Instruction, in consultation with others, to develop guidelines for medical emergency response and automated external defibrillator programs for high schools. School districts with high schools are required to offer instruction in cardiopulmonary resuscitation (CPR). CPR is added to the instructional requirements in health classes necessary for graduation.

**25. Dropout Prevention - Farming** - Funds are provided for a dropout-prevention program that incorporates partnerships between community-based organizations, schools, food banks, and farms or gardens. The OSPI must partner with an organization that runs an existing similar program. The OSPI may use up to \$10,000 of this amount for administration.

**26. Teacher & Principal Eval Training** - Chapter 35, Laws of 2012 implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for a professional development program for teachers, including a comprehensive on-line training package. The training base-budget funding is enhanced by \$10 million in FY 2014 and \$5 million in FY 2015. The FY 2015 amount is ongoing.

**27. School Pilot Program Data & Study** - Funds are provided to support the collection of data that will be used in measuring the outcomes of several pilot projects funded by the Legislature in recent years.

**28. Parent Engagement Coordinator** - The budget increases funding for parent engagement coordinators in elementary schools by 0.083 staff units per prototypical school.

**29. Guidance Counselor** - The budget increases funding for guidance counselors in middle and high schools by 0.1 staff units per prototypical school.

**30. Bilingual Instruction** - Funding is provided to add instructional hours for up to two years per-student to assist students who have met English proficiency standards. In school year 2013-14, 3.0 hours of additional instruction per week are provided for students who exited the program in the immediate prior year. In school year 2014-15, 3.0 hours of additional instruction are provided for students who exited the program in the immediate prior two years.

## 2013-15 Omnibus Operating Budget Public Schools

**31. Navigation 101** - Navigation 101 is part of a comprehensive school guidance and counseling program in Washington state. The purpose of Navigation 101 is to help students make choices for college and career readiness in the areas of course selection, goal setting, career planning, and postsecondary options, including financial aid. Funding for the Navigation 101 grants is eliminated. Funding for 2.5 FTEs at the Office of the Superintendent is maintained to support the curriculum where districts elect to continue to utilize the program using other funding sources.

**32. Washington Innovation Schools** - The Washington Innovation Schools program, created in 2011 under Chapter 202, Laws of 2011 (HB 1521), directed the Office of the Superintendent of Public Instruction (OSPI) to identify and designate Washington Innovation Schools utilizing selection criteria developed by OSPI. Funding is provided for OSPI to convene a committee in FY 2014 and FY 2015 to select and recognize Washington Innovation schools using the existing selection criteria to identify additional innovative schools.

**33. Career & Technical Education Grants** - Funding is increased for secondary career and technical education grants.

**34. Non-Violence Leadership Training** - Funding is provided to expand the nonviolence and leadership training program, provided by the institute for community leadership, to a statewide program.

**35. PASS Act Program** - The PASS Act program is eliminated. The PASS Act supports several dropout prevention and retention programs including Building Bridges and Jobs for America's Graduates (JAG). The base funding for Building Bridges and JAG is consolidated and enhanced in a separate budget step.

**36. Funding Adjustment** - Funding allocations for the Office of the Superintendent of Public Instruction are increased on a one-time basis to support Washington's Teach of the Year.

**37. Washington Achievers Scholars** - The Washington Achievers Scholars program is expanded to increase the number of school districts in which the program is provided.

**38. Regional Ed. Tech. Support Centers** - Funding is eliminated for the Regional Education Technical Support Centers at the Educational Service Districts

**39. Mobius Science Center** - The Mobius Science Center provides mobile outreach to provide hands-on science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

**40. High School Acceleration** - Funding is provided for Chapter 184, Laws of 2013 (2SHB 1642, high-school academic acceleration). The bill encourages school boards to adopt a academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; and notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

**41. Persistently Lowest-Achieving Sch.** - Funding is provided for Chapter 159, Laws of 2013 (E2SSB 5329, transforming persistently-failing schools). Funding is sufficient to provide grants to school districts identified as persistently lowest-achieving, and having been listed by the Office of the Superintendent of Public Instruction (OSPI) as a Required Action District (RAD). Grant sizes provide to the RAD is determined by the OSPI. Funds are also provided for staffing at OSPI for the implementation and continued administration of the program.

**42. Alternative Learning Experience** - In response to recent state audit findings, the state established new definitions and program guidance for funding Alternative Learning Experience (ALE) programs. Funding for ALE is based on the statewide ninth- through twelfth-grade Basic Education Allocation rate.

**43. Learning Assistance Program (LAP)** - Funding is provided to increase the number of instructional hours provided for the Learning Assistance program from 1.5156 hours per week per full-time-equivalent (FTE) student to 2.3975 hours per-week per-FTE student.

## 2013-15 Omnibus Operating Budget Public Schools

**44. Re-Suspend Alternative Routes** - Alternative certification routes are teacher-training programs that serve as different options to traditional teacher preparation programs. Funding in the amount of \$4.224 million is suspended for the 2013-15 biennium, with a resulting funding level of \$500,000.

**45. Consolidate Grants & Programs** - The Readiness to Learn program is consolidated into the Learning Assistance Program (LAP), consistent with revisions to the LAP program to authorize funds to be used for the purpose.

**46. Improved Student Outcomes (SB5946)** - Engrossed Substitute Senate Bill 5946 (improving student outcomes) addresses early-grade reading proficiency; requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective and makes early-grade reading proficiency the first priority for LAP funds; limits the length of long-term suspensions and expulsions; establishes a beginning teacher mentoring program in statute; establishes a professional-development program for superintendent and board members; and redefines and amends the funding allocation for alternative learning programs. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues, as well as the Readiness to Learn program. Funding is provided for implementation of the bill.

**47. School Nurses** - Funding is provided to the Health Care Authority and the Office of the Superintendent of Public Instruction to develop recommendations for funding integrated school nursing and outreach services.

**48. Suspend I-732 COLA** - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, 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 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

**49. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**50. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**51. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**52. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**53. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**OSPI & Statewide Programs**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	234.3	52,476	138,057
2013-15 Maintenance Level	238.5	55,659	129,812
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-15	-15
2. Administrative Hearings	0.0	13	13
3. CTS Central Services	0.0	114	114
4. DES Central Services	0.0	-84	-84
5. Charter Schools (Initiative 1240)	2.3	584	584
6. Audit Workload Increase	1.0	0	200
7. Longitudinal Data System	4.5	1,174	1,174
8. Kindergarten Readiness WaKIDS	0.0	712	712
9. Dropout Prevention and Retention	0.0	1,056	1,056
10. Troubled Youth in Schools	0.4	138	138
11. State-Tribal Ed Compact	0.1	82	82
12. Computer Science Education	0.1	124	124
13. Cardiac Arrest	0.0	27	27
14. School Pilot Program Data & Study	0.0	50	50
15. Navigation 101	0.0	-5,030	-5,030
16. Washington Innovation Schools	0.0	20	20
17. Non-Violence Leadership Training	0.0	170	170
18. Funding Adjustment	0.0	100	100
19. Washington Achievers Scholars	0.0	2,400	2,400
20. Mobius Science Center	0.0	200	200
21. Re-Suspend Alternative Routes	0.0	-4,244	-4,244
22. School Nurses	0.0	50	50
Policy -- Other Total	8.4	-2,359	-2,159
<b>Policy Comp Changes:</b>			
23. New Step M for Classified-Yr 1 Impl	0.0	94	166
24. New Step M for Classified-Yr 2 Impl	0.0	4	8
25. State Employee Health Insurance	0.0	-45	-77
26. Wellness - Smoker Surcharge	0.0	-7	-14
27. PEBB - Coverage Waiver Surcharge	0.0	-41	-79
Policy -- Comp Total	0.0	5	4
Total Policy Changes	8.4	-2,354	-2,155
Total 2013-15 Biennium	246.9	53,305	127,657
Difference from 2011-13	12.6	829	-10,400
% Change from 2011-13	5.4%	1.6%	-7.5%

## 2013-15 Omnibus Operating Budget

### Public Schools

### OSPI & Statewide Programs

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Charter Schools (Initiative 1240)** - Voters approved Initiative 1240 in the 2012 General Election, which authorizes up to 40 publicly-funded charter schools in Washington State over a period of five years. The initiative creates additional workload requirements for the State Board of Education and the Office of the Superintendent of Public Instruction.

**6. Audit Workload Increase** - One-time funding is provided to the Office of the Superintendent of Public Instruction to accommodate an increase in audits of school districts' Alternative Learning Experience (ALE) programs. Because Chapter 34, Laws of 2011 (ESHB 2065) reformed ALE programs, OSPI and the State Auditor's Office anticipate an increase in audit findings for the 2012-13 school year. A one-time workload increase is funded for the 2013-15 biennium to address additional audit resolutions and appeals in the ALE program area. (Performance Audit Account)

**7. Longitudinal Data System** - Funding is provided to maintain and operate the K-12 Statewide Longitudinal Data System. In 2009, the Office of the Superintendent of Public Instruction was awarded a \$5.9 million, four-year federal grant to build a statewide longitudinal data system (SLDS). The federal grant ends in June 2013 and all technical systems and business processes are scheduled to be completed at that time. State funding is provided for maintenance and operation of the technical systems and business processes developed under the federal grant, including the K-12 SLDS and the Student Record Exchange system.

**8. Kindergarten Readiness WaKIDS** - Funding is provided for continued implementation of the Washington Kindergarten Inventory and Developing Skills (WaKIDS) program. With an increase in state-funded full-day kindergarten, more teachers will be trained in WaKIDS.

**9. Dropout Prevention and Retention** - The Building Bridges and Jobs for America's Graduates (JAG) programs are consolidated into a single dropout prevention and retention program and are enhanced in total by \$1,056,000.

**10. Troubled Youth in Schools** - Funds are provided to implement Chapter 197, Laws of 2013 (ESHB 1336, troubled youth in schools). The bill adds educator training requirements and school planning requirements regarding youth emotional and behavioral distress, including suicide screening and referral. The bill also establishes a temporary task force to identify best practices for school districts to develop partnerships with community agencies to support youth in need.

**11. State-Tribal Ed Compact** - Funds are provided to implement Chapter 242, Laws of 2013 (E2SHB 1134, state-tribal education compacts). One-time funding in the amount of \$53,000 is provided for reprogramming of the apportionment system. Additional funds are provided for the Office of the Superintendent of Public Instruction to adopt rules for the state-tribal education compacts and to administer the compact school application process.

**12. Computer Science Education** - Funding is provided to implement Chapter 241, Laws of 2013 (SHB 1472, computer science education). Funding is for computer science education grants to improve and expand access to computer science education. In addition, \$12,000 per year is provided for administrative support.

**13. Cardiac Arrest** - Funding is provided for the implementation of Chapter 181, 2013 Laws (SHB 1556, cardiac arrest/high school). The bill requires the Office of the Superintendent of Public Instruction, in consultation with others, to develop guidelines for medical emergency response and automated external defibrillator programs for high schools. School districts with high schools are required to offer instruction in cardiopulmonary resuscitation (CPR). CPR is added to the instructional requirements in health classes necessary for graduation.

## 2013-15 Omnibus Operating Budget

### Public Schools OSPI & Statewide Programs

**14. School Pilot Program Data & Study** - Funds are provided to support the collection of data that will be used in measuring the outcomes of several pilot projects funded by the Legislature in recent years.

**15. Navigation 101** - Navigation 101 is part of a comprehensive school guidance and counseling program in Washington state. The purpose of Navigation 101 is to help students make choices for college and career readiness in the areas of course selection, goal setting, career planning, and postsecondary options, including financial aid. Funding for the Navigation 101 grants is eliminated. Funding for 2.5 FTEs at the Office of the Superintendent is maintained to support the curriculum where districts elect to continue to utilize the program using other funding sources.

**16. Washington Innovation Schools** - The Washington Innovation Schools program, created in 2011 under Chapter 202, Laws of 2011 (HB 1521), directed the Office of the Superintendent of Public Instruction (OSPI) to identify and designate Washington Innovation Schools utilizing selection criteria developed by OSPI. Funding is provided for OSPI to convene a committee in FY 2014 and FY 2015 to select and recognize Washington Innovation schools using the existing selection criteria to identify additional innovative schools.

**17. Non-Violence Leadership Training** - Funding is provided to expand the nonviolence and leadership training program, provided by the institute for community leadership, to a statewide program.

**18. Funding Adjustment** - Funding allocations for the Office of the Superintendent of Public Instruction are increased on a one-time basis to support Washington's Teach of the Year.

**19. Washington Achievers Scholars** - The Washington Achievers Scholars program is expanded to increase the number of school districts in which the program is provided.

**20. Mobius Science Center** - The Mobius Science Center provides mobile outreach to provide hands-on science, technology, engineering, and mathematics (STEM) education to students. Funding is provided to support expansion of outreach to students in rural, tribal, and low-income communities.

**21. Re-Suspend Alternative Routes** - Alternative certification routes are teacher-training programs that serve as different options to traditional teacher preparation programs. Funding in the amount of \$4.224 million is suspended for the 2013-15 biennium, with a resulting funding level of \$500,000.

**22. School Nurses** - Funding is provided to the Health Care Authority and the Office of the Superintendent of Public Instruction to develop recommendations for funding integrated school nursing and outreach services.

**23. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**24. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**25. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**26. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**OSPI & Statewide Programs**

**27. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**General Apportionment**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	10,412,087	10,434,414
2013-15 Maintenance Level	0.0	10,727,397	10,727,397
<b>Policy Other Changes:</b>			
1. Reduce Early Elementary Class Size	0.0	90,865	90,865
2. Expand Full Day Kindergarten	0.0	88,046	88,046
3. Remove Hold Harmless	0.0	-24,717	-24,717
4. Materials, Supplies, & Op. Costs	0.0	328,563	328,563
5. ALE Audit Recoveries	0.0	-11,052	-11,052
6. Increase Instructional Hours	0.0	86,466	86,466
7. Parent Engagement Coordinator	0.0	10,517	10,517
8. Guidance Counselor	0.0	10,723	10,723
9. Alternative Learning Experience	0.0	-1,620	-1,620
Policy -- Other Total	0.0	577,791	577,791
Total Policy Changes	0.0	577,791	577,791
Total 2013-15 Biennium	0.0	11,305,188	11,305,188
Difference from 2011-13	0.0	893,101	870,774
% Change from 2011-13	0.0%	8.6%	8.4%

*Comments:*

**1. Reduce Early Elementary Class Size** - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations for high-poverty schools provided in School Years 2013-14 and 2014-15 reduce class size for grades kindergarten through first from 24.10 full-time equivalent students (FTEs) per-teacher to 20.85 students-per-teacher in the 2013-14 school year and to 20.30 students-per-teacher in the 2014-15 school year. As of the 2014-15 school year, allocations for class sizes below 24.10 will be contingent on, and proportional to, the school's documented average class size.

**2. Expand Full Day Kindergarten** - Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012-13 school year to 43.75 percent of kindergarten enrollment in the 2013-14 and 2014-15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program.

**3. Remove Hold Harmless** - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion. The 2013-15 biennial budget eliminates the need for hold harmless amounts by the following basic education funding changes: (1) increasing the funding allocations for implementing the targets provided in statute, (2) providing additional allocations in the Learning Assistance Program and the Transitional Bilingual Program, and (3) providing additional allocations to fund an increase in 7th through 12th grade instructional hours.

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**General Apportionment**

**4. Materials, Supplies, & Op. Costs** - Allocations for Materials, Supplies, & Operating Costs (MSOC) are increased from a maintenance level of \$562.88 per full-time equivalent student in the 2013-14 school year to \$737.02 per full-time equivalent student. In the 2014-15 school year, MSOC allocations are increased to \$781.72. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2013-14 school year achieves 37 percent of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values. The allocation in the 2014-15 school year achieves 44 percent of the additional MSOC funding necessary. (Education Legacy Trust Account-State)

**5. ALE Audit Recoveries** - The State Auditor's Office (SAO) recently completed 2010-11 school year audits of the Alternative Learning Experience (ALE) Program. A one-time adjustment for audit recoveries is assumed based on the scope and size of the audit findings, adjusted by the historical ratio of SAO audit findings to the Office of the Superintendent of Public Instruction audit resolution recoveries for the ALE programs. (Performance Audits of Government Account-State)

**6. Increase Instructional Hours** - An increase in instructional hours is funded for grades seven through 12. As of the 2014-15 school year, funding allocations for an additional 2.2222 hours of instruction per week is provided, increasing the total required instruction for each of grades seven through 12 to 1,080 hours per year.

**7. Parent Engagement Coordinator** - The budget increases funding for parent engagement coordinators in elementary schools by 0.083 staff units per prototypical school.

**8. Guidance Counselor** - The budget increases funding for guidance counselors in middle and high schools by 0.1 staff units per prototypical school.

**9. Alternative Learning Experience** - In response to recent state audit findings, the state established new definitions and program guidance for funding Alternative Learning Experience (ALE) programs. Funding for ALE is based on the statewide ninth- through twelfth-grade Basic Education Allocation rate.

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Pupil Transportation**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	595,885	595,885
2013-15 Maintenance Level	0.0	660,847	660,847
<b>Policy Other Changes:</b>			
1. Increase Pupil Transportation	0.0	131,681	131,681
Policy -- Other Total	0.0	131,681	131,681
Total Policy Changes	0.0	131,681	131,681
Total 2013-15 Biennium	0.0	792,528	792,528
Difference from 2011-13	0.0	196,643	196,643
% Change from 2011-13	0.0%	33.0%	33.0%

*Comments:*

**1. Increase Pupil Transportation** - Funding is provided to continue implementation of the new pupil transportation funding formula. Funds in the amount of \$42.8 million for the 2013-14 school year provide 40 percent of the enhancement needed for full funding. As of the 2014-15 school year, the budget provides 100 percent of funding necessary to fully complete phase-in of the state's new pupil-transportation funding formula as provided in Chapter 548, Laws of 2009 (ESHB 2261). Districts will receive state allocations as calculated under the Student Transportation Allocating Reporting system (STARS). The STARS uses statistical analysis of the 295 school districts to determine each district's expected cost of operations.

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**School Food Services**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	14,222	595,634
2013-15 Maintenance Level	0.0	14,222	632,560
Total 2013-15 Biennium	0.0	14,222	632,560
Difference from 2011-13	0.0	0	36,926
% Change from 2011-13	0.0%	0.0%	6.2%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Special Education**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2.0	1,328,957	1,815,879
2013-15 Maintenance Level	2.0	1,414,235	1,876,258
<b>Policy Other Changes:</b>			
1. Reduce Early Elementary Class Size	0.0	12,730	12,730
2. Expand Full Day Kindergarten	0.0	659	659
3. Materials, Supplies, & Op. Costs	0.0	45,395	45,395
4. Increase Instructional Hours	0.0	10,507	10,507
5. Parent Engagement Coordinator	0.0	1,357	1,357
6. Guidance Counselor	0.0	1,460	1,460
Policy -- Other Total	0.0	72,108	72,108
<b>Policy Comp Changes:</b>			
7. New Step M for Classified-Yr 1 Impl	0.0	0	6
8. State Employee Health Insurance	0.0	0	-7
Policy -- Comp Total	0.0	0	-1
Total Policy Changes	0.0	72,108	72,107
Total 2013-15 Biennium	2.0	1,486,343	1,948,365
Difference from 2011-13	0.0	157,386	132,486
% Change from 2011-13	0.0%	11.8%	7.3%

*Comments:*

**1. Reduce Early Elementary Class Size** - Chapter 236, Laws of 2010 (SHB 2776) established new formulas for allocating funding for a number of programs, including General Apportionment, Learning Assistance Program, Highly Capable Program, and Transitional Bilingual Program. Included in the new formulas was a reduction in class sizes for grades kindergarten through three. Allocations for high-poverty schools provided in School Years 2013-14 and 2014-15 reduce class size for grades kindergarten through first from 24.10 full-time equivalent students (FTEs) per-teacher to 20.85 students-per-teacher in the 2013-14 school year and to 20.30 students-per-teacher in the 2014-15 school year. As of the 2014-15 school year, allocations for class sizes below 24.10 will be contingent on, and proportional to, the school's documented average class size. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation.

**2. Expand Full Day Kindergarten** - Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012-13 school year to 43.75 percent of kindergarten enrollment in the 2013-14 and 2014-15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation.

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Special Education**

**3. Materials, Supplies, & Op. Costs** - Allocations for Materials, Supplies, & Operating Costs (MSOC) are increased from a maintenance level of \$562.88 per full-time equivalent student in the 2013-14 school year to \$737.02 per full-time equivalent student. In the 2014-15 school year, MSOC allocations are increased to \$781.72. The MSOC allocation required by RCW 28A.150.260(8)(b) is revised to reflect actual audited expenditures by school districts, as reported by the Office of the Superintendent of Public Instruction. The allocation in the 2013-14 school year achieves 37 percent of the additional MSOC funding necessary to meet full funding requirements under the revised MSOC values. The allocation in the 2014-15 school year achieves 44 percent of the additional MSOC funding necessary. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation. (Education Legacy Trust Account-State)

**4. Increase Instructional Hours** - An increase in instructional hours is funded for grades seven through 12. As of the 2014-15 school year, funding allocations for an additional 2.2222 hours of instruction per week is provided, increasing the total required instruction for each of grades seven through 12 to 1,080 hours per year. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation.

**5. Parent Engagement Coordinator** - The budget increases funding for parent engagement coordinators in elementary schools by 0.083 staff units per prototypical school. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation.

**6. Guidance Counselor** - The budget increases funding for guidance counselors in middle and high schools by 0.1 staff units per prototypical school. In addition to increasing districts' basic education allocation, this enhancement also increases the special education allocation because state special education allocation per-student is based on percentages of each district's basic education allocation.

**7. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**8. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Educational Service Districts**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	15,806	15,806
2013-15 Maintenance Level	0.0	16,294	16,294
Total 2013-15 Biennium	0.0	16,294	16,294
Difference from 2011-13	0.0	488	488
% Change from 2011-13	0.0%	3.1%	3.1%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Levy Equalization**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	598,934	603,334
2013-15 Maintenance Level	0.0	638,409	638,409
<b>Policy Other Changes:</b>			
1. Levy Equalization	0.0	8,298	8,298
Policy -- Other Total	0.0	8,298	8,298
Total Policy Changes	0.0	8,298	8,298
Total 2013-15 Biennium	0.0	646,707	646,707
Difference from 2011-13	0.0	47,773	43,373
% Change from 2011-13	0.0%	8.0%	7.2%

*Comments:*

**1. Levy Equalization** - The 2013-15 biennial budget: increases state funding allocations for materials, supplies, and operating costs; grades K-1 class-size reductions in high-poverty schools; full-day kindergarten in high-poverty schools; guidance counselors and parent engagement coordinators; the Learning Assistance Program; the Transitional Bilingual program; and the pupil transportation program. Increased funding expands the levy base, which results in increased school district local-levy capacity as well as state payments for Local Effort Assistance (LEA). Amounts appropriated for LEA include funding sufficient for LEA distributions from the levy base as defined in RCW 84.52.0531 (3) (5).



**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Elementary/Secondary School Improv**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		<b>Total</b>
	<b>FTEs</b>	<b>NGF-P</b>	
2011-13 Estimated Expenditures	0.0	0	6,152
2013-15 Maintenance Level	0.0	0	4,052
Total 2013-15 Biennium	0.0	0	4,052
Difference from 2011-13	0.0	0	-2,100
% Change from 2011-13	0.0%	0.0%	-34.1%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Institutional Education**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	32,561	32,561
2013-15 Maintenance Level	0.0	30,784	30,784
Total 2013-15 Biennium	0.0	30,784	30,784
Difference from 2011-13	0.0	-1,777	-1,777
% Change from 2011-13	0.0%	-5.5%	-5.5%

*Comments:*

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Ed of Highly Capable Students**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	17,533	17,533
2013-15 Maintenance Level	0.0	19,083	19,083
<b>Policy Other Changes:</b>			
1. Expand Full Day Kindergarten	0.0	149	149
Policy -- Other Total	0.0	149	149
Total Policy Changes	0.0	149	149
Total 2013-15 Biennium	0.0	19,232	19,232
Difference from 2011-13	0.0	1,699	1,699
% Change from 2011-13	0.0%	9.7%	9.7%

*Comments:*

**1. Expand Full Day Kindergarten** - Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012-13 school year to 43.75 percent of kindergarten enrollment in the 2013-14 and 2014-15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. Because the Highly Capable Program funding is based on a fixed percentage of K-12 enrollment, increasing full-day kindergarten also increases allowable funding for the Highly Capable Program.

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Education Reform**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	35.5	163,129	386,319
2013-15 Maintenance Level	38.5	234,669	444,914
<b>Policy Other Changes:</b>			
1. Suspend National Board Inflation	0.0	-3,006	-3,006
2. Assessment Reforms	0.0	-24,961	-24,961
3. Financial Education Partnership	0.0	200	200
4. Dropout Prevention - Farming	0.0	208	208
5. Teacher & Principal Eval Training	0.0	15,000	15,000
6. Career & Technical Education Grants	0.0	400	400
7. PASS Act Program	0.0	-3,000	-3,000
8. Regional Ed. Tech. Support Centers	0.0	-1,960	-1,960
9. High School Acceleration	0.7	2,171	2,171
10. Persistently Lowest-Achieving Sch.	0.0	10,281	10,281
11. Consolidate Grants & Programs	0.0	-6,469	-6,469
12. Improved Student Outcomes (SB5946)	0.0	4,434	4,434
Policy -- Other Total	0.7	-6,702	-6,702
<b>Policy Comp Changes:</b>			
13. New Step M for Classified-Yr 1 Impl	0.0	14	20
14. State Employee Health Insurance	0.0	1	-6
15. Wellness - Smoker Surcharge	0.0	-3	-4
16. PEBB - Coverage Waiver Surcharge	0.0	-16	-23
Policy -- Comp Total	0.0	-4	-13
Total Policy Changes	0.7	-6,706	-6,715
Total 2013-15 Biennium	39.2	227,963	438,199
Difference from 2011-13	3.7	64,834	51,880
% Change from 2011-13	10.3%	39.7%	13.4%

*Comments:*

**1. Suspend National Board Inflation** - The National Board Bonus program provides annual bonuses to teachers and counselors who have earned rigorous National Board certification in one or more of 25 subject areas. RCW 28A.405.415 requires the regular bonus to be adjusted for inflation, increasing the bonus from \$5,090 to \$5,489. This requirement is suspended for the 2013-15 biennium and the bonus will remain at \$5,090.

**2. Assessment Reforms** - Savings are assumed from changes to the statewide required student assessments. The changes to assessments include: replacement of high school reading and writing exams with a single English language arts exam; and, utilization of the Smarter Balance test bank. Collection of Evidence grading is maintained at the Education Service Districts.

**3. Financial Education Partnership** - Funding is provided for the financial literacy public-private partnership for fiscal years 2014 and 2015 to promote the financial literacy of students. Funding for the partnership was previously funded by a private grant. The grant is scheduled to expire at the end of the 2013 fiscal year. The general fund-state appropriation is provided to replace the grant funds previously used to support the partnership.

## 2013-15 Omnibus Operating Budget

### Public Schools

### Education Reform

**4. Dropout Prevention - Farming** - Funds are provided for a dropout-prevention program that incorporates partnerships between community-based organizations, schools, food banks, and farms or gardens. The OSPI must partner with an organization that runs an existing similar program. The OSPI may use up to \$10,000 of this amount for administration.

**5. Teacher & Principal Eval Training** - Chapter 35, Laws of 2012 implemented, statewide, the principal and teacher evaluation system begun as pilots two years previously. Funding was provided to train all administrative staff in the new system and for a professional development program for teachers, including a comprehensive on-line training package. The training base-budget funding is enhanced by \$10 million in FY 2014 and \$5 million in FY 2015. The FY 2015 amount is ongoing.

**6. Career & Technical Education Grants** - Funding is increased for secondary career and technical education grants.

**7. PASS Act Program** - The PASS Act program is eliminated. The PASS Act supports several dropout prevention and retention programs including Building Bridges and Jobs for America's Graduates (JAG). The base funding for Building Bridges and JAG is consolidated and enhanced in a separate budget step.

**8. Regional Ed. Tech. Support Centers** - Funding is eliminated for the Regional Education Technical Support Centers at the Educational Service Districts

**9. High School Acceleration** - Funding is provided for Chapter 184, Laws of 2013 (2SHB 1642, high-school academic acceleration). The bill encourages school boards to adopt a academic acceleration policy for high-school students; enroll qualifying students in the next most rigorous level of advanced courses offered by the high schools; and notify students and parents/guardians regarding the academic acceleration policy and the advanced courses available to students - from which the parents/guardians may opt out. Financial incentives are provided for the support of teacher training, curriculum, technology, examination fees and other costs associated with offering dual credit courses. One-half of the funds will be allocated to school districts based on the growth of percentage of students who earn dual high school and college credit during the prior school year. The remaining half of the funds will be allocated to school districts with high schools with dual credit enrollment in the lowest twenty-five percentage quartile, to assist with improving participation rates.

Funding is provided for OSPI's administrative work to collect the dual credit data, and for incentive grants to schools. Schools will receive awards ranging from \$1,900 to \$10,000 depending on enrollment.

**10. Persistently Lowest-Achieving Sch.** - Funding is provided for Chapter 159, Laws of 2013 (E2SSB 5329, transforming persistently-failing schools). Funding is sufficient to provide grants to school districts identified as persistently lowest-achieving, and having been listed by the Office of the Superintendent of Public Instruction (OSPI) as a Required Action District (RAD). Grant sizes provide to the RAD is determined by the OSPI. Funds are also provided for staffing at OSPI for the implementation and continued administration of the program.

**11. Consolidate Grants & Programs** - The Readiness to Learn program is consolidated into the Learning Assistance Program (LAP), consistent with revisions to the LAP program to authorize funds to be used for the purpose.

**12. Improved Student Outcomes (SB5946)** - Engrossed Substitute Senate Bill 5946 (improving student outcomes) addresses early-grade reading proficiency; requires Learning Assistance Program (LAP) funds to be used for interventions and activities which research shows to be effective and makes early-grade reading proficiency the first priority for LAP funds; limits the length of long-term suspensions and expulsions; establishes a beginning teacher mentoring program in statute; establishes a professional-development program for superintendent and board members; and redefines and amends the funding allocation for alternative learning programs. Additionally, the permissible uses of LAP funds are extended to include interventions for students with behavioral issues, as well as the Readiness to Learn program. Funding is provided for implementation of the bill.

**13. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Education Reform**

**15. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**16. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Transitional Bilingual Instruction**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	160,241	231,242
2013-15 Maintenance Level	0.0	182,757	253,772
<b>Policy Other Changes:</b>			
1. Bilingual Instruction	0.0	18,863	18,863
Policy -- Other Total	0.0	18,863	18,863
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	0	2
3. State Employee Health Insurance	0.0	0	-1
Policy -- Comp Total	0.0	0	1
Total Policy Changes	0.0	18,863	18,864
Total 2013-15 Biennium	0.0	201,620	272,636
Difference from 2011-13	0.0	41,379	41,394
% Change from 2011-13	0.0%	25.8%	17.9%

*Comments:*

**1. Bilingual Instruction** - Funding is provided to add instructional hours for up to two years per-student to assist students who have met English proficiency standards. In school year 2013-14, 3.0 hours of additional instruction per week are provided for students who exited the program in the immediate prior year. In school year 2014-15, 3.0 hours of additional instruction are provided for students who exited the program in the immediate prior two years.

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Learning Assistance Program (LAP)**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	255,388	747,595
2013-15 Maintenance Level	0.0	270,649	719,084
<b>Policy Other Changes:</b>			
1. Expand Full Day Kindergarten	0.0	970	970
2. Learning Assistance Program (LAP)	0.0	143,072	143,072
Policy -- Other Total	0.0	144,042	144,042
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 1 Impl	0.0	0	2
4. State Employee Health Insurance	0.0	0	-3
Policy -- Comp Total	0.0	0	-1
Total Policy Changes	0.0	144,042	144,041
Total 2013-15 Biennium	0.0	414,691	863,125
Difference from 2011-13	0.0	159,303	115,530
% Change from 2011-13	0.0%	62.4%	15.5%

*Comments:*

**1. Expand Full Day Kindergarten** - Allocations for statewide voluntary full-day kindergarten programs are expanded, increasing from 22.00 percent of kindergarten enrollment in the 2012-13 school year to 43.75 percent of kindergarten enrollment in the 2013-14 and 2014-15 school years. Schools receiving the state funding for full-day kindergarten will be those with the highest percentage of students eligible for the federal Free and Reduced-Price Lunch program. Because the LAP funding is based on a percentage of K-12 enrollment, increasing full-day kindergarten also increases allowable funding for LAP.

**2. Learning Assistance Program (LAP)** - Funding is provided to increase the number of instructional hours provided for the Learning Assistance program from 1.5156 hours per week per full-time-equivalent (FTE) student to 2.3975 hours per-week per-FTE student.

**3. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Public Schools**  
**Compensation Adjustments**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	0	2
2013-15 Maintenance Level	0.0	295,467	295,467
<b>Policy Comp Changes:</b>			
1. Suspend I-732 COLA	0.0	-295,467	-295,467
Policy -- Comp Total	0.0	-295,467	-295,467
Total Policy Changes	0.0	-295,467	-295,467
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	0	-2
% Change from 2011-13	0.0%	0.0%	-100.0%

*Comments:*

**1. Suspend I-732 COLA** - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, 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 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year.

**2013-15 Omnibus Operating Budget**  
**State School for the Blind**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	86.0	11,448	13,401
2013-15 Maintenance Level	86.0	11,917	13,932
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. CTS Central Services	0.0	4	4
3. DES Central Services	0.0	-5	-5
Policy -- Other Total	0.0	-2	-2
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	58	60
5. New Step M for Classified-Yr 2 Impl	0.0	1	1
6. State Employee Health Insurance	0.0	-26	-29
7. Coll. Bargained Personal Leave Day	0.0	4	4
8. Initiative 732	0.0	-88	-119
9. Wellness - Smoker Surcharge	0.0	-4	-4
10. PEBB - Coverage Waiver Surcharge	0.0	-23	-25
Policy -- Comp Total	0.0	-78	-112
Total Policy Changes	0.0	-80	-114
Total 2013-15 Biennium	86.0	11,837	13,818
Difference from 2011-13	0.0	389	417
% Change from 2011-13	0.0%	3.4%	3.1%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget State School for the Blind

**7. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days.

**8. Initiative 732** - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the prior calendar year's Seattle Consumer Price Index. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, General Fund-Private/Local)

**9. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**10. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Childhood Deafness & Hearing Loss**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	109.2	16,775	17,301
2013-15 Maintenance Level	109.2	17,343	17,911
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. CTS Central Services	0.0	4	4
3. DES Central Services	0.0	-6	-6
Policy -- Other Total	0.0	-3	-3
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	68	68
5. State Employee Health Insurance	0.0	-36	-36
6. Coll. Bargained Personal Leave Day	0.0	8	8
7. Initiative 732	0.0	-137	-137
8. Wellness - Smoker Surcharge	0.0	-5	-5
9. PEBB - Coverage Waiver Surcharge	0.0	-32	-32
Policy -- Comp Total	0.0	-134	-134
Total Policy Changes	0.0	-137	-137
Total 2013-15 Biennium	109.2	17,206	17,774
Difference from 2011-13	0.0	431	473
% Change from 2011-13	0.0%	2.6%	2.7%

*Comments:*

- 1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)
- 3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)
- 5. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)
- 6. Coll. Bargained Personal Leave Day** - Some collective bargaining agreements include a personal leave day for some employees in positions that require uninterrupted, full time coverage. This provides funding, at regular pay rates, for other employees to fill in during personal leave days.

## **2013-15 Omnibus Operating Budget Childhood Deafness & Hearing Loss**

**7. Initiative 732** - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the prior calendar year's Seattle Consumer Price Index. These cost-of-living increases are estimated at 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year.

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Workforce Trng & Educ Coord Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	20.8	2,655	65,891
2013-15 Maintenance Level	19.3	3,053	57,826
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	2	3
2. DES Central Services	0.0	-2	-4
Policy -- Other Total	0.0	0	-1
<b>Policy Comp Changes:</b>			
3. New Step M for Classified-Yr 1 Impl	0.0	18	32
4. State Employee Health Insurance	0.0	-5	-8
5. Wellness - Smoker Surcharge	0.0	-1	-2
6. PEBB - Coverage Waiver Surcharge	0.0	-5	-8
Policy -- Comp Total	0.0	7	14
Total Policy Changes	0.0	7	13
Total 2013-15 Biennium	19.3	3,060	57,839
Difference from 2011-13	-1.5	405	-8,052
% Change from 2011-13	-7.2%	15.3%	-12.2%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Archaeology & Historic Preservation**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	17.8	0	4,608
2013-15 Maintenance Level	17.8	2,530	4,681
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-2	-2
2. CTS Central Services	0.0	4	4
3. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	1	1
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	10	26
5. New Step M for Classified-Yr 2 Impl	0.0	1	1
6. State Employee Health Insurance	0.0	-3	-5
7. Wellness - Smoker Surcharge	0.0	-1	-1
8. PEBB - Coverage Waiver Surcharge	0.0	-3	-4
Policy -- Comp Total	0.0	4	17
Total Policy Changes	0.0	5	18
Total 2013-15 Biennium	17.8	2,535	4,699
Difference from 2011-13	0.0	2,535	91
% Change from 2011-13	0.0%	0.0%	2.0%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Archaeology & Historic Preservation**

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Department of Early Learning**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	222.7	130,688	412,002
2013-15 Maintenance Level	225.7	133,896	450,517
<b>Policy Other Changes:</b>			
1. Enhance Audit and QRIS Teams	7.0	0	0
2. Attorney General Legal Services	0.0	-1	-12
3. Administrative Hearings	0.0	0	3
4. CTS Central Services	0.0	9	107
5. DES Central Services	0.0	-1	-14
6. Continue EBT System Implementation	10.5	1,589	1,589
7. Continue EBT Development	0.0	721	721
8. Maintain ECEAP Slots	0.0	2,256	2,256
9. FTE Authority	10.0	0	0
10. Child Care Reform	0.2	32	32
11. Home Visiting Expansion	0.0	1,000	2,000
12. Therapeutic Child Care	0.0	1,050	1,050
13. Home Visiting Appropriation	0.0	0	1,868
14. Expand Preschool	3.2	22,391	22,391
Policy -- Other Total	30.8	29,046	31,991
<b>Policy Comp Changes:</b>			
15. New Step M for Classified-Yr 1 Impl	0.0	12	284
16. New Step M for Classified-Yr 2 Impl	0.0	0	14
17. State Employee Health Insurance	0.0	-6	-79
18. Wellness - Smoker Surcharge	0.0	-1	-12
19. PEBB - Coverage Waiver Surcharge	0.0	-5	-70
Policy -- Comp Total	0.0	0	137
Total Policy Changes	30.8	29,046	32,128
Total 2013-15 Biennium	256.5	162,942	482,645
Difference from 2011-13	33.8	32,254	70,643
% Change from 2011-13	15.2%	24.7%	17.2%

**Comments:**

**1. Enhance Audit and QRIS Teams** - Ongoing FTE authority is provided to the Department of Early Learning to increase the number of Quality Control Specialists for child care payment audits by five FTE. Funding for the child care payment audits will come from the federal Child Care and Development Fund (CCDF). Two FTEs are provided on a one-time basis, also funded from CCDF resources, for staff for the Early Achievers program, the state's voluntary Quality Rating and Improvement System (QRIS) for child care providers.

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Department of Early Learning

**4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**6. Continue EBT System Implementation** - Funding is provided for certificate of participation debt service payments for the Department of Early Learning (DEL) to proceed with the development and implementation of an electronic benefit transfer system for child care subsidy payments. This new system updates the current child care subsidy payment model. Debt service payments for this item are scheduled for seven years.

**7. Continue EBT Development** - Funding is provided on a one-time basis in FY 2014 for the Department to continue development of the electronic benefits system that was begun in FY 2013 but not completed.

**8. Maintain ECEAP Slots** - For the 2011-13 biennium, the Legislature provided funding from the federal Child Care Development Fund (CCDF) appropriation on a one-time basis to add 165 Early Childhood Education and Assistance Program (ECEAP) slots. General Fund-State funding is provided to maintain these slots on an ongoing basis.

**9. FTE Authority** - The Department is given ongoing FTE authority for five additional Quality Control Specialists for child care payment audits. Additionally, FTE authority is provided on a one-time basis for one FTE as a Special Assistant to the Director for work on the Race to the Top grant; two FTE for Home Visiting Services; one FTE for Strengthening Families Washington; and one FTE for a Grants Management Specialist. These FTEs will be funded out of CCDF and other federal grants received by the Department.

**10. Child Care Reform** - Funding is provided for implementation of Chapter 337, Laws of 2013 (2SSB 5595). Funding is provided for staff support for the legislative task force established in the legislation.

**11. Home Visiting Expansion** - Funding is provided to expand Home Visiting activities, specifically those with strong research evidence such as Nurse Family Partnerships. This funding shall be deposited into the Home Visiting Services Account. (General Fund-State, Home Visiting Services Account)

**12. Therapeutic Child Care** - An appropriation from the state general fund is provided for the Medicaid Treatment Child Care Program in FY 2014, in the event that federal funding is lost.

**13. Home Visiting Appropriation** - Pursuant to Senate Bill 5809 (home visiting services account), the Home Visiting Services Account now requires an appropriation. (General Fund-Federal, Home Visiting Services Account)

**14. Expand Preschool** - Funding is provided to expand access to the Early Childhood Education and Assistance Program (ECEAP), pursuant to RCW 43.215.142. Funding is provided for an additional 350 slots in the 2013-14 school year at \$6,812 per slot. Funding is provided for an additional 1,350 slots in the 2014-15 school year at \$7,500 per slot. Funding is also provided to increase the slot rate to \$7,500 for existing slots in the 2014-15 school year. Total ECEAP slot expansion for the 2013-15 biennium is 1,700, in the 2013-15 biennium. Funding is also increased for additional oversight by the Department.

**15. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**16. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**17. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget**

### **Department of Early Learning**

**18. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**19. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**University of Washington**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	19,961.4	421,505	5,894,276
2013-15 Maintenance Level	20,461.5	455,896	6,319,228
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-23	-45
2. DES Central Services	0.0	-26	-53
3. Clean Energy Institute	0.0	6,000	6,000
4. Ocean Acidification	0.0	0	1,820
5. Geoduck Aquaculture Research	0.0	0	300
6. Computer Science and Engineering	0.0	8,918	8,918
7. Institutional Funding	0.0	40,000	40,000
8. Forestry Program	0.0	0	450
Policy -- Other Total	0.0	54,869	57,390
<b>Policy Comp Changes:</b>			
9. State Employee Health Insurance	0.0	-2,292	-8,632
10. Wellness - Smoker Surcharge	0.0	-340	-1,280
11. PEBB - Coverage Waiver Surcharge	0.0	-2,038	-7,673
Policy -- Comp Total	0.0	-4,670	-17,585
Total Policy Changes	0.0	50,199	39,805
Total 2013-15 Biennium	20,461.5	506,095	6,359,033
Difference from 2011-13	500.1	84,590	464,757
% Change from 2011-13	2.5%	20.1%	7.9%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Clean Energy Institute** - The University of Washington is directed to create a Clean Energy Institute. The institute will integrate physical sciences and engineering with a research focus on energy storage and solar energy. Funding is provided to create the Institute, hire research and teaching staff, and to provide the computing resources necessary for research and modeling. (General Fund-State)

**4. Ocean Acidification** - The Center on Ocean Acidification is established to coordinate and conduct research to understand, monitor, and adapt to increasingly acidic waters. Specific work includes maintaining water quality monitoring at shellfish hatcheries; increasing water quality and biological monitoring to measure trends in acidification; developing a model to forecast corrosive conditions; conducting research on the impacts of ocean acidification on Washington's species and research on commercial scale water treatment methods; and undertaking hatchery design improvements to protect larvae from corrosive seawater. (State Toxics Control Account-State, Aquatic Lands Enhancement Account-State)

**5. Geoduck Aquaculture Research** - Funds are provided for the University of Washington sea grant program to conduct research studies to examine possible negative and positive effects, including the cumulative effects and the economic contribution, of evolving shellfish aquaculture techniques and practices on Washington's economy and marine ecosystem. (Geoduck Aquaculture Research Account-State)

## 2013-15 Omnibus Operating Budget University of Washington

**6. Computer Science and Engineering** - Funds are provided for the expansion of computer science and engineering enrollments.

**7. Institutional Funding** - Funds are provided for additional institutional support.

**8. Forestry Program** - The University of Washington may use tuition resources to a) form and implement an Integrated Innovation Institute and research, planning, and outreach initiatives at the Olympic National Resources Center; and b) accredit a four-year undergraduate forestry program from the Society of American Foresters. Accreditation may occur in conjunction with reaccreditation of the Master of Forest Resources program. (Institutions of Higher Education-Operating Fees Account-Nonappropriated)

**9. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington State University**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	5,865.3	301,223	1,230,003
2013-15 Maintenance Level	6,072.1	323,155	1,378,601
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-9	-18
2. DES Central Services	0.0	-20	-41
3. Computer Science and Engineering	0.0	5,713	5,713
4. Ruckelshaus Center Study	0.0	25	25
5. Institutional Funding	0.0	15,000	15,000
6. Forestry Program	0.0	0	450
7. Medical Educ. & Biomedical Research	25.5	6,000	7,482
8. Wildlife Conflict Research	0.0	600	600
Policy -- Other Total	25.5	27,309	29,211
<b>Policy Comp Changes:</b>			
9. New Step M for Classified-Yr 1 Impl	0.0	256	288
10. New Step M for Classified-Yr 2 Impl	0.0	11	12
11. State Employee Health Insurance	0.0	-1,188	-1,587
12. Wellness - Smoker Surcharge	0.0	-176	-235
13. PEBB - Coverage Waiver Surcharge	0.0	-1,055	-1,410
Policy -- Comp Total	0.0	-2,152	-2,932
Total Policy Changes	25.5	25,157	26,279
Total 2013-15 Biennium	6,097.6	348,312	1,404,880
Difference from 2011-13	232.4	47,089	174,877
% Change from 2011-13	4.0%	15.6%	14.2%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Computer Science and Engineering** - Funds are provided for the expansion of computer science and engineering enrollments.

**4. Ruckelshaus Center Study** - Funding is provided for the Ruckelshaus center to facilitate meetings and discussions with local government, the media, and representatives of the public regarding public record requests made to local government. The center will report back to the Legislature on their findings. (General Fund-State)

**5. Institutional Funding** - Funds are provided for additional institutional support.

**6. Forestry Program** - Funding from tuition resources shall be used to reestablish a Forestry Program at Washington State University. (Institutions of Higher Education-Operating Fees Account-Nonappropriated)

## 2013-15 Omnibus Operating Budget Washington State University

**7. Medical Educ. & Biomedical Research** - Funding is provided for expansion of medical education and the associated biomedical research, which will support basic science teaching in the Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) program and will expand medical education by 40 additional medical students in Spokane by the end of the biennium. A total of \$2 million of this funding is one-time funding to purchase the scientific instrumentation needed to equip the new Biomedical and Health Sciences building on the Spokane campus. (General Fund-State, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

**8. Wildlife Conflict Research** - One-time funding is provided to Washington State University Agricultural Research Center to conduct public outreach and education related to non-lethal methods of mitigating conflicts between livestock and large wild carnivores, and provide a detailed analysis of such methods.

**9. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**10. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**11. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**12. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**13. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Eastern Washington University**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,305.9	68,089	248,403
2013-15 Maintenance Level	1,305.9	73,254	292,399
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-3	-6
2. DES Central Services	0.0	-4	-8
3. Institutional Funding	0.0	6,162	6,162
Policy -- Other Total	0.0	6,155	6,148
<b>Policy Comp Changes:</b>			
4. State Employee Health Insurance	0.0	-318	-392
5. Wellness - Smoker Surcharge	0.0	-46	-57
6. PEBB - Coverage Waiver Surcharge	0.0	-282	-349
Policy -- Comp Total	0.0	-646	-798
Total Policy Changes	0.0	5,509	5,350
Total 2013-15 Biennium	1,305.9	78,763	297,749
Difference from 2011-13	0.0	10,674	49,346
% Change from 2011-13	0.0%	15.7%	19.9%

**Comments:**

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Institutional Funding** - Funds are provided for additional institutional support.

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**6. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**Central Washington University**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,219.3	65,062	300,244
2013-15 Maintenance Level	1,219.3	70,980	317,876
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-3	-6
2. DES Central Services	0.0	-5	-10
3. College of Ed. Teacher Study	0.0	25	25
4. Institutional Funding	0.0	7,736	7,736
Policy -- Other Total	0.0	7,753	7,745
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	170	196
6. New Step M for Classified-Yr 2 Impl	0.0	9	10
7. State Employee Health Insurance	0.0	-287	-332
8. Wellness - Smoker Surcharge	0.0	-42	-49
9. PEBB - Coverage Waiver Surcharge	0.0	-255	-294
Policy -- Comp Total	0.0	-405	-469
Total Policy Changes	0.0	7,348	7,276
Total 2013-15 Biennium	1,219.3	78,328	325,152
Difference from 2011-13	0.0	13,266	24,908
% Change from 2011-13	0.0%	20.4%	8.3%

*Comments:*

- 1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 3. College of Ed. Teacher Study** - Funds are provided for the College of Education to conduct a study identifying the duties encompassed in a state-funded teacher's typical day. (General Fund-State)
- 4. Institutional Funding** - Funds are provided for additional institutional support.
- 5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)
- 6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)
- 7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Central Washington University**

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**The Evergreen State College**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	614.7	36,250	111,596
2013-15 Maintenance Level	614.9	38,658	127,780
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-2	-4
2. DES Central Services	0.0	-8	-16
3. Institutional Funding	0.0	2,899	2,899
4. K-12 Funding Task Force	0.0	250	250
5. Foster Care Cost Audit - WSIPP	0.0	77	77
6. ECEAP Evaluation - WSIPP	0.0	150	150
7. Invol Treatment Assessment - WSIPP	0.0	100	100
8. Learning Assistance Program - WSIPP	0.3	85	85
9. Risk Needs Resp Model - WSIPP	0.0	50	50
10. Safety Assessments - WSIPP	0.0	85	85
Policy -- Other Total	0.3	3,686	3,676
<b>Policy Comp Changes:</b>			
11. State Employee Health Insurance	0.0	-206	-220
12. Wellness - Smoker Surcharge	0.0	-31	-33
13. PEBB - Coverage Waiver Surcharge	0.0	-183	-195
Policy -- Comp Total	0.0	-420	-448
Total Policy Changes	0.3	3,266	3,228
Total 2013-15 Biennium	615.2	41,924	131,008
Difference from 2011-13	0.5	5,674	19,412
% Change from 2011-13	0.1%	15.7%	17.4%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Institutional Funding** - Funds are provided for additional institutional support.

**4. K-12 Funding Task Force** - Funding is provided for the Washington State Institute for Public Policy to provide staff support to a new task force. The K-12 Funding Task Force is created to examine options and make recommendations to the Legislature regarding: K-12 salary allocation methodologies and models for all staff types; policies and funding to support career and technical education; and the appropriate use of state and local property taxes to support the financing of public schools. (General Fund-State)

**5. Foster Care Cost Audit - WSIPP** - Funding is provided for the Washington State Institute for Public Policy to examine cases with extraordinary costs within the foster care system managed by the Children's Administration of the Department of Social and Health Services. This audit will examine the highest cost foster children to determine if the child's care could be provided in a more cost-effective manner and whether the cost for these placements is consistent across similarly acute children.

## 2013-15 Omnibus Operating Budget The Evergreen State College

**6. ECEAP Evaluation - WSIPP** - One-time funding is provided for the Washington State Institute of Public Policy (WSIPP) to conduct a comprehensive retrospective outcome evaluation and return on investment analysis of the early learning childhood program (ECEAP). This evaluation is due December 15, 2014.

**7. Invol Treatment Assessment - WSIPP** - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to develop a risk assessment instrument for patients committed for involuntary treatment in Washington State.

**8. Learning Assistance Program - WSIPP** - Funding is provided for implementation of Engrossed Second Substitute Senate Bill 5330 (student achievement, outcome), which directs the Washington State Institute of Public Policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the Learning Assistance Program. The initial inventory is due by August 1, 2014 and shall be updated every two years thereafter.

**9. Risk Needs Resp Model - WSIPP** - Funding is provided for the Washington State Institute of Public Policy (WSIPP) to provide expertise to the Department of Corrections (DOC) on the implementation of programming that follows the Risk Needs Responsivity Model. The DOC is required to compile an inventory of existing programming and to consult with WSIPP to determine whether these programs are evidence-based or research-based using definitions provided by WSIPP. In addition, WSIPP in consultation with DOC, will systematically review selected programs for outcome measures.

**10. Safety Assessments - WSIPP** - One-time funding is provided for the Washington State Institute for Public Policy (WSIPP) to conduct an empirical study of the validity and reliability of the safety assessment tool currently used in child welfare cases by the Children's Administration at the Department of Social and Health Services. This study is due December 14, 2013.

**11. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**12. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**13. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Western Washington University**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,562.7	79,719	335,757
2013-15 Maintenance Level	1,602.7	89,241	355,911
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-3	-6
2. DES Central Services	0.0	-9	-18
3. Computer Science and Engineering	0.0	2,995	2,995
4. Institutional Funding	0.0	10,460	10,460
Policy -- Other Total	0.0	13,443	13,431
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	4	12
6. State Employee Health Insurance	0.0	-353	-524
7. Wellness - Smoker Surcharge	0.0	-53	-78
8. PEBB - Coverage Waiver Surcharge	0.0	-313	-465
Policy -- Comp Total	0.0	-715	-1,055
Total Policy Changes	0.0	12,728	12,376
Total 2013-15 Biennium	1,602.7	101,969	368,287
Difference from 2011-13	40.0	22,250	32,530
% Change from 2011-13	2.6%	27.9%	9.7%

*Comments:*

- 1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 3. Computer Science and Engineering** - Funds are provided for the expansion of computer science and engineering enrollments.
- 4. Institutional Funding** - Funds are provided for additional institutional support.
- 5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)
- 6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)
- 7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Western Washington University**

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington State Arts Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	13.0	0	5,310
2013-15 Maintenance Level	13.0	2,225	5,358
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. CTS Central Services	0.0	5	5
3. DES Central Services	0.0	-3	-3
4. Reduce Private Arts Funding	0.0	0	-1,047
Policy -- Other Total	0.0	1	-1,046
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	6	8
6. State Employee Health Insurance	0.0	-3	-4
7. PEBB - Coverage Waiver Surcharge	0.0	-3	-4
Total Policy Changes	0.0	1	-1,046
Total 2013-15 Biennium	13.0	2,226	4,312
Difference from 2011-13	0.0	2,226	-998
% Change from 2011-13	0.0%	0.0%	-18.8%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. Reduce Private Arts Funding** - In fiscal year 2013, the Arts Commission completed a four-year private grant from the Wallace Foundation. Private-local expenditure authority is reduced to reflect the end of this grant. (General Fund-Private/Local)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Washington State Historical Society**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	34.0	0	6,088
2013-15 Maintenance Level	34.0	4,250	6,048
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. CTS Central Services	0.0	5	5
3. Restore Museum Hours	0.0	0	500
Policy -- Other Total	0.0	4	504
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	34	40
5. New Step M for Classified-Yr 2 Impl	0.0	1	1
6. State Employee Health Insurance	0.0	-8	-10
7. Wellness - Smoker Surcharge	0.0	-1	-1
8. PEBB - Coverage Waiver Surcharge	0.0	-7	-8
Policy -- Comp Total	0.0	19	22
Total Policy Changes	0.0	23	526
Total 2013-15 Biennium	34.0	4,273	6,574
Difference from 2011-13	0.0	4,273	486
% Change from 2011-13	0.0%	0.0%	8.0%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**3. Restore Museum Hours** - During the 2013-15 biennium, the Washington State History Museum plans to open Mondays and Tuesdays during the summer months to serve summer tourists visiting the Tacoma Museum District. This action is expected to increase museum admission income, membership dues income, donation income for the exhibits, and public programs for the summer months. (Local Museum Account-Washington State Historical Society-Non-appropriated)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)



## **2013-15 Omnibus Operating Budget Washington State Historical Society**

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**East Wash State Historical Society**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	30.0	0	5,458
2013-15 Maintenance Level	30.0	3,135	5,660
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-2	-2
Policy -- Other Total	0.0	-2	-2
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	10	18
3. State Employee Health Insurance	0.0	-6	-6
4. Wellness - Smoker Surcharge	0.0	-1	-1
5. PEBB - Coverage Waiver Surcharge	0.0	-6	-7
Policy -- Comp Total	0.0	-3	4
Total Policy Changes	0.0	-5	2
Total 2013-15 Biennium	30.0	3,130	5,662
Difference from 2011-13	0.0	3,130	204
% Change from 2011-13	0.0%	0.0%	3.7%

*Comments:*

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Columbia River Gorge Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	6.0	805	1,611
2013-15 Maintenance Level	6.0	828	1,670
<b>Policy Other Changes:</b>			
1. DES Central Services	0.0	-1	-2
2. National Scenic Area Plan Update	0.0	19	38
3. Provide Regional Planning Capacity	1.0	47	94
Policy -- Other Total	1.0	65	130
<b>Policy Comp Changes:</b>			
4. State Employee Health Insurance	0.0	-1	-2
5. PEBB - Coverage Waiver Surcharge	0.0	-1	-2
Policy -- Comp Total	0.0	-2	-4
Total Policy Changes	1.0	63	126
Total 2013-15 Biennium	7.0	891	1,796
Difference from 2011-13	1.0	86	185
% Change from 2011-13	16.8%	10.7%	11.5%

**Comments:**

**1. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. National Scenic Area Plan Update** - The Columbia River Gorge Commission (CRGC) is statutorily mandated by Washington, Oregon, and the United States Congress to implement the Columbia River Gorge National Scenic Area Act, including updating a regional management plan every 10 years. One-time funding is provided for studies necessary for the management plan update. (General Fund-State, General Fund-Private/Local)

**3. Provide Regional Planning Capacity** - CRGC is the primary regional planning agency serving the Columbia River Gorge National Scenic Area. Ongoing funding and FTE staff are provided for updating a federally required management plan, as well as for carrying out regional planning responsibilities in support of community development in the Gorge. (General Fund-State, General Fund-Private/Local)

**4. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Ecology**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,553.1	70,669	441,174
2013-15 Maintenance Level	1,563.6	92,977	464,249
<b>Policy Other Changes:</b>			
1. Reduce Watershed Planning Asst.	-3.5	-2,873	-2,873
2. Air Quality Fund Shift	0.0	-5,130	0
3. Reduce Air Pollution Control Acct.	-2.0	0	-500
4. Fund Shift to Toxics	0.0	-24,000	0
5. Reduce Product Stewardship Exp.	0.0	0	-516
6. Reduce Flood Control Grants	0.0	0	-2,000
7. Reduce Freshwater Aquatic Weed Exp.	0.0	0	-300
8. Reduce Emergency Water Account Exp.	0.0	0	-110
9. Litter Account Reduction	0.0	0	-8,931
10. Attorney General Legal Services	0.0	-29	-93
11. CTS Central Services	0.0	108	327
12. DES Central Services	0.0	-44	-132
13. Reducing Toxic Gasoline Vapors	1.2	0	208
14. Pollution Source Regist Fund Shift	0.0	-114	0
15. Implementing Better Brakes Law	1.0	0	188
16. Meeting Air Operating Permit Needs	1.3	0	294
17. Preventing Nonattainment Areas	1.2	0	204
18. State Revolving Fund Admin Charge	0.6	0	131
19. Stormwater Training Program	1.4	0	1,981
20. Spokane Rivr Toxic Source Abatement	0.0	0	350
21. Protecting Washington Shorelines	2.9	0	2,856
22. Ultrafine Particulate Study	0.0	0	516
23. Derelict and Abandoned Vessels	0.4	0	65
24. Wastewater Discharge Fees	2.7	0	660
25. Shift GF-S to State Toxics	0.0	-9,850	0
Policy -- Other Total	7.1	-41,932	-7,675
<b>Policy Comp Changes:</b>			
26. New Step M for Classified-Yr 1 Impl	0.0	586	2,288
27. New Step M for Classified-Yr 2 Impl	0.0	73	275
28. State Employee Health Insurance	0.0	-132	-504
29. Wellness - Smoker Surcharge	0.0	-20	-74
30. PEBB - Coverage Waiver Surcharge	0.0	-117	-446
Policy -- Comp Total	0.0	390	1,539
Total Policy Changes	7.1	-41,542	-6,136
Total 2013-15 Biennium	1,570.6	51,435	458,113
Difference from 2011-13	17.6	-19,234	16,939
% Change from 2011-13	1.1%	-27.2%	3.8%

## 2013-15 Omnibus Operating Budget

### Department of Ecology

*Comments:*

**1. Reduce Watershed Planning Asst.** - The Watershed Planning Technical and Financial Assistance Program provides assistance to local watershed groups to develop plans and to address watershed issues. State general fund provided for this work is reduced on an ongoing basis. Over 30 watersheds have adopted plans and remaining funds during the 2013-15 biennium will shift to support specific projects in three high-priority basins (Dungeness, Walla Walla, and Wenatchee) and fund implementation activities in the Chelan, Dungeness, Methow, Lower Lake Roosevelt, and Lower Spokane basins.

**2. Air Quality Fund Shift** - Work within the Air Quality Program related to preventing unhealthy air and violations of federal air quality standards is shifted on an ongoing basis from the state general fund to the State Toxics Control Account (STCA). (General Fund-State, State Toxics Control Account-State)

**3. Reduce Air Pollution Control Acct.** - Expenditure authority and staff are reduced on an ongoing basis in the Air Pollution Control Account to reflect lower-than-anticipated revenues. (Air Pollution Control Account-State)

**4. Fund Shift to Toxics** - State general fund expenditures are shifted on an ongoing basis to the STCA for activities in the Air Quality, Water Quality, Environmental Assessment, Shorelands and Environmental Assistance, and Administration Programs. (General Fund-State, State Toxics Control Account-State)

**5. Reduce Product Stewardship Exp.** - Expenditure authority is reduced on an ongoing basis in the Product Stewardship Programs Account to reflect lower-than-anticipated revenues into the account. (Product Stewardship Programs Account-Nonappropriated)

**6. Reduce Flood Control Grants** - The Flood Control Assistance Account Program provides grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management plans. Competitive grants to local governments for flood hazard reduction projects are suspended on a one-time basis to achieve \$2 million in savings. (Flood Control Assistance Account-State)

**7. Reduce Freshwater Aquatic Weed Exp.** - Expenditure authority is reduced on an ongoing basis in the Freshwater Aquatic Weeds Account to reflect lower available revenues from the boat trailer registration fee. (Freshwater Aquatic Weeds Account-State)

**8. Reduce Emergency Water Account Exp.** - Expenditure authority is reduced on an ongoing basis in the State Emergency Water Projects Revolving Account to reflect actual available funds. (State Emergency Water Projects Revolving Account-State)

**9. Litter Account Reduction** - Funding is reduced on a one-time basis in the Waste Reduction, Recycling and Litter Control Account for litter pickup, prevention and marketing, and for other work related to waste reduction and recycling. (Waste Reduction, Recycling and Litter Control Account-State)

**10. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**11. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**12. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**13. Reducing Toxic Gasoline Vapors** - Gasoline vapors contain toxic and carcinogenic chemicals, in addition to volatile organic compounds that contribute to smog formation. Federal and state laws require gas stations to manage emissions of those vapors with vapor-recovery and spill-prevention technologies. The 2012 Legislature restored a gasoline vapor inspection program in areas not under the jurisdiction of a local clean air agency. Expenditure authority and FTE staff are provided to reflect increased fee revenues to carry out the program and ensure compliance with those laws. (Air Pollution Control Account-State)

**14. Pollution Source Regist Fund Shift** - Facilities that produce air contaminants are required to register their pollutant emissions and are inspected periodically to ensure compliance with laws and permit conditions. During the 2011-13 biennium, fees were increased to more fully recover the costs of operating the program. Expenditure authority is shifted on an ongoing basis from the state general fund to the Air Pollution Control Account, which receives the increased fee revenue. (General Fund-State, Air Pollution Control Account-State)

## 2013-15 Omnibus Operating Budget

### Department of Ecology

**15. Implementing Better Brakes Law** - Brake pads contain friction material such as copper, asbestiform fibers, cadmium, lead, mercury and their compounds, that are released from pads and may then be carried into streams, rivers, the Puget Sound, and other Washington waters where it can be toxic to many aquatic organisms, including salmon. The 2010 Better Brakes Law bans certain brake friction materials, effective January 2014. A combination of one-time and ongoing funding and FTE staff are provided to continue implementation of this program, including publicizing and enforcing the ban, certifying manufacturer compliance, tracking friction materials, and assessing safer alternatives. (Environmental Legacy Stewardship Account)

**16. Meeting Air Operating Permit Needs** - Major sources of air pollution are regulated by the Department of Ecology (DOE) under the federally-mandated Air Operating Permit Program. Under both federal and state law, the costs of the program must be fully supported with fees paid by the sources. Expenditure authority and FTE staff are increased on an ongoing basis to reflect increased fee revenues to cover the cost of serving new sources entering the program, provide technical assistance to regulated entities, and on a one-time basis to conduct rulemaking to address industry concerns and ensure alignment with state and federal law. (Air Operating Permit Account-State)

**17. Preventing Nonattainment Areas** - One-time funding is provided to address sources of pollution in the central region, and work with elected officials, citizens, local air agencies, businesses, and civic leaders to make changes that reduce pollution levels. (Environmental Legacy Stewardship Account)

**18. State Revolving Fund Admin Charge** - DOE manages a water pollution facility loan program that provides low-interest financing to local governments for infrastructure projects designed to protect and restore water quality in local communities. Administrative oversight of the loan program has historically been funded through federal grants that are at risk of being eliminated within the next few years. DOE faces a projected deficit in the 2013-15 biennium in federal funds used to manage the loan program. Chapter 96, Laws of 2013 (SHB 1141), establishes a new loan administration charge for the loan program and funding is shifted permanently from the Water Pollution Control Revolving Account to the new Water Pollution Control Revolving Administration Account. Bridge funding from the State Toxics Control Account is provided to close the anticipated 2013-15 shortfall in funding for program oversight and administration. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal, Water Pollution Control Revolving Administration Account-State, State Toxics Control Account-State)

**19. Stormwater Training Program** - To address pollution resulting from stormwater runoff, DOE updated municipal stormwater permits to require stormwater-reducing low-impact development (LID) practices, where feasible, for new development and redeveloped properties. LID is a suite of construction technologies that use vegetation, healthy soils, porous pavement, and other tools to keep stormwater from running off-site and carrying pollution downstream. Funding and FTE staff are provided through FY 2017 for DOE to implement a comprehensive training plan for a wide range of audiences and stakeholders with a role in implementing LID techniques. (State Toxics Control Account-State)

**20. Spokane River Toxic Source Abatement** - Sampling in the Spokane River has consistently found elevated levels of polychlorinated biphenyls (PCBs). In 2011, DOE issued wastewater discharge permits requiring municipal and industrial dischargers to serve, along with community stakeholders and the Spokane Tribe, on a Regional Toxics Task Force (Task Force) to develop a comprehensive plan to bring the Spokane River into compliance with applicable water quality standards for PCBs, the highest priority toxic pollutant for this water body. One-time funding is provided for implementing the Task Force's highest-priority recommendations, due in April 2013. (State Toxics Control Account-State)

**21. Protecting Washington Shorelines** - DOE provides financial and technical assistance to local governments to update their local shoreline master programs, many of which have not been updated in over 25 years. Base operating funding is insufficient to complete shoreline updates in time to meet statutory deadlines resulting from a 2003 negotiated legal settlement. One-time funding and FTE staff are provided for grants to local governments to complete their updates and for DOE staff to provide technical assistance, financial accountability, and final review of shoreline updates. (Environmental Legacy Stewardship Account)

**22. Ultrafine Particulate Study** - One-time funding is provided for a study to evaluate ultrafine particle air pollutants generated by the biomass co-generation facilities in Port Townsend and Port Angeles. The study is designed to determine whether or not the planned facilities will have an impact on air quality and the health of nearby residents. (State Toxics Control Account-State)

**23. Derelict and Abandoned Vessels** - Chapter 291, Laws of 2013 (ESHB 1245), authorizes several state agencies to continue existing and begin new activities aimed at reducing the number of instances of derelict vessels in waters of the state, and to reduce the complexity and severity of environmental degradation associated with derelict vessels. Ongoing funding and FTE staff are provided for DOE to revise current or establish new general permits specific to hazardous material associated with the deconstruction, removal, and disposal of a derelict vessel, and for technical assistance and site inspections for facilities that would be regulated under the permit. (Water Quality Permit Account-State)

## 2013-15 Omnibus Operating Budget

### Department of Ecology

**24. Wastewater Discharge Fees** - DOE manages about 6,000 wastewater and stormwater discharge permits held by governmental, commercial, and industrial entities. The state Water Pollution Control Act authorizes DOE to collect permit fees to fully recover program costs; however, current fees do not cover some permit categories. Funding and FTE staff are increased on an ongoing basis to reflect increased fees on underpaying categories and will focus new resources on such priorities as source-control inspections and monitoring in Seattle's Duwamish waterway, and inspections in the Spokane area and other currently underserved permit categories. (Water Quality Permit Account-State)

**25. Shift GF-S to State Toxics** - Environmental program expenditures supported by the state general fund are shifted on a one-time basis to the State Toxics Control Account. (General Fund-State, State Toxics Control Account-State)

**26. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**27. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**28. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**29. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**30. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**WA Pollution Liab Insurance Program**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	6.0	0	1,613
2013-15 Maintenance Level	6.0	0	1,586
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	0	1
Policy -- Other Total	0.0	0	1
<b>Policy Comp Changes:</b>			
2. New Step M for Classified-Yr 1 Impl	0.0	0	4
3. State Employee Health Insurance	0.0	0	-2
4. PEBB - Coverage Waiver Surcharge	0.0	0	-2
Total Policy Changes	0.0	0	1
Total 2013-15 Biennium	6.0	0	1,587
Difference from 2011-13	0.0	0	-26
% Change from 2011-13	0.0%	0.0%	-1.6%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)



**2013-15 Omnibus Operating Budget**  
**State Parks and Recreation Comm**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	636.9	17,334	142,363
2013-15 Maintenance Level	558.9	0	107,675
<b>Policy Other Changes:</b>			
1. Funding Northwest Avalanche Center	0.0	158	158
2. Funding Essential Parks Activities	73.5	8,350	20,050
3. Attorney General Legal Services	0.0	0	-6
4. CTS Central Services	0.0	0	174
5. DES Central Services	0.0	0	-47
6. Boating Safety	0.0	0	37
Policy -- Other Total	73.5	8,508	20,366
<b>Policy Comp Changes:</b>			
7. New Step M for Classified-Yr 1 Impl	0.0	0	840
8. New Step M for Classified-Yr 2 Impl	0.0	0	35
9. State Employee Health Insurance	0.0	0	-227
10. Wellness - Smoker Surcharge	0.0	0	-33
11. PEBB - Coverage Waiver Surcharge	0.0	0	-204
Policy -- Comp Total	0.0	0	411
Total Policy Changes	73.5	8,508	20,777
Total 2013-15 Biennium	632.4	8,508	128,452
Difference from 2011-13	-4.5	-8,826	-13,911
% Change from 2011-13	-0.7%	-50.9%	-9.8%

**Comments:**

**1. Funding Northwest Avalanche Center** - The State Parks and Recreation Commission (State Parks) is one of several state, federal, and local partners that cooperatively fund the Northwest Weather and Avalanche Center (NWAC), which collects and continuously updates mountain snow conditions, and provides avalanche and weather forecasts online. Ongoing grant funding is provided to State Parks for grants to NWAC.

**2. Funding Essential Parks Activities** - Pursuant to Engrossed Second Senate Bill 5897 (state parks), State Parks is provided \$10m from the Waste Reduction, Recycling and Litter Control Account (WRRLCA) for use in parks operations and maintenance. An additional \$1.7m from WRRLCA and state general fund is provided for state park operations and maintenance during the 2013-15 biennium to address lower-than-originally anticipated public participation in and resulting revenue from the Discover Pass. (General Fund-State, Waste Reduction, Recycling and Litter Control Account-State)

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget State Parks and Recreation Comm

**6. Boating Safety** - Chapter 278, Laws of 2013 (SSB 5437), makes operating a vessel while under the influence of alcohol, marijuana or any drug a gross misdemeanor offense, and establishes boating safety criteria for any person who has vessels for rent, lease, charter, or use. State Parks is provided one-time funding to implement the provisions of the bill which include marine law enforcement training and training manual updates. (General Fund-Federal)

**7. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**8. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**9. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Rec and Conservation Funding Board**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	19.6	1,722	9,317
2013-15 Maintenance Level	19.6	1,616	9,703
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	29	72
2. DES Central Services	0.0	-4	-10
3. Invasive Species Council Funding	0.0	0	86
Policy -- Other Total	0.0	25	148
<b>Policy Comp Changes:</b>			
4. New Step M for Classified-Yr 1 Impl	0.0	0	22
5. New Step M for Classified-Yr 2 Impl	0.0	0	1
6. State Employee Health Insurance	0.0	-2	-9
7. Wellness - Smoker Surcharge	0.0	0	-1
8. PEBB - Coverage Waiver Surcharge	0.0	-1	-9
Policy -- Comp Total	0.0	-3	4
Total Policy Changes	0.0	22	152
Total 2013-15 Biennium	19.6	1,638	9,855
Difference from 2011-13	0.0	-84	538
% Change from 2011-13	0.0%	-4.9%	5.8%

*Comments:*

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Invasive Species Council Funding** - The Washington Invasive Species Council (Council) coordinates response, prevention, and education actions by federal, state, tribal, local, and non-governmental partners on invasive species. Ongoing funding to support the Council is shifted from the Vessel Response Account to the Aquatic Lands Enhancement Account to reflect lower-than-anticipated revenues in the Vessel Response Account. (Vessel Response Account-State, Aquatic Lands Enhancement Account-State)

**4. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget Rec and Conservation Funding Board**

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Environ & Land Use Hearings Office**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	17.7	4,229	4,229
2013-15 Maintenance Level	18.3	4,388	4,388
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-1	-1
2. DES Central Services	0.0	-1	-1
Policy -- Other Total	0.0	-2	-2
<b>Policy Comp Changes:</b>			
3. State Employee Health Insurance	0.0	-6	-6
4. Wellness - Smoker Surcharge	0.0	-1	-1
5. PEBB - Coverage Waiver Surcharge	0.0	-5	-5
Policy -- Comp Total	0.0	-12	-12
Total Policy Changes	0.0	-14	-14
Total 2013-15 Biennium	18.3	4,374	4,374
Difference from 2011-13	0.6	145	145
% Change from 2011-13	3.4%	3.4%	3.4%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**4. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**5. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**State Conservation Commission**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	17.1	13,210	14,511
2013-15 Maintenance Level	16.6	13,045	14,346
<b>Policy Other Changes:</b>			
1. Cons System Investment for Results	0.5	0	1,000
2. Voluntary Stewardship-State Support	0.0	546	1,546
3. Attorney General Legal Services	0.0	-1	-1
4. DES Central Services	0.0	-2	-2
Policy -- Other Total	0.5	543	2,543
<b>Policy Comp Changes:</b>			
5. New Step M for Classified-Yr 1 Impl	0.0	6	6
6. New Step M for Classified-Yr 2 Impl	0.0	2	2
7. State Employee Health Insurance	0.0	-9	-9
8. Wellness - Smoker Surcharge	0.0	-1	-1
9. PEBB - Coverage Waiver Surcharge	0.0	-7	-7
Policy -- Comp Total	0.0	-9	-9
Total Policy Changes	0.5	534	2,534
Total 2013-15 Biennium	17.1	13,579	16,880
Difference from 2011-13	0.0	369	2,369
% Change from 2011-13	0.0%	2.8%	16.3%

*Comments:*

**1. Cons System Investment for Results** - Funding is provided for technical assistance and incentive-based program support. (State Toxics Control Account-State)

**2. Voluntary Stewardship-State Support** - In 2011 the Legislature established the Voluntary Stewardship Program (VSP) at the State Conservation Commission (SCC) as a new approach for counties to protect critical areas while maintaining agricultural production through watershed-based incentives. Funding is provided on an ongoing basis to initiate the program in Thurston County and Chelan County, and other participating jurisdictions in future biennia. Federal expenditure authority is increased in anticipation of the SCC successfully obtaining federal funds, in which case VSP would expand to additional counties during the 2013-15 biennium. (General Fund-State, General Fund-Federal)

**3. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**6. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## **2013-15 Omnibus Operating Budget State Conservation Commission**

**7. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**8. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**9. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Dept of Fish and Wildlife**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,465.4	57,740	362,134
2013-15 Maintenance Level	1,460.1	68,541	372,153
<b>Policy Other Changes:</b>			
1. PILT Adjustment	0.0	-2,073	-3,455
2. Shift HPA Pgm Exp to ALEA	0.0	-2,336	0
3. Suspend Winter Elk Feeding	0.0	-300	-300
4. Shift PS Toxic Sampling to STCA	0.0	-43	0
5. Shift AIS and Ballast Wtr to ALEA	0.0	-175	0
6. Shift Comm. Shellfish Mgmt to ALEA	0.0	-94	0
7. Shift Water Quality Lab to STCA	0.0	-96	0
8. Shift Hatchery NPDES to STCA	0.0	-121	0
9. Shift GMA/SMA to STCA	0.0	-250	0
10. Shift Hatchery Expenses to ALEA	0.0	-4,400	0
11. Attorney General Legal Services	0.0	-6	-27
12. CTS Central Services	0.0	58	291
13. DES Central Services	0.0	-43	-214
14. Wildlife Area Operations & Maint	6.6	0	1,094
15. New WILD System	0.0	0	563
16. Pt. Whitney Staff Relocation	0.0	0	168
17. Vancouver Region Office Relocation	0.0	0	327
18. Reduce Deer & Elk Property Damage	2.2	0	400
19. Science and Public Policy	0.3	50	50
20. Invasive Species Passport	0.0	0	10
21. Cowlitz River Chinook Production	0.0	100	600
22. Clark Creek and Lakewood Hatchery	0.0	200	300
23. Wolf Conflict Management	0.0	0	1,576
Policy -- Other Total	9.1	-9,529	1,383
<b>Policy Comp Changes:</b>			
24. New Step M for Classified-Yr 1 Impl	0.0	494	2,254
25. New Step M for Classified-Yr 2 Impl	0.0	10	56
26. State Employee Health Insurance	0.0	-96	-538
27. Wellness - Smoker Surcharge	0.0	-14	-79
28. PEBB - Coverage Waiver Surcharge	0.0	-86	-482
Policy -- Comp Total	0.0	308	1,211
Total Policy Changes	9.1	-9,221	2,594
Total 2013-15 Biennium	1,469.2	59,320	374,747
Difference from 2011-13	3.8	1,580	12,613
% Change from 2011-13	0.3%	2.7%	3.5%



## 2013-15 Omnibus Operating Budget

### Dept of Fish and Wildlife

*Comments:*

**1. PILT Adjustment** - The Department of Fish and Wildlife (WDFW) is statutorily obligated to make payments-in-lieu of taxes (PILT) to counties in the state if they opt to collect PILT rather than keep revenue from fines assessed for violations of hunting regulations. During the 2013-15 biennium, PILT to counties is rolled back to their 2009 levels. (General Fund-State, General Fund-Federal))

**2. Shift HPA Pgm Exp to ALEA** - The Hydraulic Project Approval (HPA) program permits projects that occur in state waters at or below the ordinary high water mark. To achieve state general fund savings during the 2013-15 biennium, 49 percent of the HPA program's state general fund expenditures are transferred to the Aquatic Lands Enhancement Account (ALEA) on a one-time basis. (General Fund-State, Aquatic Lands Enhancement Account-State)

**3. Suspend Winter Elk Feeding** - WDFW maintains two primary elk feeding stations in order to reduce conflicts with agricultural operations. During the 2013-15 biennium, the elk feeding budget is reduced by 50 percent to achieve state general fund savings. (General Fund-State)

**4. Shift PS Toxic Sampling to STCA** - WDFW samples two key indicator fish species to inform policy and decision makers regarding the presence of toxic contaminants in the Puget Sound food web and the general health of Puget Sound. Funding for this work is shifted on an ongoing basis from ALEA and the state general fund to the Environmental Legacy Stewardship Account (ELSA). (General Fund-State, Aquatic Lands Enhancement Account-State, Environmental Legacy Stewardship Account-State)

**5. Shift AIS and Ballast Wtr to ALEA** - WDFW monitors commercial vessels entering Washington ports that have the highest risk of transporting aquatic invasive species in their ballast water. WDFW also monitors the spread of aquatic invasive species in the state and provides for cleaning and containment of infested areas. Funding for this work is shifted on an ongoing basis from the state general fund to the ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State)

**6. Shift Comm. Shellfish Mgmt to ALEA** - WDFW manages recreational and commercial shellfish fisheries and is responsible for protecting species and their habitat. Funding for this work is shifted on an ongoing basis from the state general fund to ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State)

**7. Shift Water Quality Lab to STCA** - WDFW analyzes water samples from its hatchery water intakes and outfalls for fish waste and chemical content under the pollution discharge permit issued by the Department of Ecology (DOE). These analyses are compiled into a mandatory compliance report. Funding for the water quality laboratory is shifted on an ongoing basis from the state general fund to the ELSA. (General Fund-State, Environmental Legacy Stewardship Account-State)

**8. Shift Hatchery NPDES to STCA** - Hatchery facilities operated by WDFW are required to obtain National Pollution Discharge Elimination System (NPDES) permits administered by the DOE. Funding to pay the permit fees is shifted on an ongoing basis from the state general fund to ELSA. (General Fund-State, Environmental Legacy Stewardship Account-State)

**9. Shift GMA/SMA to STCA** - WDFW supports local governments in implementing the Shoreline Management Act which leads to the protection of aquatic lands and identifies restoration of degrading shoreline functions. Funding for this work is shifted on an ongoing basis from the state general fund to the ELSA. (General Fund-State, Environmental Legacy Stewardship Account-State)

**10. Shift Hatchery Expenses to ALEA** - WDFW produces fish at state-operated hatcheries for recreational and commercial fisheries and to recover threatened and endangered fish populations. During the 2013-15 biennium, a portion of hatchery expenditures funded through the state general fund are shifted to the ALEA. (General Fund-State, Aquatic Lands Enhancement Account-State)

**11. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**12. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**13. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget

### Dept of Fish and Wildlife

**14. Wildlife Area Operations & Maint** - WDFW generates revenue through timber thinning, agriculture agreements, easements, and other activities on wildlife area lands operated with a federal Pittman-Robertson grant and state funds. Federal expenditure authority is increased, in addition to the expenditure authority from the State Wildlife Account (SWA) that is required as matching funds, on an ongoing basis to address operation and maintenance needs on WDFW wildlife area lands. (General Fund-Federal, State Wildlife Account-State)

**15. New WILD System** - WDFW's automated licensing system, the Washington Interactive Licensing Database (WILD), is the system through which hunting and fishing licenses and Discover Passes are sold. The WILD contract with the current vendor expires in FY 2014. A new licensing vendor was contracted to build a new WILD system and is allowed to request up to \$1 million in payment for services rendered and equipment purchased and installed. This payment would be a loan paid back to WDFW in the form of the contractor taking a lower percentage of the transaction fee revenue. There is available fund balance within the restricted sub-account of SWA where transaction fee revenue is deposited, and expenditure authority is increased to cover the costs of the new system. (State Wildlife Account-State)

**16. Pt. Whitney Staff Relocation** - WDFW shares office space with a private commercial fish grower at WDFW's Point Whitney shellfish facility in Brinnon. The commercial grower wishes to expand operations and expenditure authority is increased in the SWA to reflect an increase in revenue expected with the expanded lease. Funds are provided for WDFW staff stationed at Point Whitney to be relocated to a more urban location closer to the majority of WDFW's work stations in this region. (State Wildlife Account-State)

**17. Vancouver Region Office Relocation** - During the 2013-15 biennium, WDFW will relocate its southwest regional office to a facility located in a more secure area that will improve accessibility and public safety, reduce travel costs for field operations, and provide adequate space and protection of WDFW equipment. Funding is provided on a one-time basis for moving and associated relocation costs. (State Wildlife Account-State)

**18. Reduce Deer & Elk Property Damage** - A Wildlife Conflict Management Program is established to quickly and efficiently address the increasing number of interactions between wildlife and humans. This program will provide resources to landowners and take measure to support sustainable wildlife populations. Ongoing funding from increased sales of multi-season deer and elk hunting permits will focus on conflicts creating chronic property damage in the most vulnerable areas of the state. (State Wildlife Account-State)

**19. Science and Public Policy** - Chapter 68, Laws of 2013 (HB 1112), requires WDFW to identify peer-reviewed science, scientific literature, and other sources of information reviewed by WDFW before taking a significant agency action, and to make that information available on the WDFW website. Funding is provided on an ongoing basis for WDFW staff time to implement the provisions of the bill. (General Fund-State)

**20. Invasive Species Passport** - Funding is provided to develop a passport system for local boaters to combat invasive species. (Aquatic Lands Enhancement - State)

**21. Cowlitz River Chinook Production** - Funding is provided for the department to increase fall Chinook salmon production on the Cowlitz River and to secure local matching funds for the same purpose. (General Fund-State, State Wildlife Account-State, Columbia River Recreational Salmon and Steelhead Pilot Stamp Program Account-Nonappropriated)

**22. Clark Creek and Lakewood Hatchery** - Funding is provided for the transfer of trout production from the Clarks Creek hatchery to the Lakewood hatchery and funding for increased production of Steelhead, Coho and Chinook salmon production at the Clarks Creek hatchery. (General Fund-State, State Wildlife)

**23. Wolf Conflict Management** - Chapter 329, Laws of 2013 (E2SSB 5193), increases the initial registration and renewal fees for personalized license plates by \$10 beginning in FY 2014 for deposit into the unrestricted portion of SWA for the protection and management of nongame species as described in RCW 46.68.435. Expenditure authority is increased to reflect the additional ongoing revenue. (State Wildlife Account-State)

**24. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**25. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget Dept of Fish and Wildlife

**26. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**27. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**28. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Puget Sound Partnership**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	42.2	4,526	18,130
2013-15 Maintenance Level	43.7	4,746	17,055
<b>Policy Other Changes:</b>			
1. CTS Central Services	0.0	1	1
2. DES Central Services	0.0	-1	-3
3. Levee Vegetation Demonstration	0.3	0	635
4. Puget Sound Steelhead Recovery	0.8	0	788
5. Adaptive Management and Grant Admin	2.3	0	450
Policy -- Other Total	3.4	0	1,871
<b>Policy Comp Changes:</b>			
6. State Employee Health Insurance	0.0	-6	-12
7. Wellness - Smoker Surcharge	0.0	-1	-2
8. PEBB - Coverage Waiver Surcharge	0.0	-5	-12
Policy -- Comp Total	0.0	-12	-26
Total Policy Changes	3.4	-12	1,845
Total 2013-15 Biennium	47.1	4,734	18,900
Difference from 2011-13	4.9	208	770
% Change from 2011-13	11.6%	4.6%	4.3%

**Comments:**

**1. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Levee Vegetation Demonstration** - One-time funding and FTE staff are provided for two watershed-based demonstration projects intended to address and resolve conflicting demands and federal policies that affect floodplains. The Puget Sound Partnership (PSP) will pass funds through to local governments who will undertake a risk assessment of their levees and flood control facilities and develop a prioritized capital project list for submittal to the U.S. Army Corps of Engineers for approval. (Aquatic Lands Enhancement Account-State)

**4. Puget Sound Steelhead Recovery** - One-time funding is provided for PSP to coordinate a study of juvenile steelhead marine survival conducted by the Department of Fish and Wildlife, based on a study plan developed in cooperation with federal, tribal and nongovernmental entities. (Aquatic Lands Enhancement Account-State)

**5. Adaptive Management and Grant Admin** - PSP is responsible for developing science-based revisions to the Puget Sound Action Agenda through the adaptive management process. Federal funds were provided to PSP in 2012 and ongoing expenditure authority is increased to support continued updates to the Action Agenda. In addition, FTE staff are provided for coordinating projects, to manage the federal grant reporting requirements, and for administrative workload increases. (General Fund-Federal)

## **2013-15 Omnibus Operating Budget Puget Sound Partnership**

**6. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**7. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**8. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Natural Resources**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	1,381.7	66,716	365,487
2013-15 Maintenance Level	1,383.4	90,842	395,188
<b>Policy Other Changes:</b>			
1. Shift Forest Practices Expenditures	0.0	-4,764	0
2. Marine Spatial Planning	0.0	0	-500
3. Remove Derelict Vessel	1.3	0	600
4. Adaptive Mgmt for PS Recovery	0.0	0	1,850
5. Restore Aquatic Lands	1.3	0	1,320
6. Remove Creosote Piling	0.0	0	1,000
7. Remove Large Debris	0.5	0	824
8. Manage Aquatic Reserves	0.0	0	150
9. Eradicate Invasive Species	0.0	0	500
10. Investigate Outfalls on Aquatic Lds	0.0	0	250
11. Attorney General Legal Services	0.0	-13	-43
12. CTS Central Services	0.0	82	284
13. DES Central Services	0.0	-50	-177
14. Aquatic Lands Business Management	6.0	0	2,382
15. Aquatic Land Investigation/Cleanup	0.0	0	1,948
16. Protect Clean Water, Forests & Fish	0.6	0	739
17. Geoduck Diver Safety Program	0.8	0	265
18. Derelict and Abandoned Vessels	0.9	0	425
19. Map Aggregate Resources	1.9	0	395
20. Yakima Land Purchase	0.0	664	1,064
21. Enforcement Officers	0.0	500	500
22. Trust Land Productivity and Revenue	29.5	0	8,373
Policy -- Other Total	42.8	-3,581	22,149
<b>Policy Comp Changes:</b>			
23. New Step M for Classified-Yr 1 Impl	0.0	542	2,056
24. New Step M for Classified-Yr 2 Impl	0.0	12	81
25. State Employee Health Insurance	0.0	-102	-438
26. Wellness - Smoker Surcharge	0.0	-15	-64
27. PEBB - Coverage Waiver Surcharge	0.0	-91	-392
Policy -- Comp Total	0.0	346	1,243
Total Policy Changes	42.8	-3,235	23,392
Total 2013-15 Biennium	1,426.2	87,607	418,580
Difference from 2011-13	44.5	20,891	53,093
% Change from 2011-13	3.2%	31.3%	14.5%

## 2013-15 Omnibus Operating Budget

### Department of Natural Resources

*Comments:*

- 1. Shift Forest Practices Expenditures** - The Forest Practices Program processes forest practices permits and enforces the state Forest and Fish Rules. During the 2013-15 biennium, 20 percent of the program's state general fund expenditures are shifted to dedicated accounts. (General Fund-State, Environmental Legacy Stewardship Account-State, Aquatic Lands Enhancement Account-State)
- 2. Marine Spatial Planning** - Marine spatial planning is a process that brings together multiple stakeholders to make decisions about how to use marine resources. The work is funded through the Marine Resources Stewardship Trust Account which receives funding during the 2013-15 biennium by a transfer from ALEA. Funding is provided for marine spatial planning activities and efforts including mapping, ecological assessment, data tools, and stakeholder engagement. (Marine Resources Stewardship Account-State)
- 3. Remove Derelict Vessel** - Ongoing funding from ALEA is provided to increase the DNR's ability to remove and dispose of derelict vessels that pose risks related to hazardous materials and navigation. (Aquatic Lands Enhancement Account-State)
- 4. Adaptive Mgmt for PS Recovery** - Adaptive management is the process of verifying that DNR rules are achieving their policy objectives. Ongoing funding from the aquatics portion of RMCA is provided to establish an adaptive management program for Puget Sound and DNR's aquatic lands. Scientific information will be collected and integrated into decisions to avoid impacts on species and habitats and to enhance or restore habitat quality on state-owned aquatic lands, with a focus on Puget Sound recovery. (Resource Management Cost Account-State)
- 5. Restore Aquatic Lands** - Ongoing funding from the aquatics portion of RMCA is provided for long-term planning and to enable DNR to provide funding to partners for large restoration projects on state-owned aquatic lands in support of the Puget Sound Action Agenda. (Resource Management Cost Account-State)
- 6. Remove Creosote Piling** - One-time funding from the aquatics portion of RMCA is provided for DNR to remove pilings and creosote wood structures from Puget Sound, Hood Canal and other areas of the state. (Resource Management Cost Account-State)
- 7. Remove Large Debris** - Ongoing funding from the aquatics portion of RMCA is provided for DNR to contract for the removal of large debris from state-owned aquatic lands. (Resource Management Cost Account-State)
- 8. Manage Aquatic Reserves** - Ongoing funding from the aquatics portion of RMCA is provided for DNR to implement the management plans drawn up for each of the state's seven aquatic reserves. These plans outline baseline monitoring goals as well as education and outreach initiatives. (Resource Management Cost Account-State)
- 9. Eradicate Invasive Species** - One-time funding from the aquatics portion of RMCA is provided for the completion of cooperative weed management agreements in the remaining areas of the state and implementation of the highest priority noxious weed eradication work. (Resource Management Cost Account-State)
- 10. Investigate Outfalls on Aquatic Lds** - Ongoing funding is provided from the aquatics portion of RMCA for DNR to contract with other governmental entities or contractors to identify and recommend alternatives to existing outfalls, with the intention of decreasing the total volume of stormwater deposited into the state's waters. (Resource Management Cost Account-State)
- 11. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 12. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)
- 13. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)
- 14. Aquatic Lands Business Management** - DNR manages 2.6 million acres of state-owned aquatic lands and more than 5,000 leases and contracts on those lands. Ongoing funding is provided from the aquatics portion of RMCA to address a growing backlog of expired leases and new applications. Additional staff will focus on processing new or reauthorized uses. Additionally, aquatic lease compliance data will be collected, stored, and analyzed to assess and ensure minimal impact to aquatic environments resulting from DNR-authorized uses. (Resource Management Cost Account-State)

## 2013-15 Omnibus Operating Budget

### Department of Natural Resources

**15. Aquatic Land Investigation/Cleanup** - DNR has been identified as a potential liable party by the Department of Ecology (Ecology) under the Model Toxics Control Act on three Puget Sound basin cleanup efforts. Under the Ecology order, DNR is required to pay for a portion of the costs to complete remedial investigation work at Whitmarsh Landfill (Fidalgo Bay) and Mill Site A (Everett). In addition, DNR is required by an existing hydraulic project approval permit to perform final-year maintenance of the Olympic View Triangle site in Commencement Bay. One-time funding is provided from the Environmental Legacy Stewardship Account to cover these costs. (Environmental Legacy Stewardship Account-State)

**16. Protect Clean Water, Forests & Fish** - Expenditure authority is increased from the Forest and Fish Support Account to allow DNR to complete high priority Clean Water Act milestones and Adaptive Management Program research/monitoring projects necessary to support the Forest Practices Habitat Conservation Plan. Funding from the Forest Practices Application Account is provided to DNR to continue integrating hydraulic project approvals with the Forest Practices application as directed by state law. (Forest Practices Application Account-State, Forest and Fish Support Account-State)

**17. Geoduck Diver Safety Program** - Chapter 204, Laws of 2013 (2SHB 1764), creates the Geoduck Harvest Safety Committee which will submit recommendations regarding the establishment of a geoduck diver safety program. Funding is provided from the aquatics portion of RMCA for DNR to establish the safety criteria and the safety program, and to implement the remaining provisions of the bill. (Resources Management Cost Account-State)

**18. Derelict and Abandoned Vessels** - Chapter 291, Laws of 2013 (ESHB 1245), authorizes several state agencies to continue existing and begin new activities aimed at reducing the number of instances of derelict vessels in waters of the state, and to reduce the complexity and severity of environmental degradation associated with derelict vessels. Ongoing funding and FTE staff are provided for DNR to establish and administer a vessel turn-in program, and to continue the removal and disposal of derelict vessels. (Derelict Vessel Removal Account-State)

**19. Map Aggregate Resources** - Aggregate resources (sand, gravel, and crushed stone) are used in road construction and in commercial and residential development. Aggregate resource maps are recognized as best available science under the Growth Management Act and local governments use them to reduce permit costs and make long-term land use plans and decisions. Expenditure authority is increased in the Surface Mining Reclamation Account using available fund balance to conduct a three-year project that will result in one completed aggregate resource map each year for Pierce, Lewis, and Thurston counties. (Surface Mining Reclamation Account-State)

**20. Yakima Land Purchase** - Funding is provided to assess the condition of the land, and perform weed management, road maintenance and other land management responsibilities associated with its Yakima land purchase. (General Fund-State, Nonhighway and Off-road Vehicle Account, Snowmobile Account)

**21. Enforcement Officers** - Funding is provided for the Department of Natural Resources to increase the number of officers to protect the state's natural resources and ensure safe recreation on department-managed lands.

**22. Trust Land Productivity and Revenue** - Lands managed by the DNR generate about \$205 million a year in non-tax revenues. The economic downturn that began in 2008 resulted in reduced revenues into the trust land management accounts and trust and forest land management activities were suspended or reduced. Timber prices and revenues have since increased and expenditure authority is thereby increased in the uplands portion of RMCA and the Forest Development Account to resume trust land management activities deferred during the recession such as silviculture vegetation management, land surveying, and research and monitoring. (Forest Development Account-State, Resource Management Cost Account-State)

**23. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**24. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**25. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$763 per month in the second fiscal year. The imposition of surcharges beginning July 1, 2014, for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763. (General Fund-State, Other Funds)



## **2013-15 Omnibus Operating Budget**

### **Department of Natural Resources**

**26. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. (General Fund-State, Other Funds)

**27. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Department of Agriculture**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	755.4	29,974	149,794
2013-15 Maintenance Level	755.4	30,272	153,041
<b>Policy Other Changes:</b>			
1. Reduce Fair Fund Expenditures	0.0	0	-194
2. Attorney General Legal Services	0.0	-2	-7
3. CTS Central Services	0.0	34	178
4. DES Central Services	0.0	-13	-69
5. Fund Small Farm & Marketing Assist	0.0	250	250
6. Animal Traceability Program	5.0	0	850
Policy -- Other Total	5.0	269	1,008
<b>Policy Comp Changes:</b>			
7. New Step M for Classified-Yr 1 Impl	0.0	102	486
8. New Step M for Classified-Yr 2 Impl	0.0	10	66
9. State Employee Health Insurance	0.0	-29	-219
10. Wellness - Smoker Surcharge	0.0	-4	-31
11. PEBB - Coverage Waiver Surcharge	0.0	-26	-194
Policy -- Comp Total	0.0	53	108
Total Policy Changes	5.0	322	1,116
Total 2013-15 Biennium	760.4	30,594	154,157
Difference from 2011-13	5.0	620	4,363
% Change from 2011-13	0.7%	2.1%	2.9%

*Comments:*

**1. Reduce Fair Fund Expenditures** - The Fair Account is reduced to balance actual available funds with spending authority. (Fair Fund-Nonappropriated)

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**4. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**5. Fund Small Farm & Marketing Assist** - In 2001, the Small Farm and Direct Marketing Assistance Program was created to assist farmers selling directly to consumers. In 2008, the Farm to School Program was created to invest in new markets for Washington farms while increasing access to health foods. Funding is provided to partially restore the Small Farm and Direct Marketing Assistance Program and Farm to School Programs within the Department of Agriculture that were eliminated in 2011. (General Fund-State)

## 2013-15 Omnibus Operating Budget Department of Agriculture

**6. Animal Traceability Program** - Expenditure authority is increased to reflect the anticipated revenue generated from the fee created in Chapter 204, Laws of 2011, Partial Veto (SHB 1538). Fee revenue will support establishing and operating a database and the related software needed for the animal disease traceability program, in addition to conducting the activities associated with the program. (Agricultural Local Fund-Non-Appropriated)

**7. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**8. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**9. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**10. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**11. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Employment Security Department**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	2,331.5	23	705,206
2013-15 Maintenance Level	2,317.5	16,006	678,857
<b>Policy Other Changes:</b>			
1. Family Leave Insurance Pgm	-19.6	-13,600	-13,600
2. Attorney General Legal Services	0.0	0	-23
3. Administrative Hearings	0.0	0	197
4. CTS Central Services	0.0	0	419
5. DES Central Services	0.0	0	-255
6. Complete Next Generation Tax System	7.5	0	12,386
7. Modernize Call Center Technology	0.0	0	3,735
8. Evaluation of Training Benefits	0.0	0	182
9. State Data Center	0.0	-2,406	4
10. Services for Workers	0.0	0	240
Policy -- Other Total	-12.1	-16,006	3,285
<b>Policy Comp Changes:</b>			
11. New Step M for Classified-Yr 1 Impl	0.0	0	2,114
12. New Step M for Classified-Yr 2 Impl	0.0	0	158
13. State Employee Health Insurance	0.0	0	-742
14. Wellness - Smoker Surcharge	0.0	0	-109
15. PEBB - Coverage Waiver Surcharge	0.0	0	-659
Policy -- Comp Total	0.0	0	762
Total Policy Changes	-12.1	-16,006	4,047
Total 2013-15 Biennium	2,305.4	0	682,904
Difference from 2011-13	-26.2	-23	-22,302
% Change from 2011-13	-1.1%	-100.0%	-3.2%

**Comments:**

**1. Family Leave Insurance Pgm** - The Family Leave Insurance Program (Chapter 25, Laws of 2011, 1st Special Session), which would provide eligible employees with leave time and a weekly benefit while caring for a newborn or newly adopted child as of October 1, 2013, is suspended during the 2013-15 biennium.

**2. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Administrative Hearings** - Agency budgets are adjusted to align with expected billing levels for the Office of Administrative Hearings in the 2013-15 biennium. (General Fund-State, Other Funds)

**4. CTS Central Services** - Funding is provided for each agency's share of enterprise information technology security services provided by Consolidated Technology Services. This allocation is distributed based upon each agency's percentage share of actual statewide information technology full-time equivalent employees. (General Fund-State, Other Funds)

**5. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

## 2013-15 Omnibus Operating Budget

### Employment Security Department

**6. Complete Next Generation Tax System** - Federal expenditure authority is provided to complete the final phase of the Next Generation Tax System. This system will replace the current employer tax and payment system, the Tax Information System. Project completion is scheduled for December 2013, with the warranty period and final payment occurring in June 2014. (Unemployment Compensation Administration Account-Federal)

**7. Modernize Call Center Technology** - Federal expenditure authority is provided for the Department to purchase a commercial off-the-shelf system that will replace the telephone and computing systems used in claim centers. (Unemployment Compensation Administration Account-Federal)

**8. Evaluation of Training Benefits** - Funding is provided for costs associated with the second stage of the review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). The second stage will be conducted by the Joint Legislative Audit and Review Committee, and will consist of further work on the process study and net-impact/cost-benefit analysis components of the evaluation. (Employment Service Administrative Account-State).

**9. State Data Center** - Funding is provided for this agency's share of costs associated with the debt service for the State Data Center from dedicated accounts. (General Fund-State, Administrative Contingency Account-State, Employment Service Administrative Account-State)

**10. Services for Workers** - Funding is provided for ESD to contract with a center for workers in King County. The purpose of the contract is to support initiatives that generate high-skill and high-wage jobs, improve workforce training systems and service delivery to dislocated workers, and build alliances between community and environmental organizations. (Administrative Contingency Account-State)

**11. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**12. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**13. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**14. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**15. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Community/Technical College System**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	14,584.7	1,144,958	2,399,034
2013-15 Maintenance Level	14,676.0	1,215,570	2,581,086
<b>Policy Other Changes:</b>			
1. Attorney General Legal Services	0.0	-16	-30
2. DES Central Services	0.0	-67	-135
3. Student Achievement Initiative	0.0	10,500	10,500
4. Institutional Funding	0.0	37,051	37,051
5. Opportunity Center IT Project	0.0	362	362
6. COE for Aerospace	0.0	200	200
7. Facilities M&O- Alternative Funding	0.0	511	511
8. Maintenance and Operations	0.0	443	443
9. STEM or Career & Tech Ed	0.0	500	500
10. Maritime Industries	0.0	510	510
Policy -- Other Total	0.0	49,994	49,912
<b>Policy Comp Changes:</b>			
11. Suspend I-732 COLA	0.0	-24,671	-30,561
12. New Step M for Classified-Yr 1 Impl	0.0	1,064	1,344
13. New Step M for Classified-Yr 2 Impl	0.0	610	721
14. State Employee Health Insurance	0.0	-3,894	-4,696
15. Wellness - Smoker Surcharge	0.0	-577	-696
16. PEBB - Coverage Waiver Surcharge	0.0	-3,462	-4,175
Policy -- Comp Total	0.0	-30,930	-38,063
Total Policy Changes	0.0	19,064	11,849
Total 2013-15 Biennium	14,676.0	1,234,634	2,592,935
Difference from 2011-13	91.3	89,676	193,901
% Change from 2011-13	0.6%	7.8%	8.1%

*Comments:*

**1. Attorney General Legal Services** - Agency budgets are adjusted to align with expected billing levels for agency legal services in the 2013-15 biennium. (General Fund-State, Other Funds)

**2. DES Central Services** - Agency budgets are adjusted to align with expected billing levels for the Department of Enterprise Services in the 2013-15 biennium. (General Fund-State, Other Funds)

**3. Student Achievement Initiative** - Additional funding is provided for the State Board of Community and Technical Colleges' Student Achievement Initiative.

**4. Institutional Funding** - Funds are provided for additional institutional support.

**5. Opportunity Center IT Project** - Funding is provided for the Opportunity Center for Employment and Education internet technology integration project at North Seattle Community College.

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**6. COE for Aerospace** - Funding is provided for the Center of Excellence for Aerospace, currently hosted by Everett Community College, to increase communication and outreach between industry, business, K-12 schools, and the higher education system. The center will provide information for prospective students and job seekers regarding education, training, and employment in the aerospace industry.

**7. Facilities M&O- Alternative Funding** - The State Board for Community and Technical Colleges is provided funding for the maintenance and operation (M&O) of new instructional facilities constructed with non-state funds, for which authorization has been provided in the capital budget. Each facility is scheduled to be occupied before July 1, 2015. M&O funding covers utilities, custodial, and routine maintenance costs. (General Fund-State)

**8. Maintenance and Operations** - Funds are provided for maintenance and operations of facilities that will be available for occupancy in the 2013-15 biennium. These facilities include the Communications Technology Center (Bates Technical College), Health Science Building (Bellevue College), Health & Advanced Technology Building (Clark College), and Palmer Martin Building (Yakima Valley Community College).

**9. STEM or Career & Tech Ed** - One-time funding is provided to implement Chapter 55 Laws of 2013 (2SSB 5624), which requires the State Board for Community and Technical Colleges to develop and offer two programs that support the continuation of high-quality science, technology, engineering, and math or career and technical education programs offered to students in the K-12 system.

**10. Maritime Industries** - Funding is provided for South Seattle Community College to operate a center to provide training to students in a variety of maritime industrial sectors.

**11. Suspend I-732 COLA** - The Initiative 732 cost-of-living adjustments are suspended for the 2013-15 biennium. Initiative 732, approved by voters in 2000, 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 2.7 percent for the 2013-14 school year and 2.3 percent for the 2014-15 school year. (General Fund-State, Various Other Funds)

**12. New Step M for Classified-Yr 1 Impl** - Funding is provided in agency budgets for classified employees who have been at their top step for at least six years to move to a new top step during FY 2014. A new top step was included as part of several 2011-13 collective bargaining agreements. (General Fund-State, Other Funds)

**13. New Step M for Classified-Yr 2 Impl** - A new top step is included in several 2013-15 collective bargaining agreements. Funding is provided for additional classified employees to move to the new top step during FY 2015. The increase would affect those who reach six years at the current top step during FY 2015 and were not yet eligible for the increase during FY 2014. (General Fund-State, Other Funds)

**14. State Employee Health Insurance** - Funding for state employee health insurance is reduced from \$800 per month per employee to \$782 per month in the first fiscal year and \$791 per month in the second fiscal year resulting in the identified savings. (The imposition of surcharges for tobacco use and for spouses and domestic partners that waive certain employer coverage reduces the necessary funding rate by \$28 per month per employee in the second fiscal year, from \$791 to \$763). (General Fund-State, Other Funds)

**15. Wellness - Smoker Surcharge** - State agency and higher education employer contributions for health insurance are reduced to reflect a \$25 per month surcharge for PEBB members who use tobacco products, beginning July 1, 2014. This reduces the employer funding rate in FY 2015 by approximately \$4 per month. (General Fund-State, Other Funds)

**16. PEBB - Coverage Waiver Surcharge** - Reflects expected savings from implementing a \$50 surcharge beginning July 1, 2015, for Public Employees' Benefits Board (PEBB) subscribers who have Employee plus Spouse coverage or Family coverage where the subscriber's covered spouse or partner has waived an opportunity to enroll in employer coverage, and where the waived employer coverage has an actuarial value not less than 95 percent of the value of the PEBB plan with the largest enrollment. Savings consist of waiver revenue plus a reduction in the number of covered spouses or partners. This reduces the employer funding rate in FY 2015 by approximately \$24 per month. (General Fund-State, Other Funds)

**2013-15 Omnibus Operating Budget**  
**Sundry Claims**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	278	278
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	-278	-278
% Change from 2011-13	0.0%	-100.0%	-100.0%

*Comments:*



**2013-15 Omnibus Operating Budget**  
**State Employee Compensation Adjust**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	0	0
2013-15 Maintenance Level	0.0	0	0
<b>Policy Comp Changes:</b>			
1. Affordable Care Act Savings	0.0	-10,000	-10,000
Policy -- Comp Total	0.0	-10,000	-10,000
Total Policy Changes	0.0	-10,000	-10,000
Total 2013-15 Biennium	0.0	-10,000	-10,000
Difference from 2011-13	0.0	-10,000	-10,000
% Change from 2011-13	0.0%	0.0%	0.0%

*Comments:*

**1. Affordable Care Act Savings -** Funding is reduced to reflect savings that may be achieved through greater efficiencies and/or coordinating publicly provided health insurance benefits with the federal Patient Protection and Affordable Care Act.

**2013-15 Omnibus Operating Budget**  
**Contributions to Retirement Systems**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	129,476	129,476
2013-15 Maintenance Level	0.0	144,400	144,400
<b>Policy Comp Changes:</b>			
1. Pension Adjustments, Nonrate	0.0	-2,900	-2,900
Policy -- Comp Total	0.0	-2,900	-2,900
Total Policy Changes	0.0	-2,900	-2,900
Total 2013-15 Biennium	0.0	141,500	141,500
Difference from 2011-13	0.0	12,024	12,024
% Change from 2011-13	0.0%	9.3%	9.3%

*Comments:*

**1. Pension Adjustments, Nonrate** - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

**2013-15 Omnibus Operating Budget**  
**Contributions to Retirement Systems**  
**Law Enforce Officers Retire System**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	111,276	111,276
2013-15 Maintenance Level	0.0	122,300	122,300
<b>Policy Comp Changes:</b>			
1. Pension Adjustments, Nonrate	0.0	-2,000	-2,000
Policy -- Comp Total	0.0	-2,000	-2,000
Total Policy Changes	0.0	-2,000	-2,000
Total 2013-15 Biennium	0.0	120,300	120,300
Difference from 2011-13	0.0	9,024	9,024
% Change from 2011-13	0.0%	8.1%	8.1%

*Comments:*

**1. Pension Adjustments, Nonrate** - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

**2013-15 Omnibus Operating Budget**  
**Contributions to Retirement Systems**  
**Judicial Retirement System**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	18,200	18,200
2013-15 Maintenance Level	0.0	22,100	22,100
<b>Policy Comp Changes:</b>			
1. Pension Adjustments, Nonrate	0.0	-900	-900
Policy -- Comp Total	0.0	-900	-900
Total Policy Changes	0.0	-900	-900
Total 2013-15 Biennium	0.0	21,200	21,200
Difference from 2011-13	0.0	3,000	3,000
% Change from 2011-13	0.0%	16.5%	16.5%

*Comments:*

**1. Pension Adjustments, Nonrate** - This item adjusts state contributions for Plan 2 of the Law Enforcement Officers' and Fire Fighters' (LEOFF) Retirement System and for the Judicial Retirement System. The first adjustment is made to match the contributions to the level calculated by the Office of the State Actuary. A further adjustment is made to reflect more recent data on actual payout levels from the Department of Retirement Systems.

**2013-15 Omnibus Operating Budget**  
**Other Legislation**  
(Dollars in Thousands)

	<b>Striking Amd 2ESSB 5034 June 27</b>		
	<b>FTEs</b>	<b>NGF-P</b>	<b>Total</b>
2011-13 Estimated Expenditures	0.0	-3,850	-3,846
2013-15 Maintenance Level	0.0	0	0
Total 2013-15 Biennium	0.0	0	0
Difference from 2011-13	0.0	3,850	3,846
% Change from 2011-13	0.0%	-100.0%	-100.0%

*Comments:*