



**STRIKING AMENDMENT TO
SHB 1105:
EARLY ACTION
2015 SUPPLEMENTAL
BUDGET**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
FEBRUARY 5, 2015**

Balance Sheet for 2013-15 Biennium
Senate Chair Striking Amendment to SHB 1105
(Near GF-S, Opp Pathways, Budget Stabilization Acct in Millions)

| | 2013-15 |
|---|----------------|
| Beginning Balance | 156 |
| Revenue Forecast | |
| November 2014 Revenue Forecast | 34,067 |
| Other Resource Changes | |
| Transfers To The Budget Stabilization Account | (316) |
| Other Previously Enacted Fund Transfers | 428 |
| Other Adjustments (Prior Period Adjustments & CAFR) | 13 |
| Other Resource Changes | 125 |
| Total Resources | 34,348 |
| Spending | |
| 2013-15 Enacted Budget | 33,794 |
| <i>Early Action 2015 Session: SHB 1105 Spending Changes</i> | 66 |
| Actual/Projected Reversions | (150) |
| Total Spending | 33,710 |
| Unrestricted Ending Balance (Near GF-S & Opp Pathways) | 638 |
| Budget Stabilization Account | |
| Beginning Balance | 270 |
| Transfer from General Fund and Interest Earnings | 317 |
| <i>Early Action 2015 Session: Minus SHB 1105 Spending Changes</i> | 77 |
| Budget Stabilization Account | 510 |
| Total Reserves (Including Budget Stabilization Account) | 1,148 |

2015 Supplemental Omnibus Operating Budget

(Dollars in Thousands)

| | | SWM Striking Amd | | SHB 1105 (APP Comm) | | Difference | |
|-------------------------------------|-------------------------------------|------------------|----------|---------------------|----------|-------------|----------|
| | | NGF-P | BSA | NGF-P | BSA | NGF-P | BSA |
| Legislative | | | | | | | |
| Office of the State Actuary | | | | | | | |
| Policy Items | | | | | | | |
| 1. | Health Care Actuarial Analysis | 276 | 0 | 0 | 0 | 276 | 0 |
| Total Legislative | | 276 | 0 | 0 | 0 | 276 | 0 |
| DSHS | | | | | | | |
| Children and Family Services | | | | | | | |
| Policy Items | | | | | | | |
| 2. | Supervised Visitation | 2,720 | 0 | 2,720 | 0 | 0 | 0 |
| 3. | Non-Forecasted Extended Foster Care | 2,400 | 0 | 2,400 | 0 | 0 | 0 |
| 4. | Sequestration Mitigation | 3,554 | 0 | 3,554 | 0 | 0 | 0 |
| 5. | Second Year Funding | 750 | 0 | 1,500 | 0 | -750 | 0 |
| Total | | 9,424 | 0 | 10,174 | 0 | -750 | 0 |
| Mental Health | | | | | | | |
| Policy Items | | | | | | | |
| 6. | Hospital Shortfall | 5,524 | 0 | 5,524 | 0 | 0 | 0 |
| 7. | Single Bed Certification Response | 12,334 | 0 | 12,334 | 0 | 0 | 0 |
| 8. | Civil Admission Ward at WSH | 1,425 | 0 | 1,425 | 0 | 0 | 0 |
| 9. | Competency Restoration Services | 450 | 0 | 450 | 0 | 0 | 0 |
| 10. | Psychiatrist Assignment Pay | 459 | 0 | 459 | 0 | 0 | 0 |
| 11. | Competency Evaluation Staff | 106 | 0 | 106 | 0 | 0 | 0 |
| 12. | Community Competency Evaluations | 200 | 0 | 200 | 0 | 0 | 0 |
| 13. | Psychiatric Intensive Care Unit | 339 | 0 | 339 | 0 | 0 | 0 |
| 14. | Psychiatric Emergency Response Team | 318 | 0 | 318 | 0 | 0 | 0 |
| Total | | 21,155 | 0 | 21,155 | 0 | 0 | 0 |
| Developmental Disabilities | | | | | | | |
| Maintenance Items | | | | | | | |
| 15. | Rekhter Decision | 10,625 | 0 | 10,625 | 0 | 0 | 0 |
| Long-Term Care | | | | | | | |
| Maintenance Items | | | | | | | |
| 16. | Rekhter Decision | 25,875 | 0 | 25,875 | 0 | 0 | 0 |
| 17. | Enhanced Services Facility | -1,106 | 0 | 0 | 0 | -1,106 | 0 |

2015 Supplemental Omnibus Operating Budget

(Dollars in Thousands)

| | SWM Striking Amd | | SHB 1105 (APP Comm) | | Difference | |
|---|------------------|---------------|---------------------|---------------|---------------|----------------|
| | NGF-P | BSA | NGF-P | BSA | NGF-P | BSA |
| Total | 24,769 | 0 | 25,875 | 0 | -1,106 | 0 |
| Total DSHS | 65,973 | 0 | 67,829 | 0 | -1,856 | 0 |
| Natural Resources | | | | | | |
| State Conservation Commission | | | | | | |
| Policy Items | | | | | | |
| 18. Carlton Complex Fire Recovery Funds | 0 | 1,165 | 0 | 1,165 | 0 | 0 |
| Department of Fish and Wildlife | | | | | | |
| Policy Items | | | | | | |
| 19. Wildfire Season Costs | 0 | 771 | 0 | 771 | 0 | 0 |
| Department of Natural Resources | | | | | | |
| Policy Items | | | | | | |
| 20. Emergency Fire Suppression | 0 | 62,704 | 0 | 63,827 | 0 | -1,123 |
| Total Natural Resources | 0 | 64,640 | 0 | 65,763 | 0 | -1,123 |
| Special Appropriations | | | | | | |
| Special Appropriations to the Governor | | | | | | |
| Policy Items | | | | | | |
| 21. Fire Contingency | 0 | 12,547 | 0 | 14,298 | 0 | -1,751 |
| 22. Disaster Response Account | 0 | 0 | 0 | 13,000 | 0 | -13,000 |
| Total | 0 | 12,547 | 0 | 27,298 | 0 | -14,751 |
| Total Special Appropriations | 0 | 12,547 | 0 | 27,298 | 0 | -14,751 |
| Total 2015 Supplemental | 66,249 | 77,187 | 67,829 | 93,061 | -1,580 | -15,874 |

Comments:

Legislative

Office of the State Actuary

1. HEALTH CARE ACTUARIAL ANALYSIS - Funding is provided to improve the Legislature's access to independent and objective health care actuarial analysis.

DSHS

Children and Family Services

2. SUPERVISED VISITATION - Funding is provided for contracted vendors to conduct court-ordered supervised visits between children in out-of-home care and their parents and siblings. (General Fund-State, General Fund-Federal)

3. NON-FORECASTED EXTENDED FOSTER CARE - Funding is provided to serve Behavioral Rehabilitative Services youth enrolled in Extended Foster Care. (General Fund-State, General Fund-Federal)

4. SEQUESTRATION MITIGATION - General Fund-State is provided to replace federal funds that were reduced under sequestration. (General Fund-State, General Fund-Federal)

5. SECOND YEAR FUNDING - The Children's Administration has approximately \$3 million less in base funding for the second year of the biennium. Funding is provided to reduce the difference in funding to help address workload increases.

Mental Health

6. HOSPITAL SHORTFALL - Funding is provided to cover the shortfall of current expenditures versus budgeted levels at Eastern State Hospital and Western State Hospital.

7. SINGLE BED CERTIFICATION RESPONSE - Funding is provided to increase community psychiatric capacity to prevent inappropriate boarding of patients in emergency rooms and community hospitals.

8. CIVIL ADMISSION WARD AT WSH - Currently there is a wait list at Western State Hospital which results in delayed admissions from community psychiatric inpatient facilities that provide short term involuntary treatment services. Funding is provided for a new 30-bed civil ward at Western State Hospital.

9. COMPETENCY RESTORATION SERVICES - Funding is provided for a 15 bed transitional unit on the grounds of Western State Hospital. This unit will free up other beds at the facility to be used for competency restoration services.

10. PSYCHIATRIST ASSIGNMENT PAY - Funding for assignment pay for psychiatrists is provided to address high vacancy rates at the state hospitals.

11. COMPETENCY EVALUATION STAFF - Funding is provided for an additional 3 FTE staff to provide competency evaluation services.

12. COMMUNITY COMPETENCY EVALUATIONS - Funding is provided to increase the contracts for community competency evaluations.

13. PSYCHIATRIC INTENSIVE CARE UNIT - Funding is provided for a Psychiatric Intensive Care Unit (PICU) to serve violent and assaultive patients at both Western State Hospital and Eastern State Hospital. The PICUs will house high acuity patients for short-term stays with a transition back to a standard ward after stabilization. PICU patients will receive specialized patient care and treatment targeted at reduction of violence and assaults.

14. PSYCHIATRIC EMERGENCY RESPONSE TEAM - Funding is provided for 23.0 staff to expand the Psychiatric Emergency Response Team (PERT) at Western State Hospital (WSH). It also will create an additional team for day and evening shifts to support the civil wards at WSH and add a single team for day and evening shifts at Eastern State Hospital.

Developmental Disabilities

15. REKHTER DECISION - Funding is provided to pay the judgment resulting from the Washington State Supreme Court's decision in the Rekhter v. Department of Social and Health Services lawsuit. This item assumes a payment date of February 1, 2015. (General Fund-State, General Fund-Federal)

Long-Term Care

16. REKHTER DECISION - Funding is provided to pay the judgment resulting from the Washington State Supreme Court's decision in the Rekhter v. Department of Social and Health Services lawsuit. This item assumes a payment date of February 1, 2015. (General Fund-State, General Fund-Federal)

17. ENHANCED SERVICES FACILITY - Funding is reduced due to a delay in implementing enhanced services facilities in the community to serve persons with both personal care and cognitive/behavioral support needs who no longer require active treatment. (General Fund-State, General Fund-Federal)

Natural Resources

State Conservation Commission

18. CARLTON COMPLEX FIRE RECOVERY FUNDS - One-time funding is provided to assist agricultural landowners affected by the Carlton Complex fire, including the state match requirement for the Emergency Watershed Protection Program and other Federal grants, noxious weed control for private landowners, wildlife fencing, seeding, and livestock fencing. (Budget Stabilization Account-State, General Fund-Federal)

Department of Fish and Wildlife

19. WILDFIRE SEASON COSTS - WDFW is required to pay local fire districts and the Department of Natural Resources (DNR) for their support in fighting wildfires on department lands. Funding is provided for fire suppression costs associated with wildfires occurring during FY 2015 and for those fires occurring from March through June in FY 2014 not covered in the 2014 supplemental appropriation. One-time funding is also provided for emergency seeding, feeding and fencing related to fire damage and recovery. (Budget Stabilization Account-State)

Department of Natural Resources

20. EMERGENCY FIRE SUPPRESSION - One-time funding is provided for the costs of wildland fire response activity incurred and anticipated during fiscal year 2015. These costs are projected to be in excess of the Department of Natural Resources' existing fire suppression appropriation. (Budget Stabilization Account-State, General Fund-Federal)

Special Appropriations

Special Appropriations to the Governor

21. FIRE CONTINGENCY - Funding is provided from the Budget Stabilization Account for fire mobilization expenses incurred by the Washington State Patrol. (Budget Stabilization Account-State).

SHB 1105 - S COMM AMD
By Committee on Ways & Means

1 Strike everything after the enacting clause and insert the
2 following:

3 NEW SECTION. **Sec. 1. FOR THE OFFICE OF THE STATE ACTUARY**

4 General Fund—State Appropriation (FY 2015). \$276,000

5 The appropriation in this section is subject to the following
6 conditions and limitations: \$276,000 of the general fund—state
7 appropriation for fiscal year 2015 is provided to improve the
8 legislature's access to independent and objective health care
9 actuarial analysis.

10 NEW SECTION. **Sec. 2. FOR THE MILITARY DEPARTMENT**

11 Disaster Response Account—State Appropriation. \$11,460,000

12 Disaster Response Account—Federal Appropriation. \$6,141,000

13 TOTAL APPROPRIATION. \$17,601,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations are provided solely
16 for disasters declared by the governor and may be spent only with the
17 approval of the office of financial management.

18 NEW SECTION. **Sec. 3. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
19 **SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM**

20 General Fund—State Appropriation (FY 2015). \$9,424,000

21 General Fund—Federal Appropriation. (\$2,459,000)

22 TOTAL APPROPRIATION. \$6,965,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: The amount provided in this section is
25 for increased costs of services for children and families, including
26 supervised visitation and extended foster care.

27 NEW SECTION. **Sec. 4. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
28 **SERVICES—MENTAL HEALTH DIVISION—COMMUNITY SERVICES**

29 General Fund—State Appropriation (FY 2015). \$11,999,000

1 The appropriation in this section is subject to the following
2 conditions and limitations:

3 (1) The entire appropriation is provided solely to reimburse
4 regional support networks for increased costs that are not covered
5 under the Medicaid program and that are incurred in order to meet
6 statutory obligations to provide individualized mental health
7 treatment in appropriate settings to individuals who are detained or
8 committed under the involuntary treatment act. Prior to distributing
9 funds to a regional support network requesting reimbursement for
10 costs relative to increased utilization, the department must receive
11 adequate documentation of such increased utilization and costs.

12 (2) In addition to those authorized in section 204(1)(d), chapter
13 221, Laws of 2014, an additional 30 nonforensic beds per day are
14 allocated for use by regional support networks at western state
15 hospital.

16 NEW SECTION. **Sec. 5. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
17 **SERVICES—MENTAL HEALTH DIVISION—INSTITUTIONAL SERVICES**

18 General Fund—State Appropriation (FY 2015). \$8,621,000

19 The appropriation in this section is subject to the following
20 conditions and limitations:

21 (1) \$1,425,000 of the appropriation is provided solely for the
22 startup and operation of a 30 bed civil ward at western state
23 hospital.

24 (2) \$450,000 of the appropriation is provided solely for the
25 startup and operation of a 15 bed forensic ward at western state
26 hospital.

27 (3) \$106,000 of the appropriation is provided solely to increase
28 the number of staff providing competency evaluation services.

29 (4) \$339,000 of the appropriation is provided solely for the
30 startup and operation of a psychiatric intensive care unit to provide
31 specialized intensive care to assaultive patients from western and
32 eastern state hospitals.

33 (5) \$318,000 of the appropriation is provided solely to expand
34 the use of psychiatric emergency response teams at western and
35 eastern state hospitals.

36 (6) \$459,000 of the appropriation is provided solely for
37 assignment pay to improve recruitment and retention of psychiatrists
38 at eastern and western state hospitals.

1 (7) \$5,524,000 of the appropriation is provided for covering
2 increased costs of operations at the state hospitals. By April 1,
3 2015, the department shall prepare and submit to the office of
4 financial management and the fiscal committees of the legislature a
5 staffing plan for the state institutions of the mental health
6 division that will maintain expenditures within appropriated levels.

7 NEW SECTION. **Sec. 6. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
8 **SERVICES—MENTAL HEALTH DIVISION—PROGRAM SUPPORT**

| | | |
|----|---|-----------|
| 9 | General Fund—State Appropriation (FY 2015). | \$535,000 |
| 10 | General Fund—Federal Appropriation. | \$115,000 |
| 11 | TOTAL APPROPRIATION. | \$650,000 |

12 The appropriations in this section are subject to the following
13 conditions and limitations:

14 (1) \$335,000 of the general fund—state appropriation and the
15 entire general fund—federal appropriation are provided solely for
16 coordination of efforts to meet statutory obligations to provide
17 individualized mental health treatment in appropriate settings to
18 individuals who are detained or committed under the involuntary
19 treatment act.

20 (2) \$200,000 of the general fund—state appropriation is provided
21 solely for increasing the number of community competency evaluations
22 that can be done under chapter 284, Laws of 2013 (ESSB 5551).

23 NEW SECTION. **Sec. 7. FOR THE CONSERVATION COMMISSION**

| | | |
|----|--|-------------|
| 24 | Budget Stabilization Account Appropriation (FY 2015) . . . | \$1,165,000 |
| 25 | General Fund—Federal Appropriation. | \$1,538,000 |
| 26 | TOTAL APPROPRIATION. | \$2,703,000 |

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations are provided solely to
29 protect water quality, prevent crop damage, and help landowners
30 recover from losses sustained during the Carlton Complex fire.

31 NEW SECTION. **Sec. 8. FOR THE DEPARTMENT OF NATURAL RESOURCES**

| | | |
|----|--|--------------|
| 32 | Budget Stabilization Account Appropriation (FY 2015) . . | \$62,704,000 |
| 33 | General Fund—Federal Appropriation. | \$9,661,000 |
| 34 | TOTAL APPROPRIATION. | \$72,365,000 |

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely
3 for costs of emergency fire suppression. These amounts may not be
4 used to fund agency indirect and administrative expenses.

5 NEW SECTION. **Sec. 9. FOR THE DEPARTMENT OF FISH AND WILDLIFE**
6 Budget Stabilization Account Appropriation (FY 2015). . . . \$771,000

7 The appropriation in this section is subject to the following
8 conditions and limitations: The appropriations are provided solely to
9 pay for emergency fire suppression costs, emergency seeding, winter
10 feeding of deer, and emergency fence repair costs. These amounts may
11 not be used to fund agency indirect and administrative expenses.

12 NEW SECTION. **Sec. 10. FOR THE WASHINGTON STATE PATROL**
13 Disaster Response Account—State Appropriation \$12,547,000

14 The appropriation in this section is subject to the following
15 conditions and limitations: The appropriation is provided solely for
16 Washington state fire service resource mobilization costs incurred in
17 response to an emergency or disaster authorized under RCW 43.43.960
18 through 43.43.964.

19 NEW SECTION. **Sec. 11. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
20 **FIRE CONTINGENCY**
21 Budget Stabilization Account Appropriation (FY 2015) . . . \$12,547,000

22 The appropriation in this section is subject to the following
23 conditions and limitations: The appropriation is provided solely for
24 expenditure into the disaster response account to be used for any
25 Washington state fire service resource mobilization costs incurred in
26 response to an emergency or disaster authorized under RCW 43.43.960
27 through 43.43.964.

28 NEW SECTION. **Sec. 12. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
29 **SERVICES—DEVELOPMENTAL DISABILITIES DIVISION**
30 General Fund—State Appropriation (FY 2015) \$10,625,000
31 General Fund—Federal Appropriation. \$10,625,000
32 TOTAL APPROPRIATION. \$21,250,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: The appropriations are provided solely to

1 fully satisfy the first amended supplemental judgment and order and
2 second amended final judgment on jury verdict issued by the Thurston
3 county superior court on September 5, 2014, in the case of *Rekhter v.*
4 *DSHS*, cause no. 07-2-00895-8.

5 NEW SECTION. **Sec. 13. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
6 **SERVICES—LONG-TERM CARE ADMINISTRATION**

| | | |
|---|--|--------------|
| 7 | General Fund—State Appropriation (FY 2015) | \$24,769,000 |
| 8 | General Fund—Federal Appropriation. | \$24,875,000 |
| 9 | TOTAL APPROPRIATION. | \$49,644,000 |

10 The appropriations in this section are subject to the following
11 conditions and limitations: The appropriations are provided solely to
12 fully satisfy the first amended supplemental judgment and order and
13 second amended final judgment on jury verdict issued by the Thurston
14 county superior court on September 5, 2014, in the case of *Rekhter v.*
15 *DSHS*, cause no. 07-2-00895-8.

16 **Sec. 14.** RCW 82.33.020 and 2012 1st sp.s. c 8 s 3 are each
17 amended to read as follows:

18 (1) Four times each year the supervisor must prepare, subject to
19 the approval of the economic and revenue forecast council under RCW
20 82.33.010:

- 21 (a) An official state economic and revenue forecast;
- 22 (b) An unofficial state economic and revenue forecast based on
23 optimistic economic and revenue projections; and
- 24 (c) An unofficial state economic and revenue forecast based on
25 pessimistic economic and revenue projections.

26 (2) The supervisor must submit forecasts prepared under this
27 section, along with any unofficial forecasts provided under RCW
28 82.33.010, to the governor and the members of the committees on ways
29 and means and the chairs of the committees on transportation of the
30 senate and house of representatives, including one copy to the staff
31 of each of the committees, on or before November 20th, February 20th
32 in the even-numbered years, March 20th in the odd-numbered years,
33 June 27th, and September 27th. In fiscal year 2015, the March 20th
34 forecast shall be submitted on or before February 20, 2015. All
35 forecasts must include both estimated receipts and estimated revenues
36 in conformance with generally accepted accounting principles as
37 provided by RCW 43.88.037. In odd-numbered years, the period covered

1 by forecasts for the state general fund and related funds must cover
2 the current fiscal biennium and the next ensuing fiscal biennium. In
3 even-numbered years, the period covered by the forecasts for the
4 state general fund and related funds shall be current fiscal and the
5 next two ensuing fiscal biennia.

6 (3) All agencies of state government must provide to the
7 supervisor immediate access to all information relating to economic
8 and revenue forecasts. Revenue collection information must be
9 available to the supervisor the first business day following the
10 conclusion of each collection period.

11 (4) The economic and revenue forecast supervisor and staff must
12 co-locate and share information, data, and files with the tax
13 research section of the department of revenue but may not duplicate
14 the duties and functions of one another.

15 (5) As part of its forecasts under subsection (1) of this
16 section, the supervisor must provide estimated revenue from tuition
17 fees as defined in RCW 28B.15.020.

18 (6) The economic and revenue forecast council must, in
19 consultation with the economic and revenue forecast work group
20 created in RCW 82.33.040, review the existing economic and revenue
21 forecast council revenue model, data, and methodologies and in light
22 of recent economic changes, engage outside experts if necessary, and
23 recommend changes to the economic and revenue forecast council
24 revenue forecasting process to increase confidence and promote
25 accuracy in the revenue forecast. The recommendations are due by
26 September 30, 2012, and every five years thereafter.

27 NEW SECTION. **Sec. 15.** Sections 1 through 13 of this act are
28 each added to 2013 2nd sp.s. c 4 (uncodified).

29 NEW SECTION. **Sec. 16.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of
31 the state government and its existing public institutions, and takes
32 effect immediately."

SHB 1105 - S COMM AMD
By Committee on Ways & Means

33 On page 1, line 1 of the title, after "matters;" strike the
34 remainder of the title and insert: "amending RCW 82.33.020; adding

1 new sections to 2013 2nd sp.s. c 4 (uncodified); making
2 appropriations; and declaring an emergency."

--- END ---