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2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Legislative	2,123	0	2,123
Judicial	996	4,522	5,518
Governmental Operations	4,327	256,268	260,595
Other Human Services	82,686	50,392	133,078
DSHS	-24,907	196,797	171,890
Natural Resources	35,259	8,158	43,417
Transportation	89	2,007	2,096
Public Schools	67,656	31,995	99,651
Higher Education	41,775	4,014	45,789
Special Appropriations	13,805	10,139	23,944
Total Budget Bill	223,809	564,292	788,101
Appropriations in Other Legislation	950	0	950
Statewide Total	224,759	564,292	789,051

2004 Supplemental Omnibus Operating Budget

February 22, 2004

House Chair

7:18 pm

(Dollars in Thousands)

	GF-S	OTH-B	Total
Legislative			
House of Representatives	75	0	75
Senate	75	0	75
Jt Leg Audit & Review Committee	623	0	623
LEAP Committee	-50	0	-50
Joint Legislative Systems Comm	1,400	0	1,400
Total Legislative	2,123	0	2,123
Judicial			
Supreme Court	68	0	68
State Law Library	4	0	4
Court of Appeals	149	0	149
Office of Administrator for Courts	775	4,134	4,909
Office of Public Defense	0	388	388
Total Judicial	996	4,522	5,518
Total Legislative/Judicial	3,119	4,522	7,641

2004 Supplemental Omnibus Operating Budget

February 22, 2004

House Chair

7:18 pm

(Dollars in Thousands)

	GF-S	OTH-B	Total
Governmental Operations			
Office of the Governor	335	0	335
Office of the Secretary of State	-5,458	25,944	20,486
Office of the State Treasurer	0	314	314
Comm Salaries for Elected Officials	64	0	64
Office of the Attorney General	428	1,673	2,101
Caseload Forecast Council	63	0	63
Dept Community, Trade, Econ Dev	7,009	32,784	39,793
Office of Financial Management	1,226	17,424	18,650
Office of Administrative Hearings	0	2,364	2,364
Department of Retirement Systems	0	731	731
Public Printer	0	66,000	66,000
Department of Revenue	325	136	461
Dept of General Administration	0	2,209	2,209
Department of Information Services	0	500	500
Office of Insurance Commissioner	0	902	902
WA State Liquor Control Board	0	1,951	1,951
Utilities and Transportation Comm	0	982	982
Military Department	335	101,465	101,800
LEOFF 2 Retirement Board	0	889	889
Total Governmental Operations	4,327	256,268	260,595

2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Other Human Services			
WA State Health Care Authority	5,050	2,406	7,456
Criminal Justice Training Comm	0	50	50
Department of Labor and Industries	577	205	782
Home Care Quality Authority	160	0	160
Department of Health	-139	47,776	47,637
Department of Veterans' Affairs	75	158	233
Department of Corrections	76,963	-4,656	72,307
Department of Employment Security	0	4,453	4,453
Total Other Human Services	82,686	50,392	133,078

2004 Supplemental Omnibus Operating Budget

February 22, 2004

House Chair

7:18 pm

(Dollars in Thousands)

	GF-S	OTH-B	Total
DSHS			
Children and Family Services	-14,071	1,463	-12,608
Juvenile Rehabilitation	-3,645	-5,802	-9,447
Mental Health	-3,536	23,135	19,599
Developmental Disabilities	-11,959	17,252	5,293
Long-Term Care	-12,717	37,821	25,104
Economic Services Administration	69,244	-1,775	67,469
Alcohol & Substance Abuse	1,940	2,773	4,713
Medical Assistance Payments	-57,619	106,451	48,832
Vocational Rehabilitation	-19	892	873
Administration/Support Svcs	4,550	13,260	17,810
Payments to Other Agencies	2,925	1,327	4,252
Total DSHS	-24,907	196,797	171,890
Total Human Services	57,779	247,189	304,968

2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Natural Resources			
Department of Ecology	5,012	3,557	8,569
WA Pollution Liab Insurance Program	0	2	2
State Parks and Recreation Comm	87	962	1,049
Interagency Comm for Outdoor Rec	225	125	350
Environmental Hearings Office	49	0	49
State Conservation Commission	0	250	250
Dept of Fish and Wildlife	462	1,201	1,663
Department of Natural Resources	24,985	1,744	26,729
Department of Agriculture	4,439	317	4,756
Total Natural Resources	35,259	8,158	43,417

2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Transportation			
Washington State Patrol	0	1,581	1,581
Department of Licensing	89	426	515
Total Transportation	89	2,007	2,096

2004 Supplemental Omnibus Operating Budget

February 22, 2004

House Chair

7:18 pm

(Dollars in Thousands)

	GF-S	OTH-B	Total
Public Schools			
OSPI & Statewide Programs	1,132	6,298	7,430
General Apportionment	19,479	0	19,479
Pupil Transportation	23,436	0	23,436
School Food Services	0	-19,941	-19,941
Special Education	1,626	15,852	17,478
Traffic Safety Education	0	831	831
Educational Service Districts	1	0	1
Levy Equalization	-4,315	0	-4,315
Elementary/Secondary School Improv	0	-3,381	-3,381
Institutional Education	-1,305	0	-1,305
Ed of Highly Capable Students	41	0	41
Student Achievement Program	0	4,157	4,157
Education Reform	1,745	35,685	37,430
Transitional Bilingual Instruction	2,875	-1,765	1,110
Learning Assistance Program (LAP)	-2,141	-5,856	-7,997
Compensation Adjustments	25,082	115	25,197
Total Public Schools	67,656	31,995	99,651

2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Higher Education			
Higher Education Coordinating Board	14,013	2,014	16,027
University of Washington	6,284	0	6,284
Washington State University	2,197	0	2,197
Eastern Washington University	550	0	550
Central Washington University	987	0	987
The Evergreen State College	271	0	271
Western Washington University	710	0	710
Community/Technical College System	16,763	2,000	18,763
Total Higher Education	41,775	4,014	45,789
Total Education	109,431	36,009	145,440

2004 Supplemental Omnibus Operating Budget
House Chair
(Dollars in Thousands)

February 22, 2004
7:18 pm

	GF-S	OTH-B	Total
Special Appropriations			
Bond Retirement and Interest	-12,348	11,703	-645
Special Approps to the Governor	20,947	-4,392	16,555
Sundry Claims	61	30	91
State Employee Compensation Adjust	5,655	2,798	8,453
Contributions to Retirement Systems	-510	0	-510
Total Special Appropriations	13,805	10,139	23,944

2003-05 Revised Omnibus Operating Budget (2004 Supp)
House of Representatives
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	56,342	45	56,387
2004 Policy Changes:			
1. National Conference of Legislatures	<u>75</u>	<u>0</u>	<u>75</u>
Total Policy Changes	75	0	75
2003-05 Revised Appropriations	56,417	45	56,462
Difference from Original Appropriations	75	0	75
% Change from Original Appropriations	0.1%	0.0%	0.1%

Comments:

1. National Conference of Legislatures - One-time start-up funding is provided for costs associated with the Legislature's hosting of the 2005 National Conference of State Legislatures in Seattle. This amount will be repaid from sponsorship revenue.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Senate**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	45,174	45	45,219
2004 Policy Changes:			
1. National Conference of Legislatures	75	0	75
Total Policy Changes	75	0	75
2003-05 Revised Appropriations	45,249	45	45,294
Difference from Original Appropriations	75	0	75
% Change from Original Appropriations	0.2%	0.0%	0.2%

Comments:

1. National Conference of Legislatures - One-time start-up funding is provided for costs associated with the Legislature's hosting of the 2005 National Conference of State Legislatures in Seattle. This amount will be repaid from sponsorship revenue.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Jt Leg Audit & Review Committee
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	3,344	0	3,344
2004 Policy Changes:			
1. Developmental Disability Prevalence	50	0	50
2. Fire Suppression Policy Study	150	0	150
3. Tax Preferences (ESHB 1869)	250	0	250
4. High School Voc Centers (EHB 3094)	21	0	21
5. Govt Accountability (3ESHB 1053)	152	0	152
Total Policy Changes	623	0	623
2003-05 Revised Appropriations	3,967	0	3,967
Difference from Original Appropriations	623	0	623
% Change from Original Appropriations	18.6%	0.0%	18.6%

Comments:

1. Developmental Disability Prevalence - Funding is provided for a study of the prevalence of developmental disabilities.

2. Fire Suppression Policy Study - Expenditures charged for direct fire suppression costs have averaged \$31.0 million per year for the past three years. During the ten years prior to this period, fire suppression costs averaged \$11.0 million per year and only once exceeded \$20.0 million. Although forest health issues may be contributing to the higher cost of fire suppression, it is not likely to explain such a sudden increase. Funding is provided for a program performance audit of the policies and practices of the state wildfire suppression program.

3. Tax Preferences (ESHB 1869) - Funding is provided to implement Engrossed Substitute House Bill 1869 (tax preferences). This bill requires the Joint Legislative Audit and Review Committee (JLARC) to periodically review all tax preferences. It also requires JLARC to staff a newly-created citizen review board.

4. High School Voc Centers (EHB 3094) - Funding is provided for a study of high school vocational programs as outlined in Engrossed House Bill 3094 (high school skills center).

5. Govt Accountability (3ESHB 1053) - Funding is required to implement Third Engrossed Substitute House Bill 1053 (government accountability), which requires JLARC to staff the citizen oversight board established in the bill.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
LEAP Committee
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	3,455	0	3,455
2004 Policy Changes:			
1. Regional Cost of Living Index	<u>-50</u>	<u>0</u>	<u>-50</u>
Total Policy Changes	-50	0	-50
2003-05 Revised Appropriations	3,405	0	3,405
Difference from Original Appropriations	-50	0	-50
% Change from Original Appropriations	-1.4%	0.0%	-1.4%

Comments:

1. Regional Cost of Living Index - Funding provided in the 2003-05 biennial budget for the Committee to develop a regional cost-of-living index for each region served by an Educational Service District of the K-12 system is removed. Instead, the Joint Task Force on K-12 Finance, created pursuant to Engrossed Substitute House Bill 2955, may take into consideration regional cost-of-living differences as it designs alternative compensation models.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Joint Legislative Systems Comm**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	13,507	1,813	15,320
2004 Policy Changes:			
1. Leg. Network Equip. Wiring Closets	410	0	410
2. Legislative Audio System	300	0	300
3. Legislative Cable TV Connectivity	65	0	65
4. DAS Connectivity to Network	125	0	125
5. Distributed Antenna System (DAS)	500	0	500
Total Policy Changes	1,400	0	1,400
2003-05 Revised Appropriations	14,907	1,813	16,720
Difference from Original Appropriations	1,400	0	1,400
% Change from Original Appropriations	10.4%	0.0%	9.1%

Comments:

1. Leg. Network Equip. Wiring Closets - The computing network equipment servicing the thin-net network from the Legislative Building's wiring closets, which are located on each floor, will be replaced so that new wiring for the legislative computing network will be capable of serving legislative users upon their return to the building.

2. Legislative Audio System - To ensure an adequate legislative audio system upon return to the Legislative Building, Senate and House chamber audio equipment, some of which was installed prior to 1989, is replaced and relocated to the fifth floor above each chamber.

3. Legislative Cable TV Connectivity - Cable television service existed in the Legislative Building prior to the Legislative Building Rehabilitation Project (LBRP). The LBRP includes the cabling portion of this service, but does not include the amplifiers and multiplexers to make the system functional. Funding is provided for these components.

4. DAS Connectivity to Network - Funding is provided for the telecommunications equipment (access points, switches, and management software) required to connect the distributed antenna system (DAS) antennas and cabling to the wired network.

5. Distributed Antenna System (DAS) - Funding is provided for a distributed antenna system (DAS) which will include cabling and antennas to enable wireless emergency, cellular, and local area network (LAN) communications throughout the building. The Legislative Building Rehabilitation Project affords a cost-effective opportunity to install the infrastructure for emerging information technologies while walls and conduits are exposed.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Supreme Court**
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	11,127	0	11,127
Total Maintenance Changes	40	0	40
2004 Policy Changes:			
1. Capital Counsel Panel	28	0	28
Total Policy Changes	28	0	28
2003-05 Revised Appropriations	11,195	0	11,195
Difference from Original Appropriations	68	0	68
% Change from Original Appropriations	0.6%	0.0%	0.6%

Comments:

1. Capital Counsel Panel - The Capital Counsel Panel, which recruits and maintains a list of attorneys qualified for appointment in death penalty cases, has been expanded from five to seven members. Funding is provided for the costs associated with an increase in the number of panel members and an increase in the number of meetings each year.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
State Law Library
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	4,095	0	4,095
Total Maintenance Changes	4	0	4
2003-05 Revised Appropriations	4,099	0	4,099
Difference from Original Appropriations	4	0	4
% Change from Original Appropriations	0.1%	0.0%	0.1%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Court of Appeals**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	25,257	0	25,257
Total Maintenance Changes	54	0	54
2004 Policy Changes:			
1. Additional Staff	95	0	95
Total Policy Changes	95	0	95
2003-05 Revised Appropriations	25,406	0	25,406
Difference from Original Appropriations	149	0	149
% Change from Original Appropriations	0.6%	0.0%	0.6%

Comments:

- 1. Additional Staff** - Funding is provided to hire additional case management staff for Division II of the Court of Appeals.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Administrator for Courts**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	34,635	71,292	105,927
Total Maintenance Changes	775	49	824
2004 Policy Changes:			
1. Disaster Recovery	0	1,100	1,100
2. JIS Migration Phase II Extension	0	1,400	1,400
3. JIS Migration Phase III	0	1,400	1,400
4. Continuing Education General Rule	0	96	96
5. New Lease Costs	0	89	89
Total Policy Changes	0	4,085	4,085
2003-05 Revised Appropriations	35,410	75,426	110,836
Difference from Original Appropriations	775	4,134	4,909
% Change from Original Appropriations	2.2%	5.8%	4.6%

Comments:

1. Disaster Recovery - Funding is provided for information technology disaster recovery/business resumption planning and implementation for the Judicial Information System (JIS). (Judicial Information Systems Account-State)

2. JIS Migration Phase II Extension - Revenue uncertainties during the 2001-2003 biennium caused the Office of the Administrator for the Courts (OAC) to delay the implementation of Phase II of the JIS Migration project. Funding is provided to continue implementation of Phase II. (Judicial Information Systems Account-State)

3. JIS Migration Phase III - Funding is provided to fully implement Phase III of the JIS Migration Plan. (Judicial Information Systems Account-State)

4. Continuing Education General Rule - Funding is provided for the implementation of Supreme Court General Rule 26, which requires continuing education for judicial officers, and for the expansion of court administration education programs. (Public Safety and Education Account-State)

5. New Lease Costs - The OAC will relocate and consolidate two of its three locations into one. Funding is provided for the increased lease cost associated with this relocation. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of Public Defense
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,550	12,395	13,945
Total Maintenance Changes	0	388	388
2003-05 Revised Appropriations	1,550	12,783	14,333
Difference from Original Appropriations	0	388	388
% Change from Original Appropriations	0.0%	3.1%	2.8%

Comments:

Office of the Governor

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	7,549	4,994	12,543
2004 Policy Changes:			
1. Hood Canal Early Actions	100	0	100
2. Kindergarten Readiness Guidelines	100	0	100
3. Governor's Transition Team	135	0	135
Total Policy Changes	335	0	335
2003-05 Revised Appropriations	7,884	4,994	12,878
Difference from Original Appropriations	335	0	335
% Change from Original Appropriations	4.4%	0.0%	2.7%

Comments:

1. Hood Canal Early Actions - In early October 2003, thousands of fish, shrimp and crabs were found dead in waters from Annas Bay to Hoodport. This is the second time in two years that large fish kills have been reported in the canal. Preliminary scientific study and assessment indicates the primary cause of the kills is low levels of dissolved oxygen in Hood Canal. The Puget Sound Action Team is currently detailing the causes contributing to low dissolved oxygen levels in a report and expects recommendations for early corrective actions to be available by March 2004. Funding is provided to begin implementation of early corrective action projects to reduce and/or prevent major sources of human-related pollution and nutrients from entering the canal.

2. Kindergarten Readiness Guidelines - One-time funding is provided to the Governor's Office and the Office of the Superintendent of Public Instruction to work with the early childhood care and education communities to develop and disseminate research-based, voluntary guidelines for developing appropriate curricula and activities to prepare children to enter school.

3. Governor's Transition Team - Funding is provided to cover the costs of the new Governor's transition team for the period of November 2004 through January 2005.

Office of the Secretary of State

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	41,428	40,479	81,907
Total Maintenance Changes	0	625	625
2004 Policy Changes:			
1. Savings - 2004 Presidential Primary	-6,038	0	-6,038
2. Eastern Regional/Digital Archive	0	1,756	1,756
3. Security Microfilm Inspection	0	125	125
4. Security Microfilm Storage Vault	0	100	100
5. Security Microfilm Reparation	0	198	198
6. Help America Vote Act Compliance	0	23,140	23,140
7. New State Primary	580	0	580
Total Policy Changes	-5,458	25,319	19,861
2003-05 Revised Appropriations	35,970	66,423	102,393
Difference from Original Appropriations	-5,458	25,944	20,486
% Change from Original Appropriations	-13.2%	64.1%	25.0%

Comments:

1. Savings - 2004 Presidential Primary - Chapter 1, Laws of 2003, 3rd Special Session (HB 2297) cancelled the presidential primary that was to be held in 2004. As a result, the state will save \$6.038 million because counties will not need to be reimbursed for election administration costs.

2. Eastern Regional/Digital Archive - The new Eastern Regional Archives and Digital Archive facility will open in spring 2004. Funds are provided for additional facility capital costs, digital archive technology architecture costs, and additional digital archive staff and operational costs. Building plan changes, required as a result of building code changes and additional site preparation, necessitate additional capital costs. It is assumed that the Office of the Secretary of State (OSOS) will not increase revolving fund charges and will use the existing fund balance for the additional staff. (Archives and Records Management Account-State, Local Government Archives Account-State)

3. Security Microfilm Inspection - Back-up copies of essential state and local government records are maintained on security microfilm. This film must be inspected when it is received to ensure that it meets archival standards. Because of the growing volume of these records, spending authority is provided for additional staff to perform these inspections. It is assumed that the OSOS will not increase revolving fund charges and will use the existing fund balance for the additional staff. (Archives and Records Management Account-State, Local Government Archives Account-State)

4. Security Microfilm Storage Vault - For preservation purposes, security microfilm must be stored in a temperature-controlled facility. Spending authority is provided to construct a new vault within the State Archives' building for the growing volume of local government security microfilm. It is assumed that the OSOS will not increase revolving fund charges and will use the existing fund balance to construct the vault. (Local Government Archives Account-State)

5. Security Microfilm Reparation - Reparation work is needed on a significant amount of older security microfilm. Spending authority provided to conduct this work on a sample of poor quality security microfilm to assess a range of problems and determine appropriate treatment for all impaired film in the Archives' holdings. It is assumed that the OSOS will not increase revolving fund charges and will use the existing fund balance to conduct this work. (Local Government Archives Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Office of the Secretary of State

6. Help America Vote Act Compliance - Congress passed the Help America Vote Act (HAVA) in 2002 to improve election administration, voter outreach, and education. Washington is eligible to receive up to \$62.8 million in federal funding during the 2003-05 biennium to help the state meet the new HAVA mandates. These payments require a state match of five percent, or \$3.14 million, which is provided in the Special Appropriations agency budget. This match, and \$20.0 million of federal spending authority, are provided to (1) develop a statewide voter registration database; (2) obtain direct recording electronic equipment or other disability access devices to allow people with disabilities to vote unassisted; (3) replace punchcard voting equipment; and (4) implement a Local Government Grant program to pass through funds to counties. (Elections Account-State, Elections Account-Federal)

7. New State Primary - Funding is provided for the OSOS to conduct voter outreach and to educate Washington voters on a possible new state primary and to train local elections officials on how to conduct the new primary.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of the State Treasurer**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	13,149	13,149
Total Maintenance Changes	0	314	314
2003-05 Revised Appropriations	0	13,463	13,463
Difference from Original Appropriations	0	314	314
% Change from Original Appropriations	0.0%	2.4%	2.4%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Comm Salaries for Elected Officials
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	240	0	240
2004 Policy Changes:			
1. Office Operations	29	0	29
2. Evaluate Elected Positions	35	0	35
Total Policy Changes	64	0	64
2003-05 Revised Appropriations	304	0	304
Difference from Original Appropriations	64	0	64
% Change from Original Appropriations	26.7%	0.0%	26.7%

Comments:

1. Office Operations - Additional funds are provided to the Office of the Citizens' Commission on Salaries for Elected Officials for operations and staffing to ensure sufficient office coverage during the Commission's slow season. This additional funding will allow the Office to maintain office hours from 8 a.m. to 4 p.m., Monday through Friday, during FY 2004.

2. Evaluate Elected Positions - Funding is provided to conduct a point factor job evaluation of the positions of legislator, Supreme Court Justice, and judges of the Court of Appeals, Superior Court, and District Court. The resulting information will be used by future commissions in setting elected officials' salary schedules.

Office of the Attorney General

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	8,166	174,097	182,263
2004 Policy Changes:			
1. County Prosecutor Tort Costs	61	0	61
2. Pacific Sound Resources Litigation	0	818	818
3. Violent Video Games Litigation	231	0	231
4. Return of Office Relocation Funding	0	-179	-179
5. Licensing Caseload Increases	0	600	600
6. Hallett Case	0	40	40
7. Homicide Investigative Tracking	0	187	187
8. Correctional Industries	0	70	70
9. Health Care Actions (EHB 2839)	88	0	88
10. Instream Flows (SHB 2396)	0	137	137
11. Spokane County Litigation	48	0	48
Total Policy Changes	428	1,673	2,101
2003-05 Revised Appropriations	8,594	175,770	184,364
Difference from Original Appropriations	428	1,673	2,101
% Change from Original Appropriations	5.2%	1.0%	1.2%

Comments:

1. County Prosecutor Tort Costs - Funding is provided to reimburse the Liability Account for tort defense costs, including outside counsel and expert witnesses for county prosecutor cases.

2. Pacific Sound Resources Litigation - Pacific Sound Resources and the Port of Seattle have filed suit against the state of Washington, the Department of Natural Resources, and other parties claiming prior owners and lessors of the former site of a wood-treating company are liable for cleanup of hazardous substances on the property under the State Model Toxics Control Act. Trial is scheduled for February 2005. Funding is provided for legal preparation prior to the trial date. (Legal Services Revolving Account-State)

3. Violent Video Games Litigation - In 2003, the Legislature enacted the violent video game statute, Chapter 365, Laws of 2003 (ESHB 1009), which prohibits the sale or rental of video or computer games to minors where the player causes physical harm to a human form depicted as a law enforcement officer. The Video Software Dealers Association filed a lawsuit in U.S. District Court challenging the statute as unconstitutional. Funding is provided for legal research, briefing, evidence gathering, and working with potential witnesses. A trial, if necessary, is scheduled for June 2004.

4. Return of Office Relocation Funding - In the 2003-05 biennial budget, the Office of the Attorney General (AGO) received funding to relocate the Torts Division. Savings of \$179,000 are realized because the relocation will not be achieved in the current biennium. (Legal Services Revolving Account-State)

5. Licensing Caseload Increases - The Department of Licensing's driver license cases have increased significantly over the past several years and are expected to continue increasing. This increase is due to driving under the influence (DUI) implied consent and administrative DUI caseloads, including an increase of cases in the appellate courts. Funding is provided for additional attorney time to address these cases. (Legal Services Revolving Account-State)

6. Hallett Case - Funding is provided to pay legal costs incurred for the Hallett class action lawsuit prior to settlement in November 2003. In August 2002, the U.S. Court of Appeals remanded sections of the Hallett class action lawsuit back to the U.S. District Court for further litigation. The lawsuit was originally brought in 1993 and alleged that inadequacies in health care at the Washington Corrections Center for Women violated the inmates' protection against cruel and unusual punishment. (Legal Services Revolving Account-State)

7. Homicide Investigative Tracking - Funding is provided for two investigators to increase the timely collection of data and to provide training for local jurisdictions and assistance to law enforcement agencies related to the Homicide Investigative Tracking System (HITS). HITS is the statewide central repository for information related to violent crimes against persons. Data from more than 7,500 murder cases and 7,700 sexual assault cases have been collected and are used to assist local law enforcement in investigating these types of crimes. (Public Safety and Education Account-State)

8. Correctional Industries - Funding is provided to implement Engrossed Second Substitute House Bill 3026 (correctional industries), which revises requirements pertaining to the operation of correctional industries inmate work programs. (Legal Services Revolving Account-State)

9. Health Care Actions (EHB 2839) - Pursuant to Engrossed House Bill 2839 (health care provider/actions), funding is provided to support a joint task force to study judicial and administrative alternatives for resolving disputes related to injuries occurring as a result of health care. A report to the Governor and appropriate legislative committees must be submitted by November 1, 2005.

10. Instream Flows (SHB 2396) - Pursuant to Substitute House Bill 2396 (instream flows), funding is provided for the AGO to assist the Department of Ecology in drafting and promulgating rules related to protecting instream flows, and to defend rule challenges. (Legal Services Revolving Account-State)

11. Spokane County Litigation - In January 2004, Spokane County sued the state, claiming it was owed reimbursement under RCW 43.135.060 for various statutory requirements. Funding is provided for legal costs associated with defending the case.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Caseload Forecast Council
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,277	0	1,277
Total Maintenance Changes	32	0	32
2004 Policy Changes:			
1. Retirement Buyout Costs	31	0	31
Total Policy Changes	31	0	31
2003-05 Revised Appropriations	1,340	0	1,340
Difference from Original Appropriations	63	0	63
% Change from Original Appropriations	4.9%	0.0%	4.9%

Comments:

1. Retirement Buyout Costs - One time funding is provided for transitional costs related to the Council's anticipated change in management. This includes vacation and sick leave buyout costs for the retiring director and one month of salary overlap for cross-training purposes.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept Community, Trade, Econ Dev
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	122,260	274,346	396,606
2004 Policy Changes:			
1. Study of Homelessness	80	0	80
2. Military Base Reviews	500	0	500
3. Federal Programs Increase	0	22,977	22,977
4. Private/Local Programs Increase	0	4,501	4,501
5. Community Services Block Grant	120	0	120
6. Developmental Disability Endow Fund	0	-208	-208
7. EFSEC	10	0	10
8. 7E7 Project Implementation	614	0	614
9. Homeless Families (2SHB 2818)	3,000	0	3,000
10. Homeless Families Admin (2SHB 2818)	0	150	150
11. Small Bus Incubator (ESHB 2784)	150	0	150
12. Annexation (HB 3068)	60	0	60
13. Landlord/Tenant Disputes (SHB 3082)	0	-136	-136
14. Military Assistance (SHB 3084)	300	0	300
15. Manuf Center (ESHB 2892)	125	0	125
16. Mobile Home Relocation Assistance	0	300	300
17. Weatherization Assistance Increase	0	5,000	5,000
18. Public Works Loans	0	200	200
19. Employability Skills Center	50	0	50
20. Civil Indigent Legal Services	2,000	0	2,000
Total Policy Changes	7,009	32,784	39,793
2003-05 Revised Appropriations	129,269	307,130	436,399
Difference from Original Appropriations	7,009	32,784	39,793
% Change from Original Appropriations	5.7%	11.9%	10.0%

Comments:

1. Study of Homelessness - One-time funding is provided to develop a plan to address how the state can best support the efforts of local communities in combating homelessness. The plan will identify the scope of homelessness in the state, identify ways to improve coordination between state and local partners to reduce homelessness, and recommend ways to remove administrative barriers to effectively address homelessness.

2. Military Base Reviews - Funding is provided to support the activities of state agencies and local communities related to the 2005 base realignment and closure round.

3. Federal Programs Increase - Congress continues to increase appropriations for many programs and is anticipated to fund these programs at expanded levels in future federal fiscal years. The federal funding for the Low Income Home Energy Assistance Program, which pays utility companies on behalf of low-income households who cannot afford to pay energy bills, has increased \$6.3 million per year. Federal funding for the Community Development Block Grant Program, which provides competitive grants to communities for projects including housing development, facility maintenance, economic development, public services, and community planning, has increased \$173,000 per year. Federal funding for the Services-Training-Officers-Prosecutors Grant, which provides funds and technical assistance to local law enforcement, prosecutors, and victim services to improve the criminal justice system's response to violence against women, has increased \$604,000 in each year. Federal funding for the HOME Program, which distributes funds for tenant-based rental assistance, first-time homebuyers, new construction, acquisition, and home repair and rehabilitation activities, has increased \$2.0 million in each year. The Department of Community, Trade, and Economic Development (CTED) also received six competitive special projects awards under the State Energy Program grant program totaling \$1.7 million in federal funding. (General Fund-Federal)

4. Private/Local Programs Increase - The CTED has received increased funding from private and local sources. The Pierce County Alliance of Tacoma increased its contract with CTED by \$267,000 (one-time) to fund local methamphetamine initiatives through the Community Mobilization Program. The Sound Transit Authority awarded \$75,000 (one-time) to survey historic properties that may be impacted by the development of the mass transportation plan for King County. The Bond Cap Allocation Program requires an additional \$108,000 to administer the program, which is increasing at a rate of \$5.0 to \$6.0 million each year. The Economic Development Training and Education Program, which provides comprehensive professional development to communities, is increased by \$550,000. Through an agreement with the Bonneville Power Administration and Energy Northwest, the Energy Facility Siting Evaluation Council received a one-time award of \$3.5 million to conduct off-site mitigation (General Fund-Private/Local)

5. Community Services Block Grant - Funding is provided for the Community Services Block Grant Program for pass through to community action agencies.

6. Developmental Disability Endow Fund - Enrollments in the Developmental Disabilities Endowment Fund are below initial estimates. As a result, fee income is insufficient to support the program. One-time funding is provided from the Developmental Disabilities Endowment Trust Account-State to provide the minimum necessary administrative support for the program, and the appropriation from the Community and Economic Development Fee Account-State is decreased in accordance with the reduced amount of fees collected. Fees are anticipated to be sufficient in the 2005-07 biennium to support the program. (Developmental Disabilities Endowment Trust Account-State, Community and Economic Development Fee Account-State)

7. EFSEC - Funding is provided to initiate a discussion of a proposal for a regional energy transmission corridor siting process compatible with rules established under the federal energy regulatory commission.

8. 7E7 Project Implementation - Funding is provided for staff to coordinate the state's role in siting Boeing's 7E7 Dreamliner final assembly plant, which was awarded to Washington in December 2003.

9. Homeless Families (2SHB 2818) - Pursuant to Second Substitute House Bill 2818 (homeless families services), funding is provided to support the Homeless Families Services Fund Advisory Board and to provide state matching funds for housing-based supportive services for homeless families over a period of at least ten years. (Homeless Families Services Fund-State)

10. Homeless Families Admin (2SHB 2818) - Pursuant to Second Substitute House Bill 2818 (homeless families services), funding is provided to set up the administrative functions necessary to administer the requirements of the bill, including choosing a contractor to administer the program after the 2003-05 biennium. (Homeless Families Services Fund-State)

11. Small Bus Incubator (ESHB 2784) - Pursuant to Engrossed Substitute House Bill 2784 (small business incubator), funding is provided for the small business incubator program provisions of the bill.

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Dept Community, Trade, Econ Dev

- 12. Annexation (HB 3068)** - Pursuant to House Bill 3068 (annexation), funding is provided to study the progress in each of the buildable land counties toward achieving annexation or incorporation of urban growth areas. A report is due to the Legislature by November 1, 2004.
- 13. Landlord/Tenant Disputes (SHB 3082)** - Pursuant to Substitute House Bill 3082 (landlord and tenant disputes), funding for the ombudsman services within the Office for Mobile Home Affairs is removed. (Mobile Home Affairs Account-Nonappropriated)
- 14. Military Assistance (SHB 3084)** - Pursuant to Substitute House Bill 3084 (national guard), funding is provided for pass-through to an existing military family assistance program in Washington state that provides emergency grants to families with financial hardship due to national guard activation.
- 15. Manuf Center (ESHB 2892)** - Funding is provided to contract for a feasibility study and economic analysis for the creation of a center for advanced manufacturing provisions, pursuant to the relevant provisions of Engrossed Substitute House Bill 2784 (small business incubator) or for ESHB 2892 (manufacturing center).
- 16. Mobile Home Relocation Assistance** - One-time spending authority is provided for relocation assistance to approximately 60 families in two mobile home parks in Wenatchee whose homes will be dislocated when the parks close. The current appropriation does not provide sufficient authority to relocate these parks and assist the original number of families projected in the 2003-05 biennial budget. (Mobile Home Park Relocation Account-State)
- 17. Weatherization Assistance Increase** - The Low-Income Weatherization Assistance Program works to improve the energy efficiency and affordability of low-income housing through energy conservation measures in homes, including insulation, air sealing, space and water heating system modification, and energy conservation education. The CTED is provided with the authority to spend the remaining account balance. (Low-Income Weatherization Assistance Account-State)
- 18. Public Works Loans** - Spending authority is provided for additional staff to support an increased number of public works projects, to conduct a comprehensive assessment of the program, and to design a new financing database system that will replace a six-year-old contract management system. The Public Works Board makes loans to local governments for infrastructure improvements, and currently has 1,300 contracts in the program's loan portfolio. (Public Works Assistance Account-State)
- 19. Employability Skills Center** - Funding is provided to conduct a study on the feasibility and benefits of establishing satellite offices to co-locate the Employment Security Department and Department of Social and Health Services on community college campuses.
- 20. Civil Indigent Legal Services** - Funding is provided for increased civil legal services for low income people who cannot afford to hire legal counsel. This funding will allow more people to access representation in civil matters.

Office of Financial Management

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	25,045	50,273	75,318
Total Maintenance Changes	0	17,424	17,424
2004 Policy Changes:			
1. Sustainability Indicators	250	0	250
2. Permit Assistance Integration	0	0	0
3. K-12 Finance Study (SHB 2955)	438	0	438
4. State Budgeting (ESHB 3080)	150	0	150
5. Govt Accountability (3ESHB 1053)	98	0	98
6. Land Use & Local Govt Finance Study	250	0	250
7. Medicaid Forecasting	15	0	15
8. Task Force on Nonecon Damages	25	0	25
Total Policy Changes	1,226	0	1,226
2003-05 Revised Appropriations	26,271	67,697	93,968
Difference from Original Appropriations	1,226	17,424	18,650
% Change from Original Appropriations	4.9%	34.7%	24.8%

Comments:

1. Sustainability Indicators - One-time funding is provided for the Office of Financial Management (OFM) to contract with an outside vendor to develop a comprehensive and interrelated set of indicators that will provide feedback on the conditions in Washington relative to long-term sustainability goals. These goals include healthy families, robust ecosystems, vibrant communities, an engaged public, and a strong economy. The Governor's Sustainable Washington Advisory Panel recommended creating these sustainability indicators in a February 2003 report.

2. Permit Assistance Integration - The 2003-05 biennial budget included funds for the OFM's Permit Assistance Center to implement Chapter 245, Laws of 2003 (2SSB 5694), which established an integrated environmental permit system through a pilot project of economic development significance. To date, no projects have met the criteria for this pilot. Funding is transferred from FY 2004 to FY 2005 in order to be available once a project is selected.

3. K-12 Finance Study (SHB 2955) - Funding is provided for a comprehensive study of the state's current K-12 finance system and alternative funding models, pursuant to the provisions of Engrossed Substitute House Bill 2955 (K-12 finance task force).

4. State Budgeting (ESHB 3080) - Pursuant to Engrossed Substitute House Bill 3080 (state budgeting), funding is provided for periodic reviews of agencies' performance.

5. Govt Accountability (3ESHB 1053) - Pursuant to Third Engrossed Substitute House Bill 1053 (government accountability), funding is provided to establish a citizen oversight board to improve efficiency, effectiveness, and accountability in state government.

6. Land Use & Local Govt Finance Study - One-time funding is provided for a study of land use and local government finance. The study shall include recommendations for state and local government fiscal partnerships to encourage cooperation between jurisdictions in meeting the goals of the Growth Management Act (GMA), and how the state and local government fiscal structure can better meet the responsibilities of providing services to citizens and meeting the goals of the GMA.

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Office of Financial Management

7. Medicaid Forecasting - Funding is provided for a project team comprised of the legislative and executive branch fiscal staff to review the Department of Social and Health Services' Medical Assistance Administration (MAA) budget development practices. The review team will utilize a contractor to assist in making recommendations to improve the fiscal information necessary for budgeting, forecasting and monitoring the MAA budget. The recommendation must be submitted for executive branch and legislative fiscal committee approval by July of 2004.

8. Task Force on Nonecon Damages - Funding is provided for a Task Force on Noneconomic Damages to determine the feasibility of creating an advisory schedule of noneconomic damages to increase the predictability of settlements and for awards for noneconomic damages in actions for injuries resulting from health care.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Administrative Hearings**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	24,669	24,669
Total Maintenance Changes	0	1,687	1,687
2004 Policy Changes:			
1. DSHS-APS Fair Hearings	0	677	677
Total Policy Changes	0	677	677
2003-05 Revised Appropriations	0	27,033	27,033
Difference from Original Appropriations	0	2,364	2,364
% Change from Original Appropriations	0.0%	9.6%	9.6%

Comments:

1. DSHS-APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. (Administrative Hearings Revolving Account-State)

Department of Retirement Systems

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	48,572	48,572
2004 Policy Changes:			
1. HB 2418 - LEOFF 2 Disability Ben.	0	188	188
2. HB 2419 - LEOFF 2 Duty Death Ben.	0	7	7
3. HB 2534 - State Patrol Death Ben.	0	5	5
4. HB 2538 - \$1000 Minimum Benefit	0	128	128
5. HB 2537 - Pub. Safety Employees	0	403	403
Total Policy Changes	0	731	731
2003-05 Revised Appropriations	0	49,303	49,303
Difference from Original Appropriations	0	731	731
% Change from Original Appropriations	0.0%	1.5%	1.5%

Comments:

1. HB 2418 - LEOFF 2 Disability Ben. - Funding is provided for administrative costs associated with paying disability benefits to members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF Plan 2), pursuant to House Bill 2418(LEOFF Plan 2 disability benefits). (Department of Retirement Systems Expense Fund-State)

2. HB 2419 - LEOFF 2 Duty Death Ben. - Funding is provided for administrative costs associated with paying line-duty death benefits to members of the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF Plan 2), pursuant to House Bill 2419(LEOFF Plan 2 line-duty death benefit). (Department of Retirement Systems Expense Fund-State)

3. HB 2534 - State Patrol Death Ben. - Funding is provided for administrative costs associated with paying line-duty death benefits to members of the Washington State Patrol Retirement System, pursuant to House Bill 2534 (State Patrol death benefits). (Department of Retirement Systems Expense Fund-State)

4. HB 2538 - \$1000 Minimum Benefit - Funding is provided for administrative costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (\$1,000 minimum benefit). (Department of Retirement Systems Expense Fund-State)

5. HB 2537 - Pub. Safety Employees - Funding is provided for administrative costs associated with creating the Public Safety Employees' Retirement System for specified members of the Public Employees' Retirement System Plans 2 and 3, pursuant to House Bill 2537 (Public Safety Employees' Retirement System). (Department of Retirement Systems Expense Fund-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Public Printer**
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	0	0
Total Maintenance Changes	0	66,000	66,000
2003-05 Revised Appropriations	0	66,000	66,000
Difference from Original Appropriations	0	66,000	66,000
% Change from Original Appropriations	0.0%	0.0%	0.0%

Comments:

At the beginning of the 2003-05 biennium, the nonappropriated Printing Plant Revolving Account was changed from nonallotted to allotted status. This supplemental budget item reflects a technical change to place existing dollars and FTEs in the budget database. No new staff or funding are added and the account remains nonappropriated. (Printing Plant Revolving Account-Nonappropriated)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Revenue**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	164,560	11,119	175,679
2004 Policy Changes:			
1. Retired Pers Prop Tax (HB 2436)	96	0	96
2. Streamlined Sales Tax (SHB 2500)	80	0	80
3. Local Fuel Tax Option (SHB 2531)	149	0	149
4. Timber Taxation (ESHB 2693)	0	136	136
Total Policy Changes	325	136	461
2003-05 Revised Appropriations	164,885	11,255	176,140
Difference from Original Appropriations	325	136	461
% Change from Original Appropriations	0.2%	1.2%	0.3%

Comments:

1. Retired Pers Prop Tax (HB 2436) - Funding is provided for the Department to reimburse the counties for property taxes for retired persons participating in the property tax deferral program. This is a requirement of House Bill 2436 (retired persons property tax). These amounts will be recovered in future years by liens placed on the properties of participating individuals.

2. Streamlined Sales Tax (SHB 2500) - Funding is provided for Substitute House Bill 2500 (streamlined sales & use tax) for the Department's mailing and printing costs associated with implementing the bill.

3. Local Fuel Tax Option (SHB 2531) - Funding is provided for programming costs associated with implementing Substitute House Bill 2531 (local fuel tax option).

4. Timber Taxation (ESHB 2693) - Timber tax account funding is provided to implement Engrossed Substitute House Bill 2693 (timber taxation). (Timber Tax Distribution Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Dept of General Administration**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	468	128,777	129,245
Total Maintenance Changes	0	1,876	1,876
2004 Policy Changes:			
1. Legislative Building Security	0	333	333
Total Policy Changes	0	333	333
2003-05 Revised Appropriations	468	130,986	131,454
Difference from Original Appropriations	0	2,209	2,209
% Change from Original Appropriations	0.0%	1.7%	1.7%

Comments:

1. Legislative Building Security - Funding is provided to hire staff to oversee security operations in the renovated Legislative building and to monitor and respond to security situations. It is assumed that the Department of General Administration will not increase revolving fund charges in the 2003-05 biennium and will use the existing fund balance to hire the additional staff. (General Administration Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Information Services
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	2,000	205,447	207,447
2004 Policy Changes:			
1. Small Agency Information Technology	<u>0</u>	<u>500</u>	<u>500</u>
Total Policy Changes	0	500	500
2003-05 Revised Appropriations	2,000	205,947	207,947
Difference from Original Appropriations	0	500	500
% Change from Original Appropriations	0.0%	0.2%	0.2%

Comments:

1. Small Agency Information Technology - Funding is provided for Phase II of the Small Agency Initiative to continue addressing information technology and facility requirements of small agencies. (Data Processing Revolving Account-Nonappropriated)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Office of Insurance Commissioner**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	32,938	32,938
2004 Policy Changes:			
1. Compliance/Enforcement Program	0	139	139
2. Economic Analysis	0	94	94
3. HP 3000 Computer Replacement	0	469	469
4. Liability Insurance Markets	0	200	200
Total Policy Changes	0	902	902
2003-05 Revised Appropriations	0	33,840	33,840
Difference from Original Appropriations	0	902	902
% Change from Original Appropriations	0.0%	2.7%	2.7%

Comments:

1. Compliance/Enforcement Program - Funding is provided for the Office of the Insurance Commissioner's (OIC's) Legal Affairs Division to address its enforcement caseload, which has increased significantly over the past 18 months. (Insurance Commissioner's Regulatory Account-State)

2. Economic Analysis - Increased expenditure authority is provided to conduct economic impact analyses as a result of rule changes and an increased number of rules due for review. (Insurance Commissioner's Regulatory Account-State)

3. HP 3000 Computer Replacement - Funding is provided to replace the OIC's Hewlett Packard 3000 mainframe computer which will no longer be supported by the manufacturer after December 2006. (Insurance Commissioner's Regulatory Account-State)

4. Liability Insurance Markets - Funding is provided to assess conditions in the liability insurance markets in Washington. The OIC will develop and provide information to stakeholders to assist them in obtaining liability insurance coverage. (Insurance Commissioner's Regulatory Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
WA State Liquor Control Board
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	2,909	156,699	159,608
Total Maintenance Changes	0	283	283
2004 Policy Changes:			
1. Additional Security Cameras	0	793	793
2. Operate Liquor Stores on Sundays	0	875	875
Total Policy Changes	0	1,668	1,668
2003-05 Revised Appropriations	2,909	158,650	161,559
Difference from Original Appropriations	0	1,951	1,951
% Change from Original Appropriations	0.0%	1.2%	1.2%

Comments:

1. Additional Security Cameras - Expenditure authority is provided to install security cameras in liquor stores in order to deter armed robberies, reduce shoplifting, and provide evidence when crimes occur. (Liquor Revolving Fund-State)

2. Operate Liquor Stores on Sundays - Funding is provided to pilot liquor store operation on Sundays in 20 state-run liquor stores and to implement merchandising improvements in all state-run stores pursuant to Engrossed Second Substitute House Bill 2131 (Sunday sales). (Liquor Revolving Fund-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Utilities and Transportation Comm
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	29,481	29,481
Total Maintenance Changes	0	101	101
2004 Policy Changes:			
1. Certification-Transportation Cos #	0	-4	-4
2. National Energy Policy Development	0	60	60
3. Additional Workload-QPAP	0	625	625
4. Performance Audit (SHB 1013)	0	200	200
Total Policy Changes	0	881	881
2003-05 Revised Appropriations	0	30,463	30,463
Difference from Original Appropriations	0	982	982
% Change from Original Appropriations	0.0%	3.3%	3.3%

Comments:

1. Certification-Transportation Cos # - Legislation is proposed for the 2004 session that would allow the Commission to take action to change a company's certification of service without a public hearing if the company involved is already in agreement with the action and/or has no objection. (Public Service Revolving Account-State)

2. National Energy Policy Development - Funding is provided to further the state's interest in national energy policy development in Congress. The Commission has been involved with public officials from Washington, the Pacific Northwest, and elsewhere in the nation to oppose initiatives to restructure the electricity industry in ways damaging to Washington's electricity consumers. One-time appropriation authority is provided for these efforts and to monitor and research a variety of federal legislative and regulatory issues related to electricity regulation. (Public Service Revolving Account-State)

3. Additional Workload-QPAP - Funding is provided for additional workload created by the Federal Communications Commission's (FCC) requirements for performance standards and elimination of market entry barriers for residential and business customers. Monetary penalties paid by Qwest for noncompliance with FCC requirements are available to the Commission to meet these obligations. (Public Service Revolving Account-State)

4. Performance Audit (SHB 1013) - Additional expenditure authority of \$200,000 is provided in recognition of Engrossed Substitute House Bill 1013 (UTC performance audit). These funds are to be transferred to the Joint Legislative Audit and Review Committee (JLARC) for the performance audit outlined in the bill. (Public Service Revolving Account-State)

Military Department

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	16,709	168,753	185,462
Total Maintenance Changes	45	25,645	25,690
2004 Policy Changes:			
1. October 2003 Floods	0	7,802	7,802
2. Search and Rescue Reimbursements	90	0	90
3. Emergency Management Perform Grant	200	2,513	2,713
4. Homeland Security	0	60,434	60,434
5. National Guard Fire Fight Training	0	197	197
6. Natl Guard Enviro Pgm Increase	0	676	676
7. Winter 2004 Storm Damage	0	4,198	4,198
Total Policy Changes	290	75,820	76,110
2003-05 Revised Appropriations	17,044	270,218	287,262
Difference from Original Appropriations	335	101,465	101,800
% Change from Original Appropriations	2.0%	60.1%	54.9%

Comments:

1. October 2003 Floods - Funding is provided for response and recovery efforts by state agencies and the Federal Emergency Management Agency (FEMA) for the October 2003 floods. The Washington State Military Department will provide the entire required federal match for state projects, and half of the required federal match for local projects. The total cost through FY 2009 is projected to be \$18.0 million, including \$12.5 million in federal funding, \$4.0 million in state funding, and \$1.5 million in local funding. (Disaster Response Account-State, Disaster Response Account-Federal)

2. Search and Rescue Reimbursements - One-time funding is provided to reimburse three extraordinary claims for emergency workers. Under Chapter 28.52 RCW, the Washington State Military Department provides protection and cost reimbursement for volunteers supporting emergency management activities, including search and rescue. Routine claims, generally ranging from \$25 to \$1,500, include such items as fuel reimbursement, damaged or lost personal property, and medical expenses. In November 2003, the Department received three extraordinary claims for emergency management volunteers, including surgery, hospitalization, and funeral expenses. These types of claims are very infrequent, and sufficient funding is not available in the agency's current appropriation.

3. Emergency Management Perform Grant - Additional federal grant funding is provided for disaster and emergency preparedness. Of the total, \$1.2 million will be passed through to local jurisdictions. The remaining federal funds and the required state match of \$200,000 will be used for state emergency management training, exercises, planning, and program support to local jurisdictions. (General Fund-State, General Fund-Federal)

4. Homeland Security - The federal fiscal year 2004 budget includes \$60.4 million in grants to the Washington State Military Department, with at least 80 percent required to be passed through to local governments. Funding includes: \$33.4 million for equipment, exercises, training and planning; \$16.4 million for the Urban Area Security Initiative (UASI), for the City of Seattle; \$9.9 million in Terrorism Prevention and Deterrence funds; and \$694,000 for the Citizen Corps and Community Emergency Response Team programs. (General Fund-Federal)

5. National Guard Fire Fight Training - One-time funding is provided to train 250 Washington National Guard members with wildland firefighter level II training. Many of the Guard members who were already trained have been deployed to active military duty. Providing additional trained members will ensure timely deployment to firefighting, and providing the training in advance costs less than training members at the outset of a fire emergency. (Disaster Response Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Military Department

6. Natl Guard Enviro Pgm Increase - Funding is provided to reflect in increase in the federal award for projects in the National Guard Environmental Program. (General Fund-Federal)

7. Winter 2004 Storm Damage - The Governor has requested a federal disaster declaration related to damage from the winter 2004 storm. Provided that the President and FEMA approve the disaster declaration, \$3.5 million in federal funding is expected to be available to reimburse local jurisdictions for damages. \$700,000 in state funding is required to match the federal funding; local jurisdictions are expected to provide an additional \$576,000 in matching funds. (Disaster Response Account-State, Disaster Response Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
LEOFF 2 Retirement Board
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	0	0
Total Maintenance Changes	0	889	889
2003-05 Revised Appropriations	0	889	889
Difference from Original Appropriations	0	889	889
% Change from Original Appropriations	0.0%	0.0%	0.0%

Comments:

The Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 Board was established by Initiative 790 in 2002. The Board was effective at the beginning of the 2003-05 biennium. This item represents costs for the initial activities of the new Board. (Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 Expense Account-Nonappropriated)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**WA State Health Care Authority**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	538,159	538,159
Total Maintenance Changes	0	2,011	2,011
2004 Policy Changes:			
1. Community Clinic Grants	5,000	0	5,000
2. Canadian Prescription Purchasing	0	145	145
3. Innovative Clinic Model	50	0	50
4. Pharmacy Connections Adjustment	0	250	250
Total Policy Changes	5,050	395	5,445
2003-05 Revised Appropriations	5,050	540,565	545,615
Difference from Original Appropriations	5,050	2,406	7,456
% Change from Original Appropriations	0.0%	0.4%	1.4%

Comments:

1. Community Clinic Grants - Funding is provided for additional community clinic grants through the Health Care Authority's Community Health Services program.

2. Canadian Prescription Purchasing - Funding is provided for the Health Care Authority to implement the portion of Substitute House Bill 2469 (Canadian prescription drug purchasing) related to creating a web site to facilitate individuals' purchase of drugs from Canadian pharmacies. (Health Services Account-State)

3. Innovative Clinic Model - Funding is provided to support the operation of an innovative clinic model in urban underserved area of the state operated as a department or subsidiary of a hospital in that area. The model relies upon mid-level practitioners, volunteers, and students to offer services including group visits for common conditions.

4. Pharmacy Connections Adjustment - Funding is provided to adjust the activities of the Pharmacy Connections program, in light of the anticipated changes to prescription drug coverage under the federal Medicare Prescription Drug Act of 2003. (Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Criminal Justice Training Comm
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	18,686	18,686
2004 Policy Changes:			
1. Criminal Background Checks	<u>0</u>	<u>50</u>	<u>50</u>
Total Policy Changes	0	50	50
2003-05 Revised Appropriations	0	18,736	18,736
Difference from Original Appropriations	0	50	50
% Change from Original Appropriations	0.0%	0.3%	0.3%

Comments:

1. Criminal Background Checks - Funding is provided to implement Engrossed Substitute House Bill 2556 (criminal background checks), which directs the Washington Association of Sheriffs and Police Chiefs (WASPC) to conduct a study on how to improve the criminal background check process and to report its findings and recommendations by December 31, 2004, to a newly created Joint Task Force on Criminal Background Checks. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Labor and Industries
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	11,723	460,676	472,399
Total Maintenance Changes	0	-222	-222
2004 Policy Changes:			
1. Other Fund Adjustments	285	-285	0
2. Prevailing Wage Customer Service	292	0	292
3. Self Insurance Elec Data Intrchnge	0	214	214
4. Preventing Workers Comp Fraud	0	498	498
Total Policy Changes	577	427	1,004
2003-05 Revised Appropriations	12,300	460,881	473,181
Difference from Original Appropriations	577	205	782
% Change from Original Appropriations	4.9%	0.0%	0.2%

Comments:

1. Other Fund Adjustments - Based on recommendations in a finding from the State Auditor's Office, the Department of Labor and Industries (L&I) is revising the manner in which it charges certain funding sources for the costs of providing indirect or administrative services. The L&I has developed a two-phase methodology to reallocate the indirect costs of support to L&I direct service programs. Funding and expenditure authority are provided for the first phase of this reallocation. (General Fund-State, various other funds)

2. Prevailing Wage Customer Service - Funding is provided for the L&I to conduct prevailing wage surveys for each trade every three years, promote increased survey response rates, improve processing times for intent and affidavit forms, and develop and implement electronic processes for filing intents and affidavits.

3. Self Insurance Elec Data Intrchnge - Spending authority is provided to conduct a feasibility study on using an electronic data interchange to collect and report on claims data for self-insured employers in Washington. Currently there is no mechanism for self-insured employers to receive data on their performance and outcomes. (Accident Account-State, Medical Aid Account-State)

4. Preventing Workers Comp Fraud - Spending authority is provided to hire additional auditors and investigators to combat fraud in the industrial insurance, or workers' compensation, system. The auditors will pursue cases of worker and employer fraud and the investigators will identify additional unpaid premiums. (Accident Account-State, Medical Aid Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Home Care Quality Authority
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	671	0	671
Total Maintenance Changes	0	0	0
2004 Policy Changes:			
1. Home Care Referral Registry	160	0	160
Total Policy Changes	160	0	160
2003-05 Revised Appropriations	831	0	831
Difference from Original Appropriations	160	0	160
% Change from Original Appropriations	23.8%	0.0%	23.8%

Comments:

1. Home Care Referral Registry - One-time funding is provided to complete planning and design components for the referral registry of individual home care providers required by Initiative 775. A recently completed feasibility study identified additional software design functionality requirements for the registry data base.

Department of Health

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	118,367	611,249	729,616
Total Maintenance Changes	-337	7,684	7,347
2004 Policy Changes:			
1. Children's Health Collaborative	25	0	25
2. Childhood Lead Poisoning Prevention	0	100	100
3. Drinking Water Protection	-831	2,902	2,071
4. Federal Grants Spending Authority	0	36,181	36,181
5. Family Planning Pilot	500	0	500
6. Instream Flow	65	0	65
7. Health Profession Discipline	0	203	203
8. Methamphetamine Control #	0	188	188
9. Naturopaths	0	83	83
10. Nursing Resource Center	0	35	35
11. Patient Safety Practices	0	100	100
12. Volunteer Retired Providers	0	300	300
13. Federal Vaccine Funding Shortfall	0	0	0
14. Zoonotic Disease Program	439	0	439
Total Policy Changes	198	40,092	40,290
2003-05 Revised Appropriations	118,228	659,025	777,253
Difference from Original Appropriations	-139	47,776	47,637
% Change from Original Appropriations	-0.1%	7.8%	6.5%

Comments:

1. Children's Health Collaborative - Funding is provided to develop and implement best practices in preventative health care for children. The Department of Health and the Kids Get Care Program of Public Health - Seattle and King County will work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health care expenditures. DOH will provide a report by June 30, 2005 on the program's effectiveness and cost savings. This funding will be matched by an equal amount of local funding.

2. Childhood Lead Poisoning Prevention - Funding is provided for the Department to monitor the extent of childhood lead poisoning in the state, ensure appropriate follow-up for children with lead poisoning, continue the distribution of educational brochures, and help provide blood lead testing for high-risk children. These activities were previously funded through a federal grant that will expire in June 2004. (Health Services Account-State)

3. Drinking Water Protection - Funding is provided for core operations of the drinking water program, including increased compliance and enforcement, training and outreach, and water quality monitoring. Increased appropriation authority is provided as follows: \$325,000 from the Drinking Water State Revolving Fund (DWSRF) loan fee account; \$2,156,000 in federal set-asides; and \$420,000 in waterworks operator certification fee revenues. State savings are achieved by reducing excess state water quality matching funds to the minimum requirement given the amount of federal funding assumed in the budget. (General Fund-State, Drinking Water Assistance Account-Federal, Waterworks Operator Certification Account-State, Drinking Water Assistance Administrative Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Health

4. Federal Grants Spending Authority - Additional federal appropriation authority is provided due to the receipt of federal funds greater than anticipated in the base level budget, including: \$27.0 million for the Women, Infant, and Child (WIC) nutrition program; \$2.6 million for childhood immunization operations; \$1.9 million for maternal and child health programs; \$1.7 million for sexually-transmitted disease projects; \$1.5 million for chronic disease prevention, \$569,000 for HIV prevention and education; and \$814,000 for other public health efforts. (General Fund-Federal)

5. Family Planning Pilot - Funding is provided for family planning pilot projects in Yakima and Franklin counties. The projects will target services to low-income women and men who are not likely to qualify for Medicaid services through the Department of Social and Health Services. The pilot project shall be designed to improve family planning services for an additional 2,000 people in areas of the state with a large under-served population.

6. Instream Flow - Pursuant to Substitute House Bill 2396 (instream flows), funding is provided to enhance and protect basin flows and to ensure that instream flows will be achieved within a certain timeline. These funds will also support the development and implementation of state-wide basin flow achievement and protection programs.

7. Health Profession Discipline - Funding is provided for a task force on improvement of health professions discipline to conduct an independent review of the funding of the health professions and all phases of the current disciplinary process as required by Engrossed Substitute House Bill 2834 (health profession discipline). (Health Professions Account-State)

8. Methamphetamine Control # - Engrossed Substitute House Bill 2844 (ephedrine) increases the regulation of sales of precursor drugs that are often used to illegally manufacture methamphetamine in Washington state. The bill requires periodic on-site inspections of shopkeepers and management of suspicious transactions. The bill combines regulatory enforcement and criminal penalties, allowing the Board of Pharmacy and the Department to partner effectively with law enforcement agencies. (Health Professions Account-State)

9. Naturopaths - Substitute House Bill 1862 (naturopaths) expands the scope of practice for naturopaths. Funding is provided for the Department of Health to develop rules, including education and training guidelines for naturopaths who are authorized to prescribe certain controlled substances as a result of this legislation. (Health Professions Account-State)

10. Nursing Resource Center - HB 2711 (nursing resource center) authorizes an additional \$5 surcharge on nursing licenses for deposit into the newly created Nursing Resource Center Account. Funding is provided for the Department of Health (DOH) to establish rules and manage the new program. Beginning in FY06, DOH will contract with an organization to conduct the following activities: (1) analyze supply and demand for the nursing profession in Washington; (2) promote diversity within the profession; (3) evaluate the effectiveness of nursing education; (4) address workplace issues; and (5) promote a positive image of the nursing profession. (Nursing Resource Center Account-State)

11. Patient Safety Practices - Engrossed Second Substitute House Bill 2786 (patient safety practices) authorizes the Department of Health (DOH) to provide grants, loans, and other financing for the support of efforts to reduce medical errors and enhance patient safety. The bill creates a new Patient Safety Account through the following sources: (1) an additional \$2 fee from licensed health care professionals; (2) an additional \$2 charge per bed in hospital facilities; and (3) a 1 percent surcharge on attorney contingency fees for malpractice claims where the plaintiff prevails. Funding is provided for the Department of Health to manage the program, establish criteria for the receipt of funds, and begin to distribute grants. (Patient Safety Account-State)

12. Volunteer Retired Providers - Funding is provided to increase the number of retired practitioners receiving assistance with medical malpractice premiums through the volunteer retired provider program. The increase will triple the size of the program and better allow retired practitioners to volunteer their time and expertise in community clinics. (Health Services Account-State)

13. Federal Vaccine Funding Shortfall - Funds are provided to offset a reduction of federal funds budgeted for the Immunization program. Under the Title 317 program, the Centers for Disease Control and Prevention provides both financial and direct assistance discretionary grants to support state immunization services including the purchase of vaccines. It is projected that funding received through the Title 317 Direct Assistance program will be lower by \$2.7 million than originally assumed in the 2003-05 operating budget. (Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Health

14. Zoonotic Disease Program - Funding is provided to the Department to respond to the demands of new and re-emerging diseases transmitted to humans from insects and animals, including West Nile virus, St. Louis Encephalitis, and Monkeypox. The Department will use new funds to accomplish the following activities: (1) provide technical assistance to local jurisdictions, health care professionals, and mosquito control districts; (2) conduct various surveillance activities; (3) enhance support for detecting, monitoring, and controlling new zoonotic diseases; (4) disseminate educational materials; and (5) prepare for large-scale outbreaks.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Veterans' Affairs
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	21,576	57,017	78,593
Total Maintenance Changes	75	158	233
2003-05 Revised Appropriations	21,651	57,175	78,826
Difference from Original Appropriations	75	158	233
% Change from Original Appropriations	0.3%	0.3%	0.3%

Comments:

Department of Corrections

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,164,069	35,295	1,199,364
Total Maintenance Changes	77,716	-4,656	73,060
2004 Policy Changes:			
1. Transfer Youthful Offender Program	-2,633	0	-2,633
2. Drug Offender Sentencing Altern	3,077	0	3,077
3. Apply New Criteria to Misdemeanors#	-1,478	0	-1,478
4. Correctional Industries	107	0	107
5. Fugitive Web Site	174	0	174
Total Policy Changes	-753	0	-753
2003-05 Revised Appropriations	1,241,032	30,639	1,271,671
Difference from Original Appropriations	76,963	-4,656	72,307
% Change from Original Appropriations	6.6%	-13.2%	6.0%

Comments:

1. Transfer Youthful Offender Program - The Juvenile Justice Act allows for the prosecution and sentencing of certain violent juvenile offenders as adults. The Department of Corrections (DOC) has transferred some of these youthful offenders to facilities managed by the Department of Social and Health Services Juvenile Rehabilitation Administration (JRA) under Chapter 72.01 RCW. Funding is reduced to reflect the transfer of the remaining youthful offenders from the Clallam Bay Corrections Center to JRA's Green Hill Training School. Currently, an average of 13 youthful offenders are being housed in a close custody unit at the Clallam Bay Corrections Center. The transfer will allow the DOC to utilize those beds for adult offenders, reducing the need to rent such beds from out-of-state. Offenders transferred to JRA will remain under the jurisdiction of the DOC. The transfer will not change their sentences or time spent in total confinement, and the inmates will return to DOC facilities after their 18th birthday.

2. Drug Offender Sentencing Altern - Funding is provided to maintain community supervision for about 1,400 offenders convicted under the special Drug Offender Sentencing Alternative (DOSA) at FY 2003 levels. The Department of Corrections implemented changes to align agency policy with 2003-05 budgeted resources. These policy changes included proposed lower levels of supervision for offenders sentenced under the DOSA program. Courts may reduce the use of DOSA sentencing if supervision is inadequate, which would result in longer sentences and increased prison costs.

3. Apply New Criteria to Misdemeanors# - Savings are achieved in accordance with Substitute House Bill 2363 (eliminating supervision of certain probationers), which applies the same supervision criteria to offenders convicted of misdemeanors and gross misdemeanors as are currently applied to persons convicted of felonies. Chapter 379, Laws of 2003 (ESSB 5990), relieved the Department of Corrections of supervision responsibilities for certain low- to moderate-risk felons, but did not change statutory requirements to supervise misdemeanants sentenced in Superior Court. These changes are expected to result in the elimination of community supervision for roughly 2,026 low- to moderate-risk misdemeanants.

4. Correctional Industries - Funding is provided to implement Engrossed Second Substitute House Bill 3026 (correctional industries), which revises requirements pertaining to the operation of correctional industries inmate work programs.

5. Fugitive Web Site - Funding is provided to implement Substitute House Bill 2661 (information on fugitives), which directs the Department to establish a web site that lists "high-risk" escapees and fugitives and to submit a progress report to the Legislature by December 31, 2004.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Employment Security
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	520,472	520,472
2004 Policy Changes:			
1. Employer Outreach Activities	0	0	0
2. UI Technology Infrastructure	0	4,453	4,453
Total Policy Changes	0	4,453	4,453
2003-05 Revised Appropriations	0	524,925	524,925
Difference from Original Appropriations	0	4,453	4,453
% Change from Original Appropriations	0.0%	0.9%	0.9%

Comments:

1. Employer Outreach Activities - \$2.0 million of federal Reed Act funds is appropriated for employer outreach activities and to prevent, detect, and collect unemployment insurance benefit overpayments that are currently funded with penalty and interest account funds through the Administrative Contingency Account-State. (Unemployment Compensation Administration Account-Federal, Administrative Contingency Account-State)

2. UI Technology Infrastructure - One-time funding is provided using recent distribution of federal Reed Act funds to replace obsolete information technology infrastructure, thereby improving customer service capabilities and mitigating the risk of critical system failures. (Unemployment Compensation Administration Account-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Children and Family Services
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	464,034	446,003	910,037
Total Maintenance Changes	-18,448	6,346	-12,102
2004 Policy Changes:			
1. Domestic Violence Activities	1,500	0	1,500
2. Family Policy Council Transfer	-12	-6,596	-6,608
3. Child Support For DD Children #	-132	-50	-182
4. Program Improvement Plan	3,021	1,763	4,784
Total Policy Changes	4,377	-4,883	-506
2003-05 Revised Appropriations	449,963	447,466	897,429
Difference from Original Appropriations	-14,071	1,463	-12,608
% Change from Original Appropriations	-3.0%	0.3%	-1.4%

Comments:

1. Domestic Violence Activities - An additional \$1.5 million is provided for shelters and other services for victims of domestic violence. These services shall be provided as a part of the Victim Assistance Program, which provides support for community-based shelters, emergency counseling, and legal advocacy to children and families who have experienced domestic violence.

2. Family Policy Council Transfer - The Family Policy Council is transferred from the Children's Administration to the Administrative Services Division for administrative purposes. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Drug Enforcement Account-State)

3. Child Support For DD Children # - Savings are assumed in recognition of Substitute House Bill 2554 (child support/dev disabled). This agency request legislation allows the Division of Child Support to collect child support for some, but not all, developmentally delayed children in foster care. (General Fund-State, General Fund-Federal)

4. Program Improvement Plan - \$4.8 million is provided for foster care system improvements in response to the recently released federal Child and Family Services Review. Of this amount, \$2.6 million is available to implement family team meetings at initial placement and placement moves. This is expected to improve outcomes for children by increasing the capability and support of families to stay intact when appropriate. The remaining \$2.2 million will be used to revamp user interfaces in CAMIS, the computer system used by foster care caseworkers. This is expected to alleviate the administrative burden on caseworkers and increase caseworker time available for direct services for clients. It is anticipated that all CAMIS modules will be converted by FY 2007. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	146,792	58,159	204,951
Total Maintenance Changes	-1,933	-310	-2,243
2004 Policy Changes:			
1. Youthful Offender Program	312	0	312
2. Mental Health Needs	220	0	220
3. Transfer Office of Juvenile Justice	-2,244	-5,492	-7,736
Total Policy Changes	-1,712	-5,492	-7,204
2003-05 Revised Appropriations	143,147	52,357	195,504
Difference from Original Appropriations	-3,645	-5,802	-9,447
% Change from Original Appropriations	-2.5%	-10.0%	-4.6%

Comments:

1. Youthful Offender Program - The Juvenile Justice Act allows for the prosecution and sentencing of certain violent juvenile offenders as adults. The Department of Corrections (DOC) has transferred some of these youthful offenders to facilities managed by the Department of Social and Health Services Juvenile Rehabilitation Administration (JRA) under Chapter 72.01 RCW. Funding is adjusted to reflect the transfer of the remaining youthful offenders from the Clallam Bay Corrections Center to JRA's Green Hill Training School. Currently, an average of 13 youthful offenders are being housed in a close custody unit at the Clallam Bay Corrections Center. The transfer will allow the DOC to utilize those beds for adult offenders, reducing the need to rent such beds from out-of-state. Offenders transferred to JRA will remain under the jurisdiction of the DOC. The transfer will not change their sentences or time spent in total confinement, and the inmates will return to DOC facilities after their 18th birthday.

2. Mental Health Needs - Additional funding is provided to the JRA for psychiatric evaluations and for monthly medication monitoring for juvenile offenders on psychotropic medications. The additional resources are expected to reduce the average amount of time that it takes to provide initial psychiatric evaluations to one month. Currently, some juvenile offenders have been on waiting lists for over a month to receive a psychiatric evaluation.

3. Transfer Office of Juvenile Justice - The Office of Juvenile Justice (OJJ) is transferred from the Department of Social and Health Services' Juvenile Rehabilitation Administration to the Administration and Support Services program. The OJJ provides staff support to the Governor's Juvenile Justice Advisory Committee and administers a variety of state and federal juvenile justice and violence prevention grant programs. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Mental Health

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	674,685	554,961	1,229,646
Total Maintenance Changes	-8,724	17,542	8,818
2004 Policy Changes:			
1. Acute Care Plan	100	0	100
2. Children's Medical Premiums	937	1,243	2,180
3. Restore RSN Ratable Reduction	2,194	2,194	4,388
4. SCHIP Match	-2,504	1,360	-1,144
5. CSTC Patient Care	331	354	685
6. Staff Training Requirement	1,331	357	1,688
7. Legal Fees	1,780	0	1,780
8. SCTF Mitigation (King Co)	245	0	245
9. Hospital Billing Systems Compliance	774	85	859
Total Policy Changes	5,188	5,593	10,781
2003-05 Revised Appropriations	671,149	578,096	1,249,245
Difference from Original Appropriations	-3,536	23,135	19,599
% Change from Original Appropriations	-0.5%	4.2%	1.6%

Comments:

1. Acute Care Plan - The Mental Health Division recently completed a statewide needs assessment of residential treatment capacity. The assessment identified an insufficient capacity for evaluation and acute treatment care beds. Funding is provided to determine specific community health needs, optimum statewide treatment locations, and to evaluate options for funding capital and operating costs.

2. Children's Medical Premiums - The enacted 2003-05 budget assumed the imposition of premiums for children's medical, dental, and vision coverage. Funding is provided to eliminate the premiums imposed on families with income between 100-150 percent of poverty (\$1,300 - \$1,900 per month for a family of three) and families with income up to 200 percent of poverty (\$2,500 per month for a family of three). Premiums are reduced from \$25 per month to \$20 per month for families with incomes between 200-250 percent of poverty (\$3,200 per month for a family of three) effective April 2004.

The projected increase assumes that an average of 17,500 children will continue to receive medical assistance coverage in FY 2005. An increase of \$937,000 in state expenditures are funded in the Mental Health Program as result of the increase in the number of eligible children. Approximately \$1.5 million in state funds are saved in the Economic Services Administration and the Office of Financial Recovery due to the need for less administrative support associated with premium collection in FY 2005. (General Fund-State, General Fund-Federal)

3. Restore RSN Ratable Reduction - The \$5.8 million ratable reduction applied to the Regional Support Networks (RSNs) in the 203-05 biennial budget is restored. \$4.4 million provided in this budget, together with the one-time \$1.45 million windfall that RSNs received during the last three months of FY2003 from the enhanced Federal Medical Assistance Percentage (FMAP), should ensure the state's mental health patients do not face service reductions in this biennium. (General Fund-State, General Fund-Federal)

4. SCHIP Match - Recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children over 150 percent of the federal poverty level, even though the coverage for these children was in effect prior to enactment of the SCHIP program. As a result, state funds for community mental health services are offset by the difference between the current Medicaid match rate and the SCHIP match rate. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Mental Health

5. CSTC Patient Care - Funding is provided for six additional staff at the Child Study and Treatment Center (CSTC). The CSTC has been overexpending its allotments for staffing costs, due in part to an increased frequency of assaults in the facility. Additional funding is provided to ensure appropriate patient care and a safe workplace. (General Fund-State, General Fund-Federal)

6. Staff Training Requirement - Total funding of \$1.7 million is provided for sexual harassment and other staff training related to the Lizee v. Washington lawsuit settlement. In addition to staff training at Western State Hospital agreed to in the settlement, the training effort will include all employees at Eastern State Hospital, the Child Study and Treatment Center, and the Special Commitment Center. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

7. Legal Fees - Funding is provided to increase the payment rate to counties for hourly prosecution and defense costs for sexually violent predator civil commitment. The Department of Social and Health Services (DSHS) currently pays attorneys a maximum allowable rate of \$49.41 per hour, a rate established 13 years ago in WAC and not increased. Defense attorneys have recently argued before the courts that the low reimbursement rate negatively affects the defense work for their clients and may impair their clients' constitutional right to counsel. The additional funding assumes that the hourly prosecution and defense attorney payment rates are increased to \$65 per hour.

8. SCTF Mitigation (King Co) - Funding is provided for mitigation costs to the City of Seattle for the siting of the Secure Community Transition Facility (SCTF) site on Spokane Street. The SCTF provides a less restrictive alternative for persons civilly committed as sexually violent predators who are transitioning from the Special Commitment Center on McNeil Island. This funding will provide training for law enforcement, utility costs for improved lighting, an additional detective at the Seattle Police Department, victims counseling, and meeting costs for an advisory committee of community stakeholders. Total mitigation funding for this facility is \$385,000 (\$140,000 of this funding was assumed in the 2003-05 enacted budget and is provided at maintenance level; the resulting additional funding is \$245,000).

9. Hospital Billing Systems Compliance - This item provides funding for additional staff to correct Western State Hospital business operations in the areas of utilization review and service coding. These are vulnerable risk areas identified in the 2001 Public Consulting Group report, Assessment of 3rd Party Billing Operational, Organizational, and Systems Performance and Capabilities. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	678,562	613,177	1,291,739
Total Maintenance Changes	-16,427	13,040	-3,387
2004 Policy Changes:			
1. Community Protection Placements	1,032	984	2,016
2. Increase Employment & Day Services	1,000	0	1,000
3. Agency Provider Increase	263	244	507
4. Agency Provider Health Benefits	0	-306	-306
5. SCHIP Match	-545	545	0
6. Cost of Boarding Home Rule Implemen	3	4	7
7. Comprehensive Assessment Tool	1,241	1,258	2,499
8. Expand Community Services	1,474	1,483	2,957
Total Policy Changes	4,468	4,212	8,680
2003-05 Revised Appropriations	666,603	630,429	1,297,032
Difference from Original Appropriations	-11,959	17,252	5,293
% Change from Original Appropriations	-1.8%	2.8%	0.4%

Comments:

1. Community Protection Placements - Funding is provided for expanded community services for 23 clients who are: (1) being diverted or discharged from the state psychiatric hospitals; (2) participants in the Dangerous Mentally Ill Offender program; (3) participants in the Community Protection program; or (4) mental health crisis diversion outplacements. In order to increase the number of clients served and ensure the cost-effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

2. Increase Employment & Day Services - Funding is provided for employment and day services to clients with developmental disabilities. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Federal funds may be used to enhance this funding to the extent that a client is already receiving services from a home and community-based waiver program.

3. Agency Provider Increase - Funding is provided to increase payments to agency providers of home care services from \$14.27 per hour to \$14.83 per hour, effective October 1, 2004. As a result of these changes, wages for direct care workers employed by home care agencies will be increased by \$0.50 per hour. (General Fund-State, General Fund-Federal)

4. Agency Provider Health Benefits - Currently, contracted agency home care workers who work at least 20 hours per week receive subsidized health care coverage through the Basic Health Plan (BHP) or through alternative plans with substantially equivalent benefits. Premium payments for substantially equivalent plans in FY 2005 are projected to be as much as 67 percent more expensive than for the BHP. Beginning January 1, 2005, premium payments made for substantially equivalent plans will be made at the same rate as if the coverage were purchased through the BHP. In accordance with proposed legislation, qualified agency home care workers will become eligible to enroll in the BHP. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Developmental Disabilities

5. SCHIP Match - Recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children over 150 percent of poverty, even though medical coverage for these children was in effect prior to enactment of the SCHIP program. As a result, state expenditures for Medicaid Personal Care services are reduced due to greater federal cost sharing. (General Fund-State, General Fund-Federal)

6. Cost of Boarding Home Rule Implemen - Funding is provided for a 12 cent per resident licensed boarding home rate increase to reimburse boarding homes for increased assessment requirements contained in recently revised licensing rules. Amendments to boarding home licensing rules are to go into effect September 1, 2004. (General Fund-State, General Fund-Federal)

7. Comprehensive Assessment Tool - Funding is provided to modify and expand the Comprehensive Assessment Reporting Evaluation (CARE) tool for use in all client assessments for individuals with developmental disabilities. A recent Joint Legislative Audit and Review Committee (JLARC) study of the Division of Developmental Disabilities (DDD) found that a consistent assessment instrument was not being used by the Department to determine client service needs. Currently, all adult clients with developmental disabilities who are eligible for Medicaid Personal Care (MPC) are being assessed with the CARE instrument. Implementation of the modified assessment will occur in three phases: 1) use of the current CARE tool on children while developing help screens with age appropriate information; 2) modification of the CARE assessment tool for children, development of a mini-assessment, and the use of the CARE tool for adults who are not currently on MPC; and 3) completion of the modified children and adult CARE assessment tool. A total of \$3.7 million will be required through Fiscal Year 2006, of which \$2.6 million are for one-time costs. Six FTEs are added for ongoing support of the new system. (General Fund-State, General Fund-Federal)

8. Expand Community Services - Funding is provided for community residential and support services for a minimum of 39 clients. Priority consideration for these placements shall be as follows: (1) children who are aging out of other state services; (2) clients without residential services who are in crisis or immediate risk of needing and institutional placement; and (3) current waiver clients who have been assessed as having an immediate need for residential services or increased support services. In order to increase the number of clients served and ensure the cost-effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Long-Term Care
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,128,314	1,186,043	2,314,357
Total Maintenance Changes	-41,143	10,484	-30,659
2004 Policy Changes:			
1. In-Home Care Legal Settlement	677	677	1,354
2. APS Fair Hearings	513	321	834
3. Agency Provider Increase	1,645	1,635	3,280
4. Agency Provider Health Benefits	-992	-991	-1,983
5. Home Care Worker Contract	23,955	23,239	47,194
6. Cost of Boarding Home Rule Implemen	123	124	247
7. Boarding Home Licensing Fee	0	106	106
8. Estate Adjudication Provisions #	-200	-200	-400
9. AAA Nursing/Case Mgmt Services	2,205	2,426	4,631
10. Kinship Caregivers	500	0	500
Total Policy Changes	28,426	27,337	55,763
2003-05 Revised Appropriations	1,115,597	1,223,864	2,339,461
Difference from Original Appropriations	-12,717	37,821	25,104
% Change from Original Appropriations	-1.1%	3.2%	1.1%

Comments:

1. In-Home Care Legal Settlement - Funding is provided for a legal settlement in Townsend v. Quasim. The settlement provides for the reinstatement of an in-home medically-needy waiver for nursing-home eligible clients whose incomes exceed the current eligibility standard for community-based care. The settlement includes in-home long-term care and medical assistance services for 200 medically needy clients. (General Fund-State, General Fund-Federal)

2. APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. (General Fund-State, General Fund-Federal)

3. Agency Provider Increase - Funding is provided to increase payments to agency providers of home care services from \$14.27 per hour to \$14.83 per hour, effective October 1, 2004. As a result of these changes, wages for direct care workers employed by home care agencies will be increased by \$0.50 per hour. (General Fund-State, General Fund-Federal)

4. Agency Provider Health Benefits - Currently, contracted agency home care workers who work at least 20 hours per week receive subsidized health care coverage through the Basic Health Plan (BHP) or through alternative plans with substantially equivalent benefits. Premium payments for substantially equivalent plans in FY 2005 are projected to be as much as 67 percent more expensive than for the BHP. Beginning January 1, 2005, premium payments made for substantially equivalent plans will be made at the same rate as if the coverage were purchased through the BHP. In accordance with proposed legislation, qualified agency home care workers will become eligible to enroll in the BHP. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Long-Term Care

5. Home Care Worker Contract - Funding is provided for the purposes of implementing the renegotiated collective bargaining agreement between the Home Care Quality Authority and the exclusive bargaining representative of individual home care workers. The collective bargaining agreement provides a \$0.50 per hour raise on October 1, 2004, increasing hourly wages from \$8.43 per hour to \$8.93 per hour in FY 2005. In addition, home care workers will receive worker's compensation coverage and workers meeting certain eligibility requirements will also be provided individual health care coverage through a Taft-Hartley Trust. Initiative Measure No. 775 provided individual home care workers with collective bargaining rights under the public employees' collective bargaining law. These funds may be transferred from the Aging and Adult Services program to various other programs within the department or to the Home Care Quality Authority to implement the collective bargaining agreement. (General Fund-State, General Fund-Federal)

6. Cost of Boarding Home Rule Implemen - Licensed boarding homes are provided a \$0.12 per resident rate increase to reimburse boarding homes for increased assessment requirements in recently revised licensing rules. The revised rules go into effect September 1, 2004. (General Fund-State, General Fund-Federal)

7. Boarding Home Licensing Fee - The boarding home licensing fee is increased from the current level of \$79 per bed to \$81 per bed in FY 2005. The additional fee revenues will be used to improve the timeliness of boarding home licensing applications. (General Fund-Local, General Fund-Federal)

8. Estate Adjudication Provisions # - In accordance with Substitute House Bill 2904 (estate adjudication), savings are achieved by requiring that notices of estate adjudications for deceased clients who received publicly-funded long-term care and medical assistance services be sent to the DSHS and that heirs of such estates wait four months after providing notice of adjudication before being released from liability for assets transferred from the estate. These changes will allow the DSHS to increase the number of claims (approximately 20 additional claims per year) against the estates of deceased elderly and disabled clients who received services from the Department, as required by federal and state statutes. The changes to the probate code close a loophole in the law that allows for the premature distribution of assets, and provide the Department an opportunity to make claims for payments from the estates of former clients when no personal representative has been appointed to administer the estate. (General Fund-State, General Fund-Federal)

9. AAA Nursing/Case Mgmt Services - Effective May 1, 2004, funding for Area Agencies on Aging (AAAs) is increased by an average of 14 percent above previously budgeted levels. Additional case managers, nurses, and case aides are authorized for in-home long-term care services provided by the AAAs. This increased staffing level will support the AAAs in meeting contracted requirements for client assessment, service implementation/coordination, and monitoring of client care. (General Fund-State, General Fund-Federal)

10. Kinship Caregivers - Funding is provided for AAAs, or entities with which AAAs contract, to provide kinship caregivers assistance in gaining access to services, counseling, organization of support groups, and respite care. In providing these support services, AAAs shall give priority to kinship caregivers who, in the absence of such services, are at the greatest risk of no longer being able to maintain the primary caregiving role.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Economic Services Administration
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	815,547	1,243,638	2,059,185
Total Maintenance Changes	66,682	-689	65,993
2004 Policy Changes:			
1. Distribution of Child Support #	-423	-411	-834
2. Child Care Subsidy Rate Increase	900	0	900
3. Child Care Wage Ladder	1,000	0	1,000
4. Child Support For DD Children #	36	72	108
5. LEP Pathway Program	2,000	0	2,000
6. Children's Medical Premiums	-951	-747	-1,698
Total Policy Changes	2,562	-1,086	1,476
2003-05 Revised Appropriations	884,791	1,241,863	2,126,654
Difference from Original Appropriations	69,244	-1,775	67,469
% Change from Original Appropriations	8.5%	-0.1%	3.3%

Comments:

1. Distribution of Child Support # - Savings are assumed in recognition of House Bill 2553 (child support distribution). This agency request legislation allows the Department to consider income levels when distributing past-due child support collections for cases enforced on behalf of another state or jurisdiction. This is expected to reduce state Temporary Assistance to Needy Families payments for child support enforcement. (General Fund-State, General Fund-Federal)

2. Child Care Subsidy Rate Increase - Funding is provided for a Working Connections Child Care subsidy rate increase for child care providers in urban areas of Region 1.

3. Child Care Wage Ladder - Funding is provided to partially reinstate the child care career and wage ladder program discontinued in 2003. DSHS and participating child care centers will provide wage increments to child care workers based on their work experience, level of responsibility, and education.

4. Child Support For DD Children # - This item reflects child support enforcement costs related to House Bill 2554 (child support/dev disabled). This agency request legislation would allow the Division of Child Support to collect child support for some, but not all, developmentally delayed children in foster care. Funding is provided for one additional collections officer to handle the increased volume of collections caseload. (General Fund-State, General Fund-Federal)

5. LEP Pathway Program - Funding is provided to continue specialized employment services through the WorkFirst/LEP Pathway program for refugees and other limited-English-proficient (LEP) families and individuals that receive Temporary Assistance for Needy Families, State Family Assistance, or Refugee Cash Assistance benefits. Provided services include, but are not limited to, English as a second language (ESL) training, job placement assistance, and work support services. LEP services are provided through contracts with governmental agencies, Voluntary Refugee Resettlement agencies, local community colleges, and community-based organizations involved in the resettlement of refugees and immigrants in Washington state.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Economic Services Administration

6. Children's Medical Premiums - The enacted 2003-05 budget assumed the imposition of premiums for children's medical, dental, and vision coverage. Funding is provided to eliminate the premiums imposed on families with income between 100-150 percent of poverty (\$1,300 - \$1,900 per month for a family of three) and families with income up to 200 percent of poverty (\$2,500 per month for a family of three). Premiums are reduced from \$25 per month to \$20 per month for families with incomes between 200-250 percent of poverty (\$3,200 per month for a family of three) effective April 2004.

The projected increase assumes that an average of 17,500 children will continue to receive medical assistance coverage in FY 2005. An increase of \$937,000 in state expenditures are funded in the Mental Health Program as result of the increase in the number of eligible children. Approximately \$1.5 million in state funds are saved in the Economic Services Administration and the Office of Financial Recovery due to the need for less administrative support associated with premium collection in FY 2005. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Alcohol & Substance Abuse
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	80,640	151,714	232,354
Total Maintenance Changes	-510	3,473	2,963
2004 Policy Changes:			
1. Fund Shifts	1,200	-1,200	0
2. Treatment for Problem Gambling	0	500	500
3. Washington State Mentoring Partners	250	0	250
4. Adjust TASC Funding Level	1,000	0	1,000
Total Policy Changes	2,450	-700	1,750
2003-05 Revised Appropriations	82,580	154,487	237,067
Difference from Original Appropriations	1,940	2,773	4,713
% Change from Original Appropriations	2.4%	1.8%	2.0%

Comments:

1. Fund Shifts - Funds are shifted between accounts in order to balance the state public safety and education account. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Drug Enforcement Account-State)

2. Treatment for Problem Gambling - Second Substitute House Bill 2776 (problem gambling) creates the problem gambling treatment account and establishes a study group to develop recommendations for a permanent funding source for treatment of problem gambling. The budget includes 1) a one-time transfer of \$500,000 from the state gambling revolving account to the state problem gambling treatment account; and 2) a \$500,000 appropriation from the new account for treatment of problem gambling. (Problem Gambling Treatment Account-State)

3. Washington State Mentoring Partners - Funding is provided for the Washington State Mentoring Partnership, a program that provides mentoring relationships and support to youth. The partnership serves as a network to expand the field of mentoring throughout the state, advocate prevention benefits, and provide support services. This state investment is expected to leverage funds by encouraging private-sector participation.

4. Adjust TASC Funding Level - The Treatment Accountability for Safe Communities (TASC) program connects the criminal justice and chemical dependency treatment systems, providing assessment, case management, treatment referral, and urinalysis monitoring services. The Legislature decreased funding for TASC in the 2003-05 biennial budget, intending to fund the program at \$2.0 million. However, staff error related to TASC's funding level prior to the reduction resulted in a funding level of \$1.0 million in the 2003-05 biennial budget. An additional \$1.0 million is provided to maintain TASC at \$2.0 million per biennium, as originally intended.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Dept of Social and Health Services

Medical Assistance Payments

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	2,450,197	4,806,706	7,256,903
Total Maintenance Changes	-78,894	-47,203	-126,097
2004 Policy Changes:			
1. Premera Law Suit Settlement	1,187	1,188	2,375
2. Additional Federal DSH Funding	0	73,418	73,418
3. In-Home Care Legal Settlement	226	226	452
4. MMIS Replacement	1,817	16,354	18,171
5. Children's Medical Premiums	0	54,376	54,376
6. Labor & Delivery Rate Increase	10,000	10,000	20,000
7. Emergency Services Rate Increase	5,000	5,000	10,000
8. Increase Hospital Grants	10,000	0	10,000
9. State Drug Pricing Program	-6,655	-6,868	-13,523
10. SCHIP Match	-130	130	0
11. Patient Transportation #	-120	-120	-240
12. Estate Adjudication Provisions #	-50	-50	-100
Total Policy Changes	21,275	153,654	174,929
2003-05 Revised Appropriations	2,392,578	4,913,157	7,305,735
Difference from Original Appropriations	-57,619	106,451	48,832
% Change from Original Appropriations	-2.4%	2.2%	0.7%

Comments:

1. Premera Law Suit Settlement - Funds are provided for the Department to settle a lawsuit, Premera Blue Cross v. DSHS, et al., over the Department's selection of clients for the Healthy Options and Basic Health Plus managed care programs. Under the settlement, DSHS will pay Premera \$2.4 million for claims arising during the period beginning October 1, 1996, and ending June 30, 2000. (General Fund-State, General Fund-Federal)

2. Additional Federal DSH Funding - New federal legislation enacted in December 2003 enables the state to collect additional Medicaid matching funds through the Disproportionate Share Hospital (DSH) payment program. A total of \$6.6 million is provided to public hospital districts to assist them in the provision of uncompensated care. The balance of the new revenues are deposited into the state's Health Services Account. (General Fund-Federal, Health Services Account-State)

3. In-Home Care Legal Settlement - Funding is provided for a legal settlement in Townsend v. Quasim. The settlement provides for the reinstatement of an in-home medically-needy waiver for nursing-home eligible clients whose incomes exceed the current eligibility standard for community-based care. The settlement includes in-home long-term care and medical assistance services for 200 medically needy clients. (General Fund-State, General Fund-Federal)

4. MMIS Replacement - Funding is provided for activities related to the replacement of the Medicaid Management Information System (MMIS). The 2003-05 budget provided initial funding for a review of system requirements and preparation of the federally required planning documents. The Department has selected a replacement approach where the new MMIS system will process all Medicaid and medical payments across the Department of Social and Health Services. Additional funding is provided in the supplemental budget to: (1) complete the system requirement analysis; (2) develop the functional requirements for the replacement system; (3) develop a long-term MMIS strategy; and (4) begin system procurement pending approval of the project design by the Information Services Board. The federal share of the project is 90 percent of the total funding. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Medical Assistance Payments

5. Children's Medical Premiums - The enacted 2003-05 budget assumed the imposition of premiums for children's medical, dental, and vision coverage. Funding is provided to eliminate the premiums imposed on families with income between 100-150 percent of poverty (\$1,300 - \$1,900 per month for a family of three) and families with income up to 200 percent of poverty (\$2,500 per month for a family of three). Premiums are reduced from the enacted level of \$25 per month to \$20 per month for families with incomes between 200-250 percent of poverty (\$3,200 per month for a family of three).

The projected increase assumes that an average of 17,500 children will continue to receive medical assistance coverage in FY05. An increase of \$937,000 in state expenditures is funded in the Mental Health Program as result of the increase in the number of eligible children. Approximately \$1.5 million in state funds are saved in the Economic Services Administration and the Office of Financial Recovery due to the need for less administrative support associated with premium collections in FY 2005. (Health Services Account-State, General Fund-Federal)

6. Labor & Delivery Rate Increase - Funding is provided to increase Medicaid labor and delivery reimbursement rates by \$10.0 million in state funds and \$10.0 million in federal funds to assist practitioners with related medical malpractice premium costs and ensure that rural facilities are able to retain at least two maternity care providers on staff. (General Fund-State, General Fund-Federal)

7. Emergency Services Rate Increase - Funding is provided to increase certain emergency room services reimbursement rates by \$5.0 million in state funds and \$5.0 million in federal funds to help address rising malpractice costs for emergency room physicians. This increase will result in an average increase of \$5,200 per provider. (General Fund-State, General Fund-Federal)

8. Increase Hospital Grants - Funding is provided to increase grants to non-rural hospitals serving a large number of low-income and medically indigent patients by \$10.0 million.

9. State Drug Pricing Program - Savings are achieved as a result of increasing the number of multi-source drug classes that are researched and priced through the state maximum allowable cost process. Funding is also provided to increase the number of staff supporting the drug rebate process which will result in approximately \$4.0 million in savings per year. (General Fund-State, General Fund-Federal)

10. SCHIP Match - Recent federal law allows states to use unspent State Children's Health Insurance Program (SCHIP) funds to match Medicaid expenditures for children over 150 percent of poverty, even though medical coverage for these children was in effect prior to enactment of the SCHIP program. As a result, state expenditures are reduced due to greater federal cost sharing. (General Fund-State, Health Services Account-State, General Fund-Federal)

11. Patient Transportation # - Savings are achieved as a result of a change to current law regarding the transport of prone or supine persons who are medically stable. Current law provides that prone or supine persons must be transported by ambulance, regardless of the purpose or the person's medical condition. House Bill 2883 (patient transport vehicles) allows persons who are medically stable to be transported by stretcher van, resulting in lower medical costs. (General Fund-State, General Fund-Federal)

12. Estate Adjudication Provisions # - In accordance with Substitute House Bill 2904 (estate adjudication), savings are achieved by requiring that notices of estate adjudications for deceased clients who received publicly-funded long-term care and medical assistance services be sent to the DSHS and that heirs of such estates wait four months after providing notice of adjudication before being released from liability for assets transferred from the estate. These changes will allow the DSHS to increase the number of claims (approximately 20 additional claims per year) against the estates of deceased elderly and disabled clients who received services from the Department, as required by federal and state statutes. The changes to the probate code close a loophole in the law that allows for the premature distribution of assets, and provide the Department an opportunity to make claims for payments from the estates of former clients when no personal representative has been appointed to administer the estate. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Vocational Rehabilitation
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	20,382	86,243	106,625
Total Maintenance Changes	-19	892	873
2003-05 Revised Appropriations	20,363	87,135	107,498
Difference from Original Appropriations	-19	892	873
% Change from Original Appropriations	-0.1%	1.0%	0.8%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Administration/Support Svcs
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	61,894	46,562	108,456
Total Maintenance Changes	2,698	1,210	3,908
2004 Policy Changes:			
1. APS Fair Hearings	154	126	280
2. Family Policy Council Transfer	12	6,596	6,608
3. Marriage License Fees (ESHB 2481)	0	395	395
4. Transfer Office of Juvenile Justice	2,244	5,492	7,736
5. Children's Medical Premiums	-558	-559	-1,117
Total Policy Changes	1,852	12,050	13,902
2003-05 Revised Appropriations	66,444	59,822	126,266
Difference from Original Appropriations	4,550	13,260	17,810
% Change from Original Appropriations	7.4%	28.5%	16.4%

Comments:

1. APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, the DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. (General Fund-State, General Fund-Federal)

2. Family Policy Council Transfer - The Family Policy Council is transferred from the DSHS's Children's Administration budget to the Administration and Support Services budget. (General Fund-State, Public Safety and Education Account-State, Violence Reduction and Drug Education Account-State)

3. Marriage License Fees (ESHB 2481) - Pursuant to Engrossed Second Substitute House Bill 2481 (marriage license fees), expenditure authority is provided for funding nonshelter community-based domestic violence services.

4. Transfer Office of Juvenile Justice - The Office of Juvenile Justice (OJJ) is transferred from the DSHS's Juvenile Rehabilitation Administration to the Administration and Support Services Program. The OJJ provides staff support to the Governor's Juvenile Justice Advisory Committee and administers a variety of state and federal juvenile justice and violence prevention grant programs. (General Fund-State, General Fund-Federal)

5. Children's Medical Premiums - The enacted 2003-05 budget assumed the imposition of premiums for children's medical, dental, and vision coverage. Funding is provided to eliminate the premiums for families with incomes between 100 and 150 percent of poverty (\$1,300 - \$1,900 per month for a family of three) and families with incomes up to 200 percent of poverty (\$2,500 per month for a family of three). Premiums are reduced from \$25 per month to \$20 per month for families with incomes between 200 and 250 percent of poverty (\$3,200 per month for a family of three) effective April, 2004. Approximately \$1.5 million in state funds are saved in the Economic Services Administration and the Office of Financial Recovery due to the need for less administrative support associated with premium collection in FY 2005. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Payments to Other Agencies
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	84,022	41,994	126,016
Total Maintenance Changes	2,552	1,023	3,575
2004 Policy Changes:			
1. APS Fair Hearings	<u>373</u>	<u>304</u>	<u>677</u>
Total Policy Changes	373	304	677
2003-05 Revised Appropriations	86,947	43,321	130,268
Difference from Original Appropriations	2,925	1,327	4,252
% Change from Original Appropriations	3.5%	3.2%	3.4%

Comments:

1. APS Fair Hearings - In January 2003, the King County Superior Court ordered the Department of Social and Health Services (DSHS) to provide an administrative fair hearing to an individual home care worker terminated from employment as a result of a substantiated Adult Protective Services (APS) finding. As of October 1, 2003, the DSHS began providing due process hearings for individuals with substantiated APS findings of abuse, abandonment, neglect, and/or financial exploitation of a vulnerable adult. It is estimated that 180 APS investigations per year will require such administrative fair hearings. Funding is provided to reimburse the Office of the Attorney General for costs associated with these hearings. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Social and Health Services
Information System Services
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	0	0
2003-05 Revised Appropriations	0	0	0
Difference from Original Appropriations	0	0	0
% Change from Original Appropriations	0.0%	0.0%	0.0%

Comments:

Department of Ecology

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	66,727	236,808	303,535
Total Maintenance Changes	0	0	0
2004 Policy Changes:			
1. Marine Fuel Facilities (2SHB 3112)	0	184	184
2. Oil Spill Management (SHB 3020)	0	144	144
3. Vehicle Tires (ESHB 3054)	0	1,735	1,735
4. Electronic Products (ESHB 2488)	0	204	204
5. Instream Flow	1,700	0	1,700
6. Water Masters	312	0	312
7. Loan Tracking System Enhancements	0	41	41
8. Flood Control Emergency Grant Funds	0	140	140
9. Envirotest Settlement	2,500	0	2,500
10. Mercury/Rule/Chemical Action Plans	0	436	436
11. Hazardous Waste Mgmt Liability	0	350	350
12. Drought Response	0	323	323
13. Lummi/Tulalip Water Right Mediation	400	0	400
14. SVRP Aquifer Study	100	0	100
Total Policy Changes	5,012	3,557	8,569
2003-05 Revised Appropriations	71,739	240,365	312,104
Difference from Original Appropriations	5,012	3,557	8,569
% Change from Original Appropriations	7.5%	1.5%	2.8%

Comments:

1. Marine Fuel Facilities (2SHB 3112) - Funding is provided to implement Second Substitute House Bill 3112 (marine fuel facilities). The bill directs the Department to work with stakeholders to develop a report describing fueling practices and regulations for covered vessels and ships. (Oil Spill Prevention Account-State)

2. Oil Spill Management (SHB 3020) - Funding is provided to implement Substitute House Bill 3020 (oil spill management). The Department is required to adopt rules for ship refueling and bunkering, and transfers of oil between facilities and a tank vessel. (Oil Spill Prevention Account-State)

3. Vehicle Tires (ESHB 3054) - Funding is provided to implement Engrossed Substitute House Bill 3054 (vehicle tire fee). The bill reinstates the \$1.00 per tire fee on the retail sale of new tires and expands the fee to used tires. Revenue collected by the Department of Revenue will be deposited into the Vehicle Tire Recycling Account-State, and shall be used to provide assistance to local governments to remove tires from illegal piles, for public education, to conduct product marketing studies for recycled tires, and for alternatives to land disposal and other activities. (Vehicle Tire Recycling Account-State)

4. Electronic Products (ESHB 2488) - Funding is provided for the Department to establish a subcommittee under the Solid Waste Advisory Committee to evaluate pilot projects and to develop recommendations for a statewide system for collecting, recycling, and reusing electronic products, pursuant to Engrossed Substitute House Bill 2488 (electronic product management). (State Toxics Control Account-State, Local Toxics Control Account-State)

5. Instream Flow - The Department of Ecology may establish instream flow requirements by rule. Once established, such a flow is a water right with a date of priority that is the date of rule establishing it becomes effective. The Department may also establish instream flows in cooperation with local planning units as part of watershed planning under procedures provided by the state's watershed planning laws. In a document entitled "Work Plan for Instream Flow Setting Through 2010," the Department identified a schedule for adopting instream flows for the 23 priority watersheds before 2010. Funding is provided for the Department to develop and adopt standards for establishing in-stream flows and evaluating actions taken toward and measuring progress in achieving stream flows.

6. Water Masters - Funding is provided for three additional water masters to be assigned to work in priority watersheds where watershed planning will be completed within the current biennium and/or where the public investment in purchasing water rights for instream flows is needed. Water masters provide local public service for water rights permitting, technical assistance, and water rights compliance.

7. Loan Tracking System Enhancements - Beginning in the 1999-01 biennium, the Department received funding to develop and implement a water quality loan tracking system to better manage approximately \$400.0 million in water quality loans. Funding is provided for system compatibility with Windows XP and the Office of Financial Management's Accounting and Fiscal Report System (AFRS) changes, and to address data transfer issues from Crystal Reports to Excel. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal)

8. Flood Control Emergency Grant Funds - The Department of Ecology provides grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management plans. For the current biennium, grant funding was reduced from approximately \$4.0 million to \$2.0 million. To address local emergency flood control projects, the remaining \$140,000 of the one-time fund balance is provided for grants to local governments. (Flood Control Assistance Account-State)

9. Envirotest Settlement - Envirotest, the former contractor of the state's vehicle emission testing program, filed a breach of contract suit against the state in February 2002, alleging lost profits due to legislative changes in the vehicle emission testing program that resulted in fewer vehicles being tested and less revenue being generated for Envirotest. After discovery and dismissal of summary judgments requested by the state, mediation to resolve the matter was conducted. As a result of this mediation, the state has agreed to a one-time payment of \$2.5 million to settle all claims.

10. Mercury/Rule/Chemical Action Plans - One-time and ongoing funding is provided to: (1) implement the Mercury Chemical Action Plan and resume baseline fish tissue monitoring; (2) conduct rulemaking to select future chemicals; and (3) develop and implement future chemical action plans (\$167,000 one-time and \$269,000 ongoing). (State Toxics Control Account-State)

11. Hazardous Waste Mgmt Liability - When hazardous waste management facilities are abandoned or go bankrupt, they leave property owners, customers, or the public with the responsibility of paying for cleaning up and removing wastes safely. Clean-up costs range from several hundred thousand to millions of dollars. Funding is provided for rulemaking to require closure plans, liability coverage, and financial assurances for such facilities. A temporary staff person will facilitate this process. In addition, a one-time contract for financial assurance expertise will be used to supplement the rule process and to develop technical assistance materials, assess and recommend pooled liability insurance options to lower costs for businesses, and assist in the review and approval of facility financial assurance documents. (Hazardous Waste Assistance Account-State)

12. Drought Response - One-time funding is provided for drought relief grants which will only be utilized if a drought is officially declared by the Governor. (State Drought Preparedness Account-State, State Emergency Water Projects Revolving Account-State)

13. Lummi/Tulalip Water Right Mediation - One-time funding is provided to pursue resolution of federal and tribal water rights in Washington state consistent with comprehensive state water resources planning laws. Of this amount, \$200,000 is provided for mediation efforts with the Lummi Nation, and \$200,000 is provided for state participation in a federal pilot process to determine and quantify the water rights of the Tulalip Tribes.

14. SVRP Aquifer Study - The Spokane Valley-Rathdrum Prairie (SVRP) aquifer represents the sole source of drinking water for over 400,000 residents in Spokane County, Washington and Kootenai County, Idaho. Recent and projected urban, suburban, and industrial/commercial growth has raised concerns about potential future impacts on water availability and water quality in the SVRP aquifer. The states of Washington and Idaho are partnering with the U.S. Geological Survey to study the aquifer. Funding is provided to match federal and Idaho state funding to support the initial phase of the federal United States Geological Survey study of the Spokane Valley-Rathdrum Prairie aquifer.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
WA Pollution Liab Insurance Program
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	1,894	1,894
2004 Policy Changes:			
1. UST Fee (SHB 2478)	<u>0</u>	<u>2</u>	<u>2</u>
Total Policy Changes	0	2	2
2003-05 Revised Appropriations	0	1,896	1,896
Difference from Original Appropriations	0	2	2
% Change from Original Appropriations	0.0%	0.1%	0.1%

Comments:

1. UST Fee (SHB 2478) - Funding is provided to implement Substitute House Bill 2478 (underground petroleum storage tanks). A transfer of funding between the Pollution Liability Insurance Program Trust Account-State and the Heating Oil Pollution Liability Trust Account-State is reflected.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
State Parks and Recreation Comm
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	59,962	43,184	103,146
Total Maintenance Changes	87	140	227
2004 Policy Changes:			
1. Digital Government	0	72	72
2. Grants and Donations	0	750	750
Total Policy Changes	0	822	822
2003-05 Revised Appropriations	60,049	44,146	104,195
Difference from Original Appropriations	87	962	1,049
% Change from Original Appropriations	0.1%	2.2%	1.0%

Comments:

1. Digital Government - State Parks recently replaced its network server. Funding is provided to replace outdated software, improve computer security, and utilize statewide applications, such as the Travel Voucher System. A combination of one-time (\$66,400) and ongoing technical support (\$5,600) is provided. (Parks Renewal and Stewardship Account-State)

2. Grants and Donations - State Parks periodically receives unrestricted donations as well as grants for specific park-related purposes. State law provides for donations to be deposited in the Parks Renewal and Stewardship Account-State. Expenditure authority is provided so the agency can expend these donations. (Parks Renewal and Stewardship Account-State, Parks Renewal and Stewardship Account-Private/Local)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Interagency Comm for Outdoor Rec
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	2,502	21,758	24,260
2004 Policy Changes:			
1. Biodiversity Strategy	125	125	250
2. Habitat Program (ESHB 2275)	100	0	100
Total Policy Changes	225	125	350
2003-05 Revised Appropriations	2,727	21,883	24,610
Difference from Original Appropriations	225	125	350
% Change from Original Appropriations	9.0%	0.6%	1.4%

Comments:

1. Biodiversity Strategy - Funding is provided to begin implementing the recommendations contained in the Washington Biodiversity Conservation Strategic Report (October 2003), including the development of a state biodiversity strategy. This strategy is intended to replace existing single-species or single-resource protection programs with a more holistic approach. Work shall include identifying elements for a comprehensive biodiversity strategy, developing incentives for private landowners to protect biodiversity, enhancing state agency assessments of ecoregions, and increasing efforts to conserve biodiversity on state lands. State funds will be matched by private funding to begin implementing the Biodiversity Committee's recommendations. (General Fund-State, General Fund-Private/Local)

2. Habitat Program (ESHB 2275) - Funding is provided to implement Engrossed Substitute House Bill 2275 (habitat conservation program). The bill adds two categories to the Washington Wildlife and Recreation Program. Implementation of the bill will require establishing new program policies for the farmlands preservation and riparian programs and administration of the new grant categories.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Environmental Hearings Office
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,883	0	1,883
Total Maintenance Changes	15	0	15
2004 Policy Changes:			
1. Water Rights Permit Backlog	34	0	34
Total Policy Changes	34	0	34
2003-05 Revised Appropriations	1,932	0	1,932
Difference from Original Appropriations	49	0	49
% Change from Original Appropriations	2.6%	0.0%	2.6%

Comments:

1. Water Rights Permit Backlog - Last biennium the Department of Ecology received funding to eliminate the backlog of water right change permits. In addition, the Environmental Hearings Office received funding for one additional appeals judge to review the appeals of these additional decisions. This water right change appeals judge is increased from working only 60 percent time to working 80 percent time to provide independent review of these appeals.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
State Conservation Commission
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	4,479	2,162	6,641
2004 Policy Changes:			
1. Education/Tech Assistance for CAFO	<u>0</u>	<u>250</u>	<u>250</u>
Total Policy Changes	0	250	250
2003-05 Revised Appropriations	4,479	2,412	6,891
Difference from Original Appropriations	0	250	250
% Change from Original Appropriations	0.0%	11.6%	3.8%

Comments:

1. Education/Tech Assistance for CAFO - Funding is provided for grants to conservation districts for education, outreach, and technical assistance programs to assist owners and operators of concentrated animal feeding operations (CAFO) with compliance issues related to federal CAFO requirements and the Department of Agriculture's livestock nutrient management program. (Water Quality Account-State)

Dept of Fish and Wildlife

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	81,632	196,208	277,840
Total Maintenance Changes	140	-407	-267
2004 Policy Changes:			
1. Contract Management System	150	150	300
2. Hunter Education	0	43	43
3. Select Fishery-Lake Wash & E. WA	0	150	150
4. Economic Rec Fisheries (SHB 2920)	60	0	60
5. Razor Clam License (SHB 2621)	0	16	16
6. Fish and Wildlife Moneys (SHB 2626)	0	70	70
7. Dungeness Crab Card (SHB 2431)	0	417	417
8. Commercial License Buyback	112	0	112
9. Critical Wildlife Disease Testing	0	180	180
10. Wildfire	0	416	416
11. Access Area Maintenance	0	166	166
Total Policy Changes	322	1,608	1,930
2003-05 Revised Appropriations	82,094	197,409	279,503
Difference from Original Appropriations	462	1,201	1,663
% Change from Original Appropriations	0.6%	0.6%	0.6%

Comments:

1. Contract Management System - The current contract management system within the Department tracks approximately 1,300 contracts and amendments annually. The Department has developed the first phase of a revised system and seeks to complete the system. This item provides one-time funding for completion of the financial reporting components of the system to provide timely and relevant management information about projects and funding. It is assumed that future operations and maintenance needs for the system are to be absorbed by the Department. (General Fund-State, State Wildlife Account-State)

2. Hunter Education - Increasing demand for hunter education has limited the Department's ability to provide adequate numbers of courses to the public and/or retain sufficient numbers of qualified instructors. This item provides one-time funding of \$40,000 for instructor training and recognition costs and an increase of \$3,500 in ongoing funding for classroom materials and out-of-pocket instructor costs. (State Wildlife Account-State)

3. Select Fishery-Lake Wash & E. WA - Preliminary forecasts indicate a Lake Washington Sockeye salmon return of roughly 600,000 fish. The number of fish returning is expected to be 20-25 percent higher than the 1990 season when that fishery provided an estimated economic value to the region of \$6.0 million. For 2004, the projected economic value to the region is estimated at \$9.0 to \$12.0 million. To provide this recreational opportunity to the public, the Department must increase fishery monitoring and sampling to ensure that fish listed under the Endangered Species Act are adequately protected. This item provides one-time funding to conduct supplemental monitoring and sampling to open the Lake Washington Sockeye Fishery and one additional Eastern Washington recreational fishery during the 2004 season. (Recreational Fisheries Enhancement Account, State Wildlife Account-State)

4. Economic Rec Fisheries (SHB 2920) - Funding is provided for the Department to work with up to six special economic advisory committees and to consider the economic impacts of alternative fishing seasons to local economies, pursuant to Substitute House Bill 2920 (special economic recreational fisheries).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Dept of Fish and Wildlife

5. Razor Clam License (SHB 2621) - Funding is provided to administer a new razor clam license as outlined in Substitute House Bill 2621 (razor clam license). The bill establishes an annual and a three-day razor clam license, eliminates the two-day personal use shellfish and seaweed license, and limits the ability of the Department to collect personal information from an applicant. The three-day razor clam license is \$3.30 for both residents and non-residents and the annual razor clam license costs \$5.50 for a Washington resident and \$11.00 for a non-resident. In addition, razor clam licenses are assessed a surcharge for biotoxin testing and monitoring. (State Wildlife Account-State)

7. Dungeness Crab Card (SHB 2431) - Funding is provided to implement Substitute House Bill 2431 (dungeness crab endorsement). The bill requires the Department to use revenue from the sale of dungeness catch record cards for sampling and monitoring of the harvest associated with the dungeness crab recreational fisheries. The bill requires a catch record card endorsement for Puget Sound recreational fishers to take or possess dungeness crab. The endorsements may not exceed \$3.00. (State Wildlife Account-State)

8. Commercial License Buyback - Funding is provided to buy back purse seine fishing licenses as part of a commercial license buyback program. This program allows salmon fishers the opportunity to sell their licenses back to the state and exit from salmon fisheries.

9. Critical Wildlife Disease Testing - In the 2002 supplemental budget, the Department received \$180,000 in Fiscal Year 2003 to help control wildlife disease, such as chronic wasting disease (CWD) in deer and elk, and to document sources of swan lead poisoning. However, the supplemental funding was not fully recognized in the 2003-05 budget. This item fully funds these activities in the second year. Of the amount provided, \$115,000 is to continue CWD testing in deer and elk and \$65,000 is provided to document the extent of lead poisoning in swans and to begin the process of environmental cleanup. (State Wildlife Account-State)

10. Wildfire - Wildfires burned in excess of 6,250 acres of Department lands during the summer of 2003. Funding is provided for fire suppression costs and rehabilitation costs on agency lands. The Department will reimburse \$122,000 of these funds to the Department of Natural Resources for fire suppression costs on Fish and Wildlife lands. Rehabilitation includes erosion control, restoring native perennial vegetation, and limiting the spread of noxious weeds. Additional funding in the amount of \$166,000 is provided for restoration of deer, elk, and boundary fencing on agency lands destroyed by wildfires. (State Wildlife Account-State)

11. Access Area Maintenance - Increased use of agency access sites has resulted in steady deterioration of boat ramps, signs, fences, and restrooms as well as an erosion of agency weed control efforts at these sites. Funding is provided from the sale of vehicle use permits to support maintenance and weed control activities at boat ramps, signs, fences, and restrooms. (State-Wildlife Account-State)

Department of Natural Resources

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	64,540	215,605	280,145
Total Maintenance Changes	19	58	77
2004 Policy Changes:			
1. NRCA Fire Damage Restoration	60	0	60
2. Pacific Sound Resources Litigation	940	0	940
3. Emergency Fire Suppression	23,516	1,307	24,823
4. Access Roads (SHB 2506)	0	161	161
5. State-owned forest land (ESHB 2753)	0	178	178
6. Marina Rent Study	0	40	40
7. Recreation Site & Trail Maintenance	450	0	450
Total Policy Changes	24,966	1,686	26,652
2003-05 Revised Appropriations	89,525	217,349	306,874
Difference from Original Appropriations	24,985	1,744	26,729
% Change from Original Appropriations	38.7%	0.8%	9.5%

Comments:

1. NRCA Fire Damage Restoration - Funding is provided for habitat restoration in the Department-managed Loomis Natural Resource Conservation Area (NRCA), which sustained damage as a result of fighting the Farewell Creek fire during the summer of 2003. Restoration work for this conservation area will meet a higher standard than restoration on non-conservation lands, and will include reshaping slopes to the natural contour and the replanting of a fire road with native vegetation.

2. Pacific Sound Resources Litigation - One-time funding is provided for legal defense costs related to a toxic-cleanup lawsuit filed in King County Superior Court by Pacific Sound Resources (PSR) and the Port of Seattle against the state of Washington, the Department of Natural Resources (DNR), and other defendants. The Port and PSR, a former wood-treating company, are seeking between \$20.0 million and \$40.0 million in costs associated with contamination cleanup at a waterfront site formerly leased from DNR. Settlement discussions have not been successful and trial is scheduled for February 2005.

3. Emergency Fire Suppression - One-time funding is provided for incurred and anticipated emergency fire suppression costs during Fiscal Year 2004 in excess of the Department's existing fire suppression appropriations. Funding includes \$1.0 million in anticipated fire suppression costs. Funding is also provided in the appropriations for the Department of Fish and Wildlife to offset costs incurred by the Department of Natural Resources for fire suppression on Fish and Wildlife lands. Emergency fire suppression funding is not provided for indirect and administrative costs within the Department. (General Fund-State, General Fund-Federal)

4. Access Roads (SHB 2506) - Funding is provided to implement Substitute House Bill 2506, (allowing property owners to acquire access to landlocked parcels across public lands). This bill requires the Department of Natural Resources and the Department of Fish and Wildlife to grant easements and other rights on state lands to landlocked property owners under certain conditions. (Forest Development Account-State, Resources Management Cost Account-State)

5. State-owned forest land (ESHB 2753) - Funding is provided to implement Engrossed Substitute House Bill 2753 (state-owned forest land). The bill provides for the Joint Legislative Forest Management Work Group to study the third party certification options available to the state and to provide a small business economic analysis statement. (Forest Development Account-State, Resources Management Cost Account-State, Agricultural College Trust Management Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Department of Natural Resources

6. Marina Rent Study - Funding is provided for the Department of Natural Resources (DNR) to calculate the rent for DNR-leased marinas to be based on a percentage of a marina's income and to recommend an appropriate formula to the 2005 legislature. (Aquatic Lands Enhancement Account-State)

7. Recreation Site & Trail Maintenance - DNR manages an estimated 250 miles of trails and 45 recreation sites on public lands with General Fund-State funds. This funding level assumes that these sites will be maintained and remain open for public use.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Agriculture**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	14,688	76,183	90,871
Total Maintenance Changes	0	232	232
2004 Policy Changes:			
1. BSE Ongoing Response	329	0	329
2. Animal Disease Emergency Response	150	0	150
3. Agricultural Economic Development	630	0	630
4. Agriculture Industry Assistance	3,000	0	3,000
5. Asparagus Technology Study	330	0	330
6. Spartina Eradication	0	85	85
Total Policy Changes	4,439	85	4,524
2003-05 Revised Appropriations	19,127	76,500	95,627
Difference from Original Appropriations	4,439	317	4,756
% Change from Original Appropriations	30.2%	0.4%	5.2%

Comments:

1. BSE Ongoing Response - Funding is provided for ongoing support to the Department in response to the discovery of a Washington dairy cow infected with Bovine Spongiform Encephalopathy (BSE), also known as "mad cow" disease. Funding is provided to enhance the agency's animal identification, food safety, and commercial feed inspection programs.

2. Animal Disease Emergency Response - Bovine Spongiform Encephalopathy (BSE), also known as "mad cow" disease, was discovered in a Washington state dairy cow in late December 2003. This discovery set off an incident response by the Washington State Department of Agriculture (WSDA) and other state agencies. As a result, additional one-time staffing and funding is provided to cover estimated overtime and legal costs.

3. Agricultural Economic Development - Funding is provided to continue three agricultural promotion programs whose funding would otherwise expire, or be reduced, during the 2003-05 biennium. "From the Heart of Washington" produces articles, advertisements, and events to "buy Washington," thereby promoting Washington agriculture. A Southeast Asia/China trade representative assists international sales of Washington products to those areas of the world. The Small Farm and Direct Marketing program connects small farmers directly with consumers.

4. Agriculture Industry Assistance - Funding is provided to the Department for the purchase of agricultural products packing equipment. The department shall negotiate an appropriate agreement with the agricultural industry for the use of the equipment.

5. Asparagus Technology Study - Funding is provided to the Department to contract with Washington State University for research and development activities related to asparagus harvesting and automation technology.

6. Spartina Eradication - Funding is provided to the Department for spartina eradication efforts in Willapa Bay and Grays Harbor. (Aquatic Lands Enhancement Account-State)

Washington State Patrol

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	38,860	49,513	88,373
Total Maintenance Changes	0	712	712
2004 Policy Changes:			
1. Commercial License Compliance #	0	276	276
2. Equip Maintenance/Software Licenses	0	217	217
3. Fund Switch Crime Lab	0	0	0
4. Fund Switch Investigative Assist.	0	0	0
5. DNA Kits	0	376	376
Total Policy Changes	0	869	869
2003-05 Revised Appropriations	38,860	51,094	89,954
Difference from Original Appropriations	0	1,581	1,581
% Change from Original Appropriations	0.0%	3.2%	1.8%

Comments:

1. Commercial License Compliance # - Funding is provided for processing an additional 10,900 criminal history records pursuant to Substitute House Bill 2532 (modifying commercial drivers license provisions), which establishes new requirements for commercial driver license applicants and school bus drivers. The changes will bring the state into compliance with new regulations promulgated by the Federal Motor Carrier Administration and the Transportation Security Administration. (Fingerprint Identification Account-State)

2. Equip Maintenance/Software Licenses - Funding is provided to cover increased vendor maintenance costs for the Washington State Identification System (WASIS) and Washington Crime Information Center (WACIC), or "W2," computer system. (Public Safety and Education Account-State)

3. Fund Switch Crime Lab - Projected revenues in the Federal Seizure Account are not sufficient to cover allocated expenditures for the State Patrol's Crime Laboratory Division. Funding for this activity is shifted to the Public Safety and Education Account. (Public Safety and Education Account-State, Federal Seizure Account)

4. Fund Switch Investigative Assist. - Projected revenues in the Federal Seizure Account are not sufficient to cover allocated expenditures for the State Patrol's Special Weapons and Tactics (SWAT) team. Funding for this activity is shifted to the Public Safety and Education Account. (Public Safety and Education Account-State, Federal Seizure Account)

5. DNA Kits - Funding is provided to the Crime Laboratory Division for the increasing demand for DNA casework services. DNA kits are needed for an increased number of DNA analysis cases, due to using a more advanced method which permits analysis of trace evidence. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Department of Licensing**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	9,974	25,610	35,584
Total Maintenance Changes	74	-430	-356
2004 Policy Changes:			
1. Bail Bond Agents (SHB 2313)	15	0	15
2. Landlord/Tenant Disputes (SHB 3082)	0	761	761
3. Appraiser Trainees (2SHB 1897)	0	95	95
Total Policy Changes	15	856	871
2003-05 Revised Appropriations	10,063	26,036	36,099
Difference from Original Appropriations	89	426	515
% Change from Original Appropriations	0.9%	1.7%	1.4%

Comments:

1. Bail Bond Agents (SHB 2313) - Pursuant to Substitute House Bill 2313 (bail bond agents), funding is provided for expenditures related to establishing a licensing program for bail bond recovery agents.

2. Landlord/Tenant Disputes (SHB 3082) - Pursuant to Substitute House Bill 3082 (landlord and tenant disputes), expenditure authority is provided for costs associated with creating a registration program for all mobile home parks and manufactured housing communities, investigating violations of the Manufactured/Mobile Home Landlord-Tenant Act, issuing citations and cease and desist orders, and imposing fines and penalties. (Master License Account-State, Manufactured/Mobile Home Investigations Account-State)

3. Appraiser Trainees (2SHB 1897) - Pursuant to Second Substitute House Bill 1897 (real estate appraiser trainees), expenditure authority is provided for processing, registering, monitoring, and enforcing a new category of professional licensing, state registered appraiser trainees. (Real Estate Appraiser Commission Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Public Schools**
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	10,104,649	1,801,959	11,906,608
Total Maintenance Changes	39,903	31,056	70,959
2004 Policy Changes:			
1. WASL Changes	1,180	0	1,180
2. Reading Initiative	375	0	375
3. Mathematics Initiative	575	0	575
4. Kindergarten Readiness Guidelines	100	0	100
5. Alternative Routes to Certification	340	0	340
6. Washington Achievers Scholars	250	0	250
7. HB 2538 \$1000 Minimum Benefit	225	1	226
8. Hlth Benefit Rate Parity & Increase	24,376	107	24,483
9. HB 2456 Sexual Misconduct	44	0	44
10. HB 2406 Tribal History Curriculum	25	0	25
11. HB 2455 Financial Literacy	48	0	48
12. HB 2596 Children with Disabilities	10	0	10
13. HB 2769 Reducing Hunger	11	0	11
14. HB 1796 Low-Income Drivers Ed	0	831	831
15. Teen Aware	194	0	194
Total Policy Changes	27,753	939	28,692
2003-05 Revised Appropriations	10,172,305	1,833,954	12,006,259
Difference from Original Appropriations	67,656	31,995	99,651
% Change from Original Appropriations	0.7%	1.8%	0.8%

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	41,538	87,652	129,190
Total Maintenance Changes	0	6,298	6,298
2004 Policy Changes:			
1. Reading Initiative	61	0	61
2. Mathematics Initiative	60	0	60
3. Kindergarten Readiness Guidelines	100	0	100
4. Alternative Routes to Certification	340	0	340
5. Washington Achievers Scholars	250	0	250
6. HB 2456 Sexual Misconduct	44	0	44
7. HB 2406 Tribal History Curriculum	25	0	25
8. HB 2455 Financial Literacy	48	0	48
9. HB 2596 Children with Disabilities	10	0	10
10. Teen Aware	194	0	194
Total Policy Changes	1,132	0	1,132
2003-05 Revised Appropriations	42,670	93,950	136,620
Difference from Original Appropriations	1,132	6,298	7,430
% Change from Original Appropriations	2.7%	7.2%	5.8%

Comments:

1. Reading Initiative - The Washington Professional Educator Standards Board (WPESB) will submit a report regarding specific implementation strategies to strengthen the reading initiative by improving teacher knowledge and skill development including: a) teacher preparation program approval standard changes; b) teacher certification requirement changes and the development of new expertise credentials; c) state-established standards to guide the approval of professional development providers and offerings related to reading and mathematics; and d) other related recommendations. The WPESB will submit the report to the Governor, Superintendent of Public Instruction, State Board of Education, and the education and fiscal committees of the Legislature by November 1, 2004.

2. Mathematics Initiative - The Washington Professional Educator Standards Board (WPESB) will submit a report regarding specific implementation strategies to strengthen the mathematics initiative by improving teacher knowledge and skill development including: a) teacher preparation program approval standard changes; b) teacher certification requirement changes and the development of new expertise credentials; c) state-established standards to guide the approval of professional development providers and offerings related to reading and mathematics; and d) other related recommendations. The WPESB will submit the report to the Governor, Superintendent of Public Instruction, State Board of Education, and the education and fiscal committees of the Legislature by November 1, 2004.

3. Kindergarten Readiness Guidelines - One-time funding is provided to the Governor's Office and the Office of the Superintendent of Public Instruction to work with the early childhood care and education communities to develop and disseminate research-based, voluntary guidelines for developing appropriate curricula and activities to prepare children to enter school.

4. Alternative Routes to Certification - In order to better meet statewide demand, the Washington Professional Educator Standards Board will expand the alternative routes to teaching program to provide more teacher certification opportunities in areas of the state without current access to an alternative route program. The expansion will add 40 additional internships to the alternative route to teaching program, building upon a federal grant to establish regional teacher preparation centers.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
OSPI & Statewide Programs

5. Washington Achievers Scholars - State funding for the Washington Achievers Scholars program supports community involvement officers who recruit, train and match community volunteer mentors with high school students selected as achiever scholars. After graduating from high school, achiever scholars receive college scholarships funded through private grants. State funding for this program is increased by \$250,000 for fiscal year 2005, bringing the total biennial appropriation to \$1,250,000.

6. HB 2456 Sexual Misconduct - Funding and staffing are provided to implement the provisions of Substitute House Bill 2456 (sexual misconduct), which requires school districts to request information regarding sexual misconduct from current and former employers and from the Office of the Superintendent of Public Instruction prior to hiring an applicant.

7. HB 2406 Tribal History Curriculum - Funding is provided to implement the provisions of Second Substitute House Bill 2406 (tribal history curriculum). The Office of the Superintendent of Public Instruction will develop a model curriculum for Pacific Northwest Indian tribal history and a model tribal outreach program for school districts.

8. HB 2455 Financial Literacy - Funding is provided to implement the provisions of Substitute House Bill 2455 (financial literacy). The Office of the Superintendent of Public Instruction will work with the legislative ad hoc committee on financial literacy to adopt a definition of financial literacy that is aligned with the Essential Academic Learning Requirements, develop a set of recommended financial literacy guidelines to be used in schools, and make available to school districts learning guidelines, instructional materials, and other information developed by the committee.

9. HB 2596 Children with Disabilities - Funding is provided to support the activities of the birth-to-three task force created by Substitute House Bill 2596 (children with disabilities). The task force will make recommendations concerning policies, procedures, and regulations to ensure an equitable statewide comprehensive system for all children with disabilities from birth to age three.

10. Teen Aware - Funding for the Teen Aware Project is restored. From 1994 until the current school year, the state provided funding for the Teen Aware Project as part of a statewide effort to reduce teen pregnancy. Funds were allocated through a competitive grant process to middle/junior and senior high schools for the development of media campaigns, designed and produced by students, to promote sexual abstinence and the importance of delaying sexual activity, pregnancy, and childbearing. Funding for the program was eliminated in the original 2003-05 biennial budget.

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools
General Apportionment
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	7,945,276	0	7,945,276
Total Maintenance Changes	19,286	0	19,286
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	193	0	193
Total Policy Changes	193	0	193
2003-05 Revised Appropriations	7,964,755	0	7,964,755
Difference from Original Appropriations	19,479	0	19,479
% Change from Original Appropriations	0.2%	0.0%	0.2%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools
Pupil Transportation
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	411,917	0	411,917
Total Maintenance Changes	23,436	0	23,436
2003-05 Revised Appropriations	435,353	0	435,353
Difference from Original Appropriations	23,436	0	23,436
% Change from Original Appropriations	5.7%	0.0%	5.7%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools School Food Services (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	6,200	376,861	383,061
Total Maintenance Changes	0	-19,941	-19,941
2003-05 Revised Appropriations	6,200	356,920	363,120
Difference from Original Appropriations	0	-19,941	-19,941
% Change from Original Appropriations	0.0%	-5.3%	-5.2%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 Special Education**
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	861,198	409,637	1,270,835
Total Maintenance Changes	1,604	15,851	17,455
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	<u>22</u>	<u>1</u>	<u>23</u>
Total Policy Changes	22	1	23
2003-05 Revised Appropriations	862,824	425,489	1,288,313
Difference from Original Appropriations	1,626	15,852	17,478
% Change from Original Appropriations	0.2%	3.9%	1.4%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement). (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools
Traffic Safety Education
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	0	0
2004 Policy Changes:			
1. HB 1796 Low-Income Drivers Ed	0	831	831
Total Policy Changes	0	831	831
2003-05 Revised Appropriations	0	831	831
Difference from Original Appropriations	0	831	831
% Change from Original Appropriations	0.0%	0.0%	0.0%

Comments:

1. HB 1796 Low-Income Drivers Ed - Third Substitute House Bill 1796 (driver's education funding) establishes a \$1 per license plate fee, the revenues from which will be deposited into the Public Safety and Education Account-State to be used to subsidize the cost of driver's education for low-income students. (Public Safety and Education Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Educational Service Districts
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	7,075	0	7,075
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	<u>1</u>	<u>0</u>	<u>1</u>
Total Policy Changes	1	0	1
2003-05 Revised Appropriations	7,076	0	7,076
Difference from Original Appropriations	1	0	1
% Change from Original Appropriations	0.0%	0.0%	0.0%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Levy Equalization (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	329,309	0	329,309
Total Maintenance Changes	-4,315	0	-4,315
2003-05 Revised Appropriations	324,994	0	324,994
Difference from Original Appropriations	-4,315	0	-4,315
% Change from Original Appropriations	-1.3%	0.0%	-1.3%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Elementary/Secondary School Improv
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	46,198	46,198
Total Maintenance Changes	0	-3,381	-3,381
2003-05 Revised Appropriations	0	42,817	42,817
Difference from Original Appropriations	0	-3,381	-3,381
% Change from Original Appropriations	0.0%	-7.3%	-7.3%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
 Institutional Education**
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	37,688	0	37,688
Total Maintenance Changes	-1,306	0	-1,306
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	1	0	1
Total Policy Changes	1	0	1
2003-05 Revised Appropriations	36,383	0	36,383
Difference from Original Appropriations	-1,305	0	-1,305
% Change from Original Appropriations	-3.5%	0.0%	-3.5%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Ed of Highly Capable Students
 (Dollars in Thousands)

	GF-S	House Chair	Total
		Other	
2003-05 Original Appropriations	13,211	0	13,211
Total Maintenance Changes	40	0	40
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	<u>1</u>	<u>0</u>	<u>1</u>
Total Policy Changes	1	0	1
2003-05 Revised Appropriations	13,252	0	13,252
Difference from Original Appropriations	41	0	41
% Change from Original Appropriations	0.3%	0.0%	0.3%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools Student Achievement Program (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	398,203	398,203
Total Maintenance Changes	0	4,157	4,157
2003-05 Revised Appropriations	0	402,360	402,360
Difference from Original Appropriations	0	4,157	4,157
% Change from Original Appropriations	0.0%	1.0%	1.0%

Comments:

2003-05 Revised Omnibus Operating Budget (2004 Supp)

**Public Schools
Education Reform**
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	74,767	129,362	204,129
Total Maintenance Changes	-275	35,685	35,410
2004 Policy Changes:			
1. WASL Changes	1,180	0	1,180
2. Reading Initiative	314	0	314
3. Mathematics Initiative	515	0	515
4. HB 2769 Reducing Hunger	11	0	11
Total Policy Changes	2,020	0	2,020
2003-05 Revised Appropriations	76,512	165,047	241,559
Difference from Original Appropriations	1,745	35,685	37,430
% Change from Original Appropriations	2.3%	27.6%	18.3%

Comments:

1. WASL Changes - The Washington Assessment of Student Learning (WASL) system is augmented to implement the 2008 Certificate of Academic Achievement graduation requirement. The Certificate of Academic Achievement will require students to pass the 10th grade WASL in three subject areas (reading, writing, and mathematics) or demonstrate mastery by an alternate method when a standardized assessment is a barrier to demonstrating their mastery of education standards. To implement the graduation requirement, the Office of the Superintendent of Public Instruction will offer Spring and Fall WASL retake opportunities for high school students, develop alternate assessments and/or an appeals procedure, and review the alignment between the assessments and our learning standards.

2. Reading Initiative - The Office of the Superintendent of Public Instruction (OSPI) will disseminate information on essential components of comprehensive, school-based reading programs and evaluate textbooks and other instructional materials to determine the extent to which they are aligned with the state standards. A scorecard with the analysis will be widely available and will inform school district decision-makers regarding curriculum purchases.

3. Mathematics Initiative - The OSPI will disseminate information on essential components of comprehensive, school-based mathematics programs and evaluate mathematics textbooks and other instructional materials to determine the extent to which they are aligned with the state standards. A scorecard with the analysis will be widely available and will inform school district decision-makers regarding curriculum purchases. In addition, the OSPI will work with mentor teachers from around the state to develop guidelines for eligibility, training, and professional development for mathematics mentor teachers.

4. HB 2769 Reducing Hunger - Funding is provided for grants to school districts for the costs of implementing school meal programs as required by Engrossed Second Substitute House Bill 2769 (reducing hunger). In addition, funding provided through the Meals for Kids program may also be used as grants to school districts for the start-up costs for school meal programs required by the bill.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Transitional Bilingual Instruction
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	101,853	46,309	148,162
Total Maintenance Changes	2,871	-1,765	1,106
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	<u>4</u>	<u>0</u>	<u>4</u>
Total Policy Changes	4	0	4
2003-05 Revised Appropriations	104,728	44,544	149,272
Difference from Original Appropriations	2,875	-1,765	1,110
% Change from Original Appropriations	2.8%	-3.8%	0.7%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Public Schools
Learning Assistance Program (LAP)
 (Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	129,436	307,178	436,614
Total Maintenance Changes	-2,143	-5,856	-7,999
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	<u>2</u>	<u>0</u>	<u>2</u>
Total Policy Changes	2	0	2
2003-05 Revised Appropriations	127,295	301,322	428,617
Difference from Original Appropriations	-2,141	-5,856	-7,997
% Change from Original Appropriations	-1.7%	-1.9%	-1.8%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2003-05 Revised Omnibus Operating Budget (2004 Supp)

Public Schools
Compensation Adjustments
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	145,181	559	145,740
Total Maintenance Changes	705	8	713
2004 Policy Changes:			
1. HB 2538 \$1000 Minimum Benefit	1	0	1
2. Hlth Benefit Rate Parity & Increase	24,376	107	24,483
Total Policy Changes	24,377	107	24,484
2003-05 Revised Appropriations	170,263	674	170,937
Difference from Original Appropriations	25,082	115	25,197
% Change from Original Appropriations	17.3%	20.6%	17.3%

Comments:

1. HB 2538 \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1,000 minimum benefit to certain members of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Substitute House Bill 2538 (minimum monthly retirement).

2. Hlth Benefit Rate Parity & Increase - Funding is provided to increase the monthly health benefit funding rate for school district employees in the 2004-05 school year from \$570.74 per employee as provided in the original 2003-05 biennial budget to \$600.85 per employee. The new rate is the same as the health benefit funding rate provided for state employees. The 2004-05 benefit rate is \$119.54 per employee per month higher than the benefit rate provided in the 2003-04 school year. (General Fund-State, General Fund-Federal)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Higher Education Coordinating Board
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	312,297	17,343	329,640
Total Maintenance Changes	99	14	113
2004 Policy Changes:			
1. State Need Grant	2,967	0	2,967
2. Promise Scholarship	4,343	0	4,343
3. Program Assessment and Approval	205	0	205
4. High Demand Enrollments	6,399	0	6,399
5. Health Professional Program	0	2,000	2,000
Total Policy Changes	13,914	2,000	15,914
2003-05 Revised Appropriations	326,310	19,357	345,667
Difference from Original Appropriations	14,013	2,014	16,027
% Change from Original Appropriations	4.5%	11.6%	4.9%

Comments:

1. State Need Grant - Funding is provided to cover the impact of new state budgeted, high demand full-time equivalent (FTE) student enrollments (\$572,000) and to serve all State Need Grant (SNG) eligible students (\$2,395,000) in FY 2005. It is assumed that maximum SNG award amounts will remain at current 2003-04 levels in order to serve all eligible students in FY 2005. The effective income cutoff for need grants is maintained at 55 percent of the state's median family income.

2. Promise Scholarship - Funding is provided to restore the average grant award amount for the Promise Scholarship program to approximately 63 percent of community college tuition and fees. In FY 2005, it is assumed that eligibility for the graduating high school class of 2004 is limited to 120 percent of median family income (MFI) adjusted for family size. The eligibility for the graduating high school class of 2003 is retained at 135 percent of MFI.

3. Program Assessment and Approval - Funding is provided to develop a comprehensive and ongoing assessment process to analyze the need for additional degrees and programs, additional service area locations, and consolidation or elimination of programs by four-year institutions, as outlined in Substitute House Bill 3103 (higher education).

4. High Demand Enrollments - The Board will manage a competitive process to award 581 FTE student enrollments in high demand fields. Public baccalaureate institutions are eligible to apply for funding. State funds are budgeted at an average rate of \$11,000 per FTE for instruction.

5. Health Professional Program - Funding is provided to expand the Health Professional Loan Repayment and Scholarship Program. Funds will assist with the recruitment and retention of credentialed health professionals in underserved areas of the state. (Health Services Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
University of Washington
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	631,212	2,993,521	3,624,733
2004 Policy Changes:			
1. Building Maintenance to Capital	-1,525	0	-1,525
2. Burke Museum Educational Outreach	75	0	75
3. Family Practice Residency Programs	1,897	0	1,897
4. General Enrollments	2,907	0	2,907
5. Proteomics Center	2,900	0	2,900
6. Labor Center Research	30	0	30
Total Policy Changes	6,284	0	6,284
2003-05 Revised Appropriations	637,496	2,993,521	3,631,017
Difference from Original Appropriations	6,284	0	6,284
% Change from Original Appropriations	1.0%	0.0%	0.2%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. Burke Museum Educational Outreach - Funding is provided for one education coordinator to help teachers meet state and district learning requirements through teacher training programs. In addition, an expanded statewide educational kit program, curriculum development, and digital collections access using web-based technologies are also supported by the appropriation.

3. Family Practice Residency Programs - State funding for the training and support of primary care physicians and primary care providers through the network of family practice residency programs is increased. This item will double the amount of funding that is passed on to family practice residency programs to assist with cost increases experienced by the programs, including the rising cost of medical malpractice premiums.

4. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 528 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,505 per FTE.

5. Proteomics Center - Funding is provided to the University of Washington's School of Medicine for the recruitment of biosciences research faculty and the establishment of a proteomics center.

6. Labor Center Research - Funding is provided for research on labor and economic issues in Washington state through the Harry Bridges Center.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Washington State University**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	375,219	489,360	864,579
2004 Policy Changes:			
1. Building Maintenance to Capital	-598	0	-598
2. General Enrollments	1,625	0	1,625
3. High Demand - Research Match	850	0	850
4. Burrowing Shrimp Research	50	0	50
5. BSE Research	270	0	270
Total Policy Changes	2,197	0	2,197
2003-05 Revised Appropriations	377,416	489,360	866,776
Difference from Original Appropriations	2,197	0	2,197
% Change from Original Appropriations	0.6%	0.0%	0.3%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 298 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,453 per FTE.

3. High Demand - Research Match - Funding is provided as a state match to attract or retain federal research grants in high-demand and technologically advanced fields.

4. Burrowing Shrimp Research - Funding is provided for research to develop alternative control mechanisms for burrowing shrimp.

5. BSE Research - Funding is provided to the College of Veterinary Medicine to support the development of a live animal test for bovine spongiform encephalopathy.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Eastern Washington University
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	83,044	77,155	160,199
2004 Policy Changes:			
1. Building Maintenance to Capital	-131	0	-131
2. General Enrollments	681	0	681
Total Policy Changes	550	0	550
2003-05 Revised Appropriations	83,594	77,155	160,749
Difference from Original Appropriations	550	0	550
% Change from Original Appropriations	0.7%	0.0%	0.3%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 122 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,580 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Central Washington University
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	81,156	99,880	181,036
Total Maintenance Changes	223	0	223
2004 Policy Changes:			
1. Building Maintenance to Capital	-143	0	-143
2. Enrollment Stabilization & Recovery	266	0	266
3. General Enrollments	641	0	641
Total Policy Changes	764	0	764
2003-05 Revised Appropriations	82,143	99,880	182,023
Difference from Original Appropriations	987	0	987
% Change from Original Appropriations	1.2%	0.0%	0.5%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. Enrollment Stabilization & Recovery - Funding is provided to partially restore state funded full-time equivalent (FTE) student enrollments that were deducted from the budgeted base in 2001, because enrollment has been fully recovered. This funding will provide for 50 additional FTE students during the 2003-05 biennium.

3. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 117 FTE students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,475 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**The Evergreen State College**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	46,449	44,171	90,620
2004 Policy Changes:			
1. Building Maintenance to Capital	-44	0	-44
2. General Enrollments	315	0	315
Total Policy Changes	271	0	271
2003-05 Revised Appropriations	46,720	44,171	90,891
Difference from Original Appropriations	271	0	271
% Change from Original Appropriations	0.6%	0.0%	0.3%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 58 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,437 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Western Washington University
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	109,182	144,976	254,158
2004 Policy Changes:			
1. Building Maintenance to Capital	-213	0	-213
2. General Enrollments	923	0	923
Total Policy Changes	710	0	710
2003-05 Revised Appropriations	109,892	144,976	254,868
Difference from Original Appropriations	710	0	710
% Change from Original Appropriations	0.7%	0.0%	0.3%

Comments:

1. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 169 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,459 per FTE.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Community/Technical College System
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,025,814	866,799	1,892,613
Total Maintenance Changes	3,860	0	3,860
2004 Policy Changes:			
1. Use of Admin. Contingency Account	-2,000	2,000	0
2. Operating Costs/Exist Capital Proj	840	0	840
3. Building Maintenance to Capital	-1,346	0	-1,346
4. General Enrollments	8,710	0	8,710
5. High Demand Enrollments	6,399	0	6,399
6. Transition Math Project	300	0	300
Total Policy Changes	12,903	2,000	14,903
2003-05 Revised Appropriations	1,042,577	868,799	1,911,376
Difference from Original Appropriations	16,763	2,000	18,763
% Change from Original Appropriations	1.6%	0.2%	1.0%

Comments:

1. Use of Admin. Contingency Account - Funding for training and related support services for unemployed workers is shifted to the Administrative Contingency Account-State. (General Fund-State, Administrative Contingency Account-State)

2. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings that received all or a portion of their construction funding through the capital budget.

3. Building Maintenance to Capital - Funding for routine maintenance and preventive inspections, mechanical adjustments, and minor work to replace or repair building systems, surfaces, or materials is shifted to the capital budget. This amount will be replaced with non-bond capital funds to sustain levels of investment necessary to keep the current inventory of buildings in "superior" to "good" working condition, until the state chooses to modernize, renovate, or replace them.

4. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 1,908 full-time equivalent (FTE) students in FY 2005. New budgeted enrollment for resident students is supported by the state at an average rate of \$4,565 per FTE.

5. High Demand Enrollments - Funding is provided solely to expand enrollment in high demand fields, including the expansion of worker retraining programs. The State Board will manage a competitive process for awarding high demand resources. State funds are budgeted at an average rate of \$10,000 per FTE for high demand fields and \$5,000 per FTE for worker retraining.

6. Transition Math Project - One-time funding is provided to address the need to reduce remedial math courses taken at institutions of higher education. The project will bring together representatives from the K-12 system, the community and technical college system, and public four-year institutions to: (1) align standards and expectations for mathematics so that high school graduates will be prepared to enter college-level math courses; (2) increase student success in completing math requirements through attention to improved instruction and assessment; and (3) clearly communicate math expectations to students through focused educational advising. The State Board for Community and Technical Colleges will serve as fiscal agent for the project.

2003-05 Revised Omnibus Operating Budget (2004 Supp)**Bond Retirement and Interest**

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	1,249,251	190,356	1,439,607
Total Maintenance Changes	-14,300	10,172	-4,128
2004 Policy Changes:			
1. Additional Bond Sales	1,952	1,531	3,483
Total Policy Changes	1,952	1,531	3,483
2003-05 Revised Appropriations	1,236,903	202,059	1,438,962
Difference from Original Appropriations	-12,348	11,703	-645
% Change from Original Appropriations	-1.0%	6.1%	0.0%

Comments:

1. Additional Bond Sales - Funding is provided for debt service costs and related bond sale expenses for additional authorized general obligation and Gardner-Evans bonds. Projects include high priority education, public safety, and water resource facilities. (General Fund-State, Gardner-Evans Higher Education Construction Account-State, State Building Construction Account-State)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Special Approps to the Governor
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	18,249	62,766	81,015
2004 Policy Changes:			
1. WA Integrated Justice InformationBd	0	150	150
2. Help America Vote Act	3,140	0	3,140
3. K-20 Telecommunications Network	-1,154	0	-1,154
4. Liability Account	0	-4,572	-4,572
5. County Assistance	3,000	0	3,000
6. Extraordinary Crim Justice Costs	2,911	0	2,911
7. Mental Health Task Force	50	30	80
8. Mader v HCA Settlement	11,000	0	11,000
9. Sex Offender Sentencing	2,000	0	2,000
Total Policy Changes	20,947	-4,392	16,555
2003-05 Revised Appropriations	39,196	58,374	97,570
Difference from Original Appropriations	20,947	-4,392	16,555
% Change from Original Appropriations	114.8%	-7.0%	20.4%

Comments:

- 1. WA Integrated Justice InformationBd** - Funding is provided for the Washington Integrated Justice Information Board, created in Chapter 403, Laws of 2003 (SHB 1605) and to implement the summary offender profile application providing comprehensive criminal justice data to practitioners statewide. (Public Safety and Education Account-State)
- 2. Help America Vote Act** - A General Fund-State appropriation is made to the Election Account-State for use as matching funds for federal dollars. The Office of the Secretary of State will combine the state matching funds with federal Help America Vote Act (HAVA) funds to create a statewide voter registration database and to implement the Local Grant Program to pass funds through to counties to replace punchcard voting equipment and to comply with HAVA requirements for accommodating voters with disabilities.
- 3. K-20 Telecommunications Network** - Adjustments to the acquisition strategy have produced one-time equipment replacement savings for the K-20 Telecommunications Network.
- 4. Liability Account** - Savings are projected for self-insurance premiums in dedicated funds. (Various other funds)
- 5. County Assistance** - Funding is provided for distribution to counties in accordance with the provisions of Substitute House Bill 3175 (financial assistance/counties).
- 6. Extraordinary Crim Justice Costs** - Funding is provided to reimburse King and Pacific counties for extraordinary criminal justice costs. (Public Safety and Education Account-State)
- 7. Mental Health Task Force** - Funding is provided for a joint legislative and executive task force on mental health services delivery and financing. (General Fund-State, General Fund-Federal)
- 8. Mader v HCA Settlement** - Funding is provided to settle all claims in Mader et. al v. Health Care Authority and the state of Washington. Community and technical colleges are required to provide health benefits during the summer months for part-time faculty who have worked half-time or more during the academic year. This settlement requires the reimbursement of health care premiums paid by employers prior to 2003. The appropriation is contingent upon the settlement being executed by June 30, 2004.

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Special Approps to the Governor

9. Sex Offender Sentencing - Funding is provided to implement proposed legislation that would revise criminal penalties for sex offenders.

Sundry Claims
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	18	365	383
2004 Policy Changes:			
1. Self-Defense Claims	61	0	61
2. Deer and Elk Damage Claims	0	30	30
Total Policy Changes	61	30	91
2003-05 Revised Appropriations	79	395	474
Difference from Original Appropriations	61	30	91
% Change from Original Appropriations	338.9%	8.2%	23.8%

Comments:

1. Self-Defense Claims - On the recommendation of the Office of Risk Management, payment is made under RCW 9A.16.110 for claims for reimbursement of legal costs and other expenses of criminal defendants acquitted on the basis of self defense.

2. Deer and Elk Damage Claims - On the recommendation of the Office of Risk Management, payment is made under RCW 77.12.280 for claims for damages to agricultural crops by wildlife. (State Wildlife Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
State Employee Compensation Adjust
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	48,284	41,449	89,733
2004 Policy Changes:			
1. Move Funding from Inactive Account	0	0	0
2. HB 2538 - \$1000 Minimum Benefit	150	128	278
3. Health Benefits	5,505	2,670	8,175
Total Policy Changes	5,655	2,798	8,453
2003-05 Revised Appropriations	53,939	44,247	98,186
Difference from Original Appropriations	5,655	2,798	8,453
% Change from Original Appropriations	11.7%	6.8%	9.4%

Comments:

1. Move Funding from Inactive Account - Health insurance funding from the no longer active Salmon Recovery Account-State (06A-1) is transferred to the Recreation Resources Account-State (267-1).

2. HB 2538 - \$1000 Minimum Benefit - Funding is provided for increased pension contribution rate costs associated with paying a \$1000 minimum benefit to certain retirees of the Public Employees' Retirement System Plan 1 and the Teachers' Retirement System Plan 1, pursuant to Chapter XXX, Laws of 2004 (House Bill 2538). (General Fund-State, General Fund-Federal, General Fund-Private/Local, Retirement Contribution Increase Revolving Account-State)

3. Health Benefits - The actual cost of health care coverage provided through the Public Employees Benefits Board is less than anticipated in the 2003-05 biennial budget. The resulting fund balance is used to lower planned cost increases for state agencies and employees, and in addition, approximately \$5.5 million in General Fund-State, and about \$5.4 million in other funds are added to reduce projected employee premiums from an average of \$110 in the 2003-05 biennial budget to an average of \$65. This item reflects increasing agency spending by \$8.55 per employee per month. (General Fund-State, General Fund-State, General Fund-Private/Local, Salary and Insurance Increase Revolving Account)

2003-05 Revised Omnibus Operating Budget (2004 Supp)
Contributions to Retirement Systems
(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	55,170	0	55,170
Total Maintenance Changes	-510	0	-510
2003-05 Revised Appropriations	54,660	0	54,660
Difference from Original Appropriations	-510	0	-510
% Change from Original Appropriations	-0.9%	0.0%	-0.9%

Comments:

Other Legislation

(Dollars in Thousands)

	GF-S	House Chair Other	Total
2003-05 Original Appropriations	0	24,676	24,676
2004 Policy Changes:			
1. Capital Budget - HB 2573	<u>950</u>	<u>0</u>	<u>950</u>
Total Policy Changes	950	0	950
2003-05 Revised Appropriations	950	24,676	25,626
Difference from Original Appropriations	950	0	950
% Change from Original Appropriations	0.0%	0.0%	3.8%

Comments:

1. Capital Budget - HB 2573 - House Bill 2573 (Capital Budget) appropriates funding from the state general fund for engineering and architectural services provided to state agencies by the Department of General Administration.