



STATE OF WASHINGTON  
OFFICE OF FINANCIAL MANAGEMENT

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February 29, 2016

Honorable Jim Honeyford, Chair  
Honorable Karen Keiser, Ranking Member  
Senate Ways & Means Committee  
P.O. Box 40482  
Olympia, WA 98504-0482

Honorable Steve Tharinger, Chair  
Honorable Richard DeBolt, Ranking Member  
House Capital Budget Committee  
P.O. Box 40600  
Olympia, WA 98504-0600

Dear Senators Honeyford and Keiser and Representatives Tharinger and DeBolt:

I appreciate the challenges involved in developing the 2016 supplemental capital budget. Although we are in agreement with most of the budget decisions, I respectfully raise the following concerns for your consideration.

**Minor Works Funding for Western State Hospital.** The House proposed budget includes \$950,000 less than the Governor's budget for minor works at Western State Hospital. This would postpone projects related to the shifting of wards related to the Trueblood decision. The Governor favors the Senate's funding of these minor works projects.

**Code Required Campus Infrastructure Upgrades at Lakeland Village.** The House proposed budget does not address critical electrical system deficiencies cited by the Department of Labor and Industries at Lakeland Village. These deficiencies resulted in two fires in 2015, one of which knocked out regular and back-up power and nearly led to the highly disruptive evacuation of very vulnerable residents. The Governor supports the Senate appropriation for infrastructure repairs at Lakeland Village.

**Acute Mental Health Unit at Echo Glen.** The House proposed budget does not fund a project that would improve access to acute mental health services for females at Echo Glen Children's Center. A recently completed Acute Mental Health Unit for male offenders was successful in advancing treatment and rehabilitation. Reviews by the Department of Social and Health Services of resident acuity levels show the need for this programming space exceeds the available resources twofold. The Governor prefers the Senate budget for Echo Glen.

**Children's Long-Term Inpatient Program (CLIP) Capacity at Child Study and Treatment Center.** The Senate proposed budget does not include funding to increase the number of CLIP beds for children with severe mental health issues. Due to a lack of capacity, there are currently 16 children (ages 12-17) on a wait list, with an estimated placement delay of 60-90 days for aggressive or suicidal youth. Many of



these children are waiting in hospital beds. The State Supreme Court ruled in *Re: the detention of D. W. et al v. DSHS* that boarding psychiatric patients in non-psychiatric facilities awaiting treatment is unlawful. The House capital budget includes additional CLIP beds, which the Governor sees as vital and addresses prior court rulings.

**McNeil Island infrastructure.** The Senate proposed budget does not address deteriorating infrastructure on McNeil Island, although the proposed House and Senate operating budgets include funding for additional Special Commitment Center staff. Staff assigned to the island should be assured of an ongoing water supply for drinking, sanitation, and fire protection and of their safe transfer on and off the island regardless of weather conditions. The Governor favors the House's proposed improvements on McNeil Island.

**Safety improvements for Juvenile Rehabilitation Community Facilities.** The Senate proposed budget does not address projects to improve staff and youth safety in juvenile rehabilitation facilities. Youthful offenders have escaped from these facilities three times in the last three months. In addition, DSHS is seeking funding to bring several facilities into compliance with the federal Prison Rape Elimination Act. The Governor supports including Juvenile Rehabilitation improvements in the capital budget.

**Model Toxics Control Act (MTCA) funding** – As noted in the letter of concern about the operating budget proposals, oil price reductions have lowered revenue forecasts for the MTCA accounts. The House capital and operating budget proposals have not yet adequately responded to the MTCA shortfall. The Senate has outlined specific solutions to the MTCA shortfall in its operating and capital budget proposals. The Governor favors the more comprehensive approach taken by the Senate. Absent such action, the default solution to the MTCA shortfall will fall disproportionately and unnecessarily on reductions and delays to the cleanup of toxic sites.

OFM continues to work with legislative fiscal staff on technical and other budget issues identified by state agencies, our staff, and others. Please let me know if we can be of further assistance on any of these issues.

Thank you for your consideration. I look forward to continuing discussions as you work to complete a final supplemental budget.

Sincerely,



David Schumacher  
Director

cc: Richard Ramsey, Staff Coordinator, Senate Ways & Means Committee  
Meg Van Schoorl, Staff Coordinator, House Capital Budget Committee  
Jim Crawford, Assistant Director for Budget, OFM  
Nona Snell, Senior Capital Budget Assistant, OFM  
Matt Steuerwalt, Policy Director, Office of the Governor  
David Postman, Chief of Staff, Office of the Governor