

Department of Commerce
 Budget Reduction Exercise – November 15, 2024

Budget Reduction Exercise Summary

Program	Proposal Title	Potential Savings
100	1. Reduce Training Budget for Regional Engagement	\$25,000
100	2. Reduce Ethnic Media Contracts	\$250,000
100	3. Pause Work – Building Trades Council	\$325,000
300	4. Preventing Farmworker Sexual Harassment	\$330,000
300	5. Partner Violence Housing Assist Pt	\$900,000
500	6. Unspent CCA Funds - WA Families Clean Energy Credits	\$3,331,947
500	7. Clean Energy Navigators - Unspent portion	\$2,000,000
500	8. C-PACER Technical Assistance	\$2,250,000
500	9. Reduce Funding for Energy Mapping and Forecasting Tool	\$1,650,000
500	10. Vacancy Savings HEAL Act Admin	\$500,000
500	11. Energy Audit-Public Buildings	\$10,000,000
600	12. BH Siting Administrator	\$594,000
600	13. Public Telecom Services SB5383	\$369,000
600	14. Emergency Rapid Response	\$6,000,000
600	15. Emergency Drinking Water Grants	\$2,971,395
700	16. Federal Funding Technical Assistance	\$700,000
700	17. Senate Bill 5096 - Employee Ownership	\$350,000
700	18. Governmental Cooperation - Nordic Countries	\$100,000
	Total	\$32,646,342

Account	FY25	BI25-27	Total
General Fund State (NGF)	\$6,900,000	\$7,600,000	\$14,500,000
Climate Commitment Account	\$11,600,000	\$6,500,000	\$18,100,000
Total	\$18,500,000	\$14,100,000	\$32,600,000

Dollar figures rounded to nearest 1,000. NGF includes funding from account 23P.

Program	Potential Savings
100 - Program Support	\$600,000
300 - Community Services Division	\$1,230,000
500 - Energy Division	\$19,731,947
600 - Local Government Division	\$9,934,395
700 - Office of Economic Development and Competitiveness	\$1,150,000

Program Support (Community Engagement and Outreach)

Department of Commerce
 Budget Reduction Exercise – November 15, 2024
 3 Proposed Reductions - \$600,000 potential savings

1. Reduce Training Budget for Regional Engagement				
Potential Savings	\$25K (one-time)	FY25: \$25K	FY26:	FY27:
Funding Source	General Fund State			
Description: Reducing GFS budget for training Commerce employees supporting regional engagement.				
Impact/Impacted Stakeholders: Reduce resources for Commerce employee development.				
Additional Documents & References N/A				

2. Reduce Ethnic Media Contracts				
Potential Savings	\$250K (one-time)	FY25: \$250K	FY26:	FY27:
Funding Source	General Fund State			
Description: Reduce/hold back contracting agreements for capacity building grants for ethnic media organizations.				
Impact/Impacted Stakeholders: Reducing the amount of and number of grants to community organizations.				
Additional Documents & References N/A				

3. Pause Work – Building Trades Council (Proviso)				
Potential Savings	\$325K (one-time)	FY25: \$325K	FY26:	FY27:
Funding Source	General Fund State			
Description: Commerce has not started work on this proviso and can hold off work creating savings.				
Impact/Impacted Stakeholders: Could cut or reduce this childcare project that would provide childcare for apprentices in the trades who have irregular/non-traditional work hours				
Additional Documents & References N/A				

Community Services Division

4. Partner Violence Housing Assist Pt				
Potential Savings	\$900K (one-time)	FY25: \$900K	FY26:	FY27:
Funding Source	General Fund State			
<p>Description: Commerce faces challenges in completing work related to this proviso and can hold off work creating savings. (103) \$1,000,000 of the general fund—state appropriation for 35 fiscal year 2025 is provided solely to administer housing assistance 36 for persons who are fleeing or who have recently fled intimate 37 partner violence. The department must allocate funding through 38 contracts with service providers that have current contracts with the 39 office of crime victim's advocacy to provide services for survivors of p. 98 ESSB 5950.SL 1 intimate partner or domestic violence. A provider must use at least 2 80 percent of contracted funds for rental payments to landlords and 3 the remainder for other program operation costs. Priority for 4 assistance must be provided to survivors who face the greatest risk 5 of serious violence and have the least access to housing resources.</p>				
<p>Impact/Impacted Stakeholders: Indeterminate</p>				
<p>Additional Documents & References 127, 103</p>				

5. Preventing Farmworker Sexual Harassment				
Potential Savings	\$330K (one-time)	FY25: \$330K	FY26:	FY27:
Funding Source	General Fund State			
<p>Description: 87) \$155,000 of the general fund—state appropriation 13 for fiscal year 2024 and \$175,000 of the general fund—state 14 appropriation for fiscal year 2025 are provided solely for a grant to 15 an organization in Pierce county experienced in providing peer-to16 peer training, to develop and implement a program aimed at reducing 17 workplace sexual harassment in the agricultural sector. Funding will 18 be used to continue peer-to-peer trainings for farmworkers in Yakima 19 county and expand services into Grant and Benton counties. Funding 20 may also be used to support an established network of farmworker peer 21 trainers whose primary purpose is to prevent workplace sexual 22 harassment and assault through leadership and education. The 23 organization is expected to share best practices from their peer-to-peer model at a statewide conference.</p>				
<p>Impact/Impacted Stakeholders: LNI has this funding in their budget, we are not spending it this biennium.</p>				
<p>Additional Documents & References 127, 31</p>				

Energy Division

6 Proposed Reductions - \$19,731,947 potential savings

6. Unspent Clean Energy Credit Program Funds				
Potential Savings	\$3.3M (one-time)	FY25: \$3.3M	FY26:	FY27:
Funding Source	Climate Commitment Account 26C			
<p>Description: The Washington Families Clean Energy Credits Program dedicates \$150 million to offer bill credits of \$200 per household to low- and moderate-income households through their electric utility provider. The Department of Commerce is in the process of distributing grants to all utility companies in Washington, enabling them to pass on \$200 bill credits to customer accounts by September 15, 2024. The proviso states that money has to be spent by Sept 15, 2024 so it is not eligible for funding from the consolidated account. Savings represent funds unspent from program activities.</p>				
<p>Impact/Impacted Stakeholders: Not Applicable</p>				
<p>Additional Documents & References Budget Section 130 (29)</p>				

7. Reduce Energy Audits for Public Building Contracting				
Potential Savings	\$10M (ongoing)	FY25: \$5M	FY26: \$2.5	FY27: \$2.5
Funding Source	Climate Commitment Account 26C			
<p>Description: This funding supports energy audits at public buildings across Washington in order to identify the potential for energy savings. Funding opportunity released and awards ongoing.</p>				
<p>Impact/Impacted Stakeholders: Publically owned buildings that are struggling with compliance costs.</p>				
<p>Additional Documents & References 127, 87</p>				

8. Unspent Clean Energy Navigators				
Potential Savings	\$2M (one-time)	FY25: \$2M	FY26:	FY27:
Funding Source	Climate Commitment Account 26C			
<p>Description: This funding supports a statewide energy rebate navigator to help consumer find and take advantage of the federal, state, utility, and other home energy</p>				

improvement funding they qualify for. Funds may not be expended or obligated until 1/1/25.
Impact/Impacted Stakeholders: TA and outreach to low-income homeowners
Additional Documents & References Budget Section 130 (26)

9. C-PACER Technical Assistance Program – Roll Into Green Bank				
Potential Savings	\$2.2M (ongoing)	FY25: \$750K	FY26: \$750K	FY27: \$750K
Funding Source	Climate Commitment Account 26C			
Description: This funding supports a statewide energy rebate navigator to help consumer find and take advantage of the federal, state, utility, and other home energy improvement funding they qualify for. Funds may not be expended or obligated until 1/1/25.				
Impact/Impacted Stakeholders: TA and outreach to low-income homeowners.				
Additional Documents & References Budget Section 130 (26)				

10. Reduce Energy Mapping & Forecasting Tool Funding				
Potential Savings	\$1.65M (ongoing)	FY25: \$650K	FY26: \$500K	FY27: \$500K
Funding Source	General Fund State			
Description: To build a mapping and forecasting tool that provides locations and information on charging and refueling infrastructure as required in chapter 300, Laws of 2021 (zero emissions transp.). This funding has been moved to WSDOT and is not being administered by COM. Maintenance cost is less than funded.				
Impact/Impacted Stakeholders: Indirect stakeholders who will use mapping tool.				
Additional Documents & References Section 130 (3)				

11. HEAL Act Staff Vacancy Savings				
Potential Savings	\$500K (one-time)	FY25: \$500K	FY26:	FY27:
Funding Source	Climate Commitment Account 26C			
Description: Proposed savings come unspent funds intended for staffing.				

Impact/Impacted Stakeholders: Tribes, indirect impact to vulnerable populations and overburden communities.
Additional Documents & References Section 130

Note: Commerce has also identified potential savings via a fund transfer, by moving allowable programs to fund 27B Electric Vehicle Incentive Account. As of November 15, 2024, account 27B has an available fund balance in excess of \$70 million.

Local Government Division

4 Proposed Reductions - \$9,934,395 potential savings

12. Behavioral Health Siting Administrator				
Potential Savings	\$594K (ongoing)	FY25: \$198K	FY26: \$198K	FY27: \$198K
Funding Source	General Fund Stated			
Description: Holding on hiring position to coordinate behavior health housing options, technical assistance in siting behavioral health facilities, facilitate linkages between disparate communities and bed capacity efforts, and integrate behavioral health capacity into supportive housing.				
Impact/Impacted Stakeholders: No impact.				
Additional Documents & References 23-25 FY24 Supplemental, ESSB 5950, Section 128 (31)				

13. Public Telecom Services SB5383				
Potential Savings	\$369K (ongoing)	FY25: \$123K	FY26: \$123K	FY27: \$123K
Funding Source	General Fund State			
Description: Currently 1 contract with very minimal oversight needed. \$153k ongoing funding. Current year used \$30k to cover underfunded FY24 supplemental BEAD Technical Assistance program. Purpose-Authorizing public utility districts and port districts to provide retail telecommunications services in unserved areas under certain conditions.				
Impact/Impacted Stakeholders: FTEs. Staff time to review the PUD/Ports telecom retail plans.				
Additional Documents & References 21-23 ESSB 5092, Section 129 (115) 23-25 ESSB 5187, Section 1114 (115)				

14. Emergency Rapid Response				
Potential Savings	\$6M (ongoing)	FY25: \$2M	FY26: \$2M	FY27: \$2M
Funding Source	General Fund State			
Description: The Department of Commerce (department) requests resources to create a grant program to quickly provide continuity of essential community services and recovery assistance (food, water, sewer, power, communication, and shelter) to Tribes and local governments after an emergency event when federal funding lags.				
Impact/Impacted Stakeholders: Reductions in ERR will reduce our ability to support continuity of essential community services and recovery assistance, such as food, water, sewer, power, communication, and shelter, to Tribes and local governments after a local or state declared disaster. Overall, a reduced capability but not a capability that is eliminated.				
Additional Documents & References 21-23 FY2022 Supplemental, ESSB 5693 23-25 ESSB 5187 23-25 FY24 Supplemental, ESSB 5950				

15. Emergency Drinking Water Grants				
Potential Savings	\$2.9M (ongoing)	FY25: \$971K	FY26: \$1M	FY27: \$1M
Funding Source	Model Toxics Control Operating Account 23P			
Description: (30) \$1,000,000 of the model toxics control account—state appropriation is provided solely for grants to address emergency drinking water problems in overburdened communities. The department may utilize existing programs to distribute the funding provided under this section, including the emergency rapid response program.				
Impact/Impacted Stakeholders: ERR will be able to mitigate the risk of this reduction in funding. Also, coordination with other infrastructure funding sources will also be able to mitigate the risk in this reduction.				
Additional Documents & References 23-25 FY24 Supplemental, ESSB 5950, Section 128 (30)				

Office of Economic Development and Competitiveness

3 Proposed Reductions - \$1,150,000 potential savings

16. Federal Funding Technical Assistance				
Potential Savings	\$700K (one-time)	FY25: \$700K	FY26:	FY27:
Funding Source	General Fund State			
Description: Supports regional and locally led initiatives seeking federal funding, to provide technical support for application development and grant writing, to conduct economic analysis of various sectors, and other activities the department deems necessary for the state and partners of the state to compete for federal funds.				
Impact/Impacted Stakeholders: Industry Partners, ADO's, Industry Clusters, Research Institutions				
Additional Documents & References Sec. 129 (23)				

17. Senate Bill 5096 - Employee Ownership				
Potential Savings	\$350K (one-time)	FY25: \$350K	FY26:	FY27:
Funding Source	General Fund State			
Description: Appropriation for fiscal year 2025 provided to support the Expanding Employee Ownership Act - Savings represent the pausing of professional service contracts that support the efforts of businesses considering a sale to an employee ownership structure.				
Impact/Impacted Stakeholders: The Washington Employee Ownership Commission - Governor Appointed Membership representing industry experts and legislators				
Additional Documents & References Sec. 129 (24)				

18. Governmental Cooperation - Nordic Countries				
Potential Savings	\$100K (one-time)	FY25: \$100K	FY26:	FY27:
Funding Source	General Fund State			
Description: Supports activities related to cooperation with governmental and public agencies of the Republic of Finland, the Kingdom of Sweden, and the Kingdom of Norway.				
Impact/Impacted Stakeholders: To date, OEDC doesn't have any planned travel or program support identified for the rest of current FY. Governor's office is the prime stakeholder of these funds through the International Relations Office				
Additional Documents & References Sec. 129 (26)23-25 ESSB 5187 23-25 FY24 Supplemental, ESSB 5950				