



PROPOSED 2019–21

BUDGET & POLICY

— HIGHLIGHTS —

Governor Jay Inslee | December 2018

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Investing in Washington's continuing success

After historic K-12 education funding increases, Gov. Inslee continues education investments while putting unprecedented focus on Washington's behavioral health system, statewide broadband, orca recovery, other vital needs

Washington consistently ranks as a top state for business AND the top state for workers. The state's unemployment rate is at a 42-year low. On a bipartisan basis, we have invested in infrastructure and programs that make it possible for Washington to export more products than nearly every other state, operate world-class research universities and expand access to affordable pathways to college and career-connected learning. We value our diverse and inclusive communities and embrace our responsibilities as stewards of our environment. To sustain and enhance our economic growth across the state, Gov. Jay Inslee believes we must continue to invest in services, programs and projects that move Washington forward.

Over the past five years, Gov. Inslee and the Legislature tackled one of the greatest budget challenges the state has ever faced — meeting our constitutional obligation to fully fund basic education. The state had been falling short on its obligation for decades, and fixing the problem required an enormous infusion of state funding for schools.

Though the state still has work to do in meeting the needs of students and teachers, these funding increases are a significant achievement. Among other things, the higher funding is helping to reduce class sizes in kindergarten through third grade, expand all-day kindergarten to all students, raise teacher compensation and fully cover school district transportation and operating costs.

Just over a decade ago, funding for public schools made up less than 40 percent of overall Near General Fund spending. Now, for the first time since the early 1980s, public schools receive more than 50 percent of that spending.

While solving the school-funding problem has been the primary focus in Olympia, Inslee and the Legislature have moved the state forward on a number of other fronts since 2013. For example:

- The state is preparing to launch the best-in-the-nation [paid family and medical leave program](#).
- The state's new [Department of Children, Youth, and Families](#), which combines early learning, child protection and juvenile rehabilitation services, is helping to ensure better outcomes for children and families.
- As has been the case for decades, the state continues to be a leader nationwide in expanding health care coverage.
- The state in 2015 made the biggest [transportation improvement investment](#) in state history.

The state has worked to hold tuition in check at the public colleges and universities while continuing to expand one of the most generous financial aid systems in the country. Last year the governor launched the Career Connect Washington initiative

to help more students pursue good-paying jobs after high school through career-ready education such as registered apprenticeships and technical training programs. And our state in recent years has made historic investments to alleviate the rising demand in the behavioral health system and serve the growing number of people battling opioid addiction and homelessness.

Although the economic boom here has created enormous opportunity for Washingtonians, it has also exacerbated other challenges as our population has rapidly grown and some parts of the state still struggle with unemployment.

Heading into its next two-year budget, Washington faces major challenges in meeting pent-up needs and new obligations that have grown over the decade.

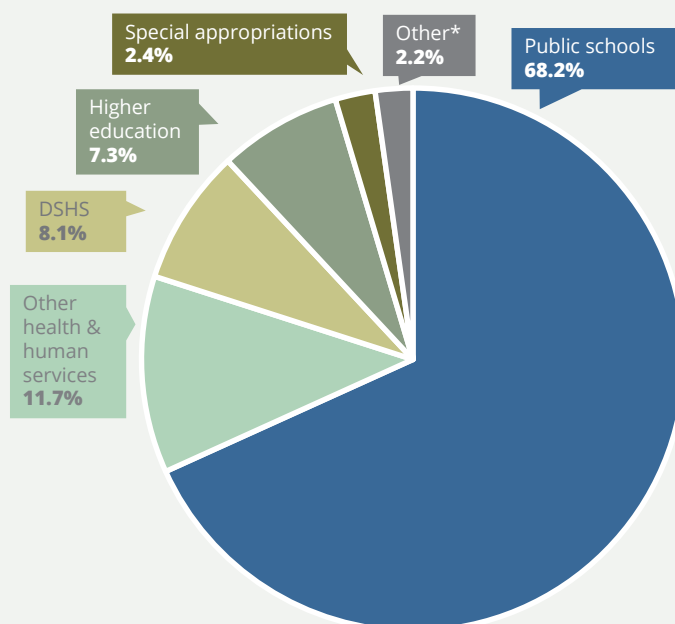
Ten years ago, amid the worst national recession since the Great Depression, the state had to squeeze spending in many areas even as the need for services grew. Then, as the economy recovered, the governor and the Legislature had to steer the bulk of any additional revenue to meeting the state's constitutional education funding obligations. In the past three biennial budgets, Near General Fund-State spending increased about \$13.4 billion. Nearly 70 percent of that new spending — about \$9.2 billion — went to K-12 education.

The fact is, state revenue is not growing fast enough to cover both the huge new mandated outlays for K-12 education as well as meet rising demands and new obligations in a broad range of areas.

Budget homes in on state's behavioral health system, strategies to fight climate change and protect Southern Resident orcas, and builds up statewide broadband

Gov. Inslee understands additional investments are still needed in our public schools, but believes we can no longer delay the focus on a broader array of urgent needs across the state. Through his 2019–21 operating, capital and transportation budgets, the governor is putting forward coordinated and comprehensive plans for addressing several of the state's most pressing issues.

Proportion of growth of Near General Fund spending 2013–19



Over the last three biennial budgets, more than two-thirds of new Near General Fund-State spending — **nearly \$9.2 billion** — has gone to K-12 schools.

*Other includes governmental operations, judicial, other education, natural resources, legislative and transportation

This spring, the governor announced a five-year plan to transform the state's **behavioral health system**, including how and where people with acute mental illness are treated. His 2019–21 operating and capital budgets provide significant new resources to launch that transformative effort.

His budgets continue investments to improve patient care and **patient and staff safety** at the state's psychiatric hospitals and to expand **alternative placement capacity** in the community. Most significantly, the governor proposes adding capacity for treating civil patients in smaller, **community-based facilities** so they can be closer to their loved ones and friends.

Supporting **Southern Resident orca recovery efforts** is another key focus of Inslee's budgets. His

operating, capital and transportation spending plans include an unprecedented level of investments that will support recovery efforts for the endangered Southern Resident orca population. Besides helping orcas, these investments would have significant benefits for the entire Puget Sound ecosystem.

His budgets also include funding to protect and restore habitat, reduce barriers to salmon migration, boost salmon hatchery production, expand pollution prevention and cleanup efforts and alleviate disturbance and noise from vessel traffic to promote a healthier environment and sufficient food source for orcas.

Continuing in his commitment to make Washington a leader in combating climate change, the governor is putting forward a comprehensive package

to steadily reduce **greenhouse gas emissions** statewide and help the state meet greenhouse gas reduction goals set in law.

The package includes a new initiative to reduce **emissions in the state's building sector**, the second-largest source of emissions. The governor's operating and capital budgets also include funding to promote a wide range of **clean energy projects and research**. And his transportation budget includes funding to expand the number of electric vehicle charging stations and to begin converting the state ferry fleet to electric-hybrid vessels.

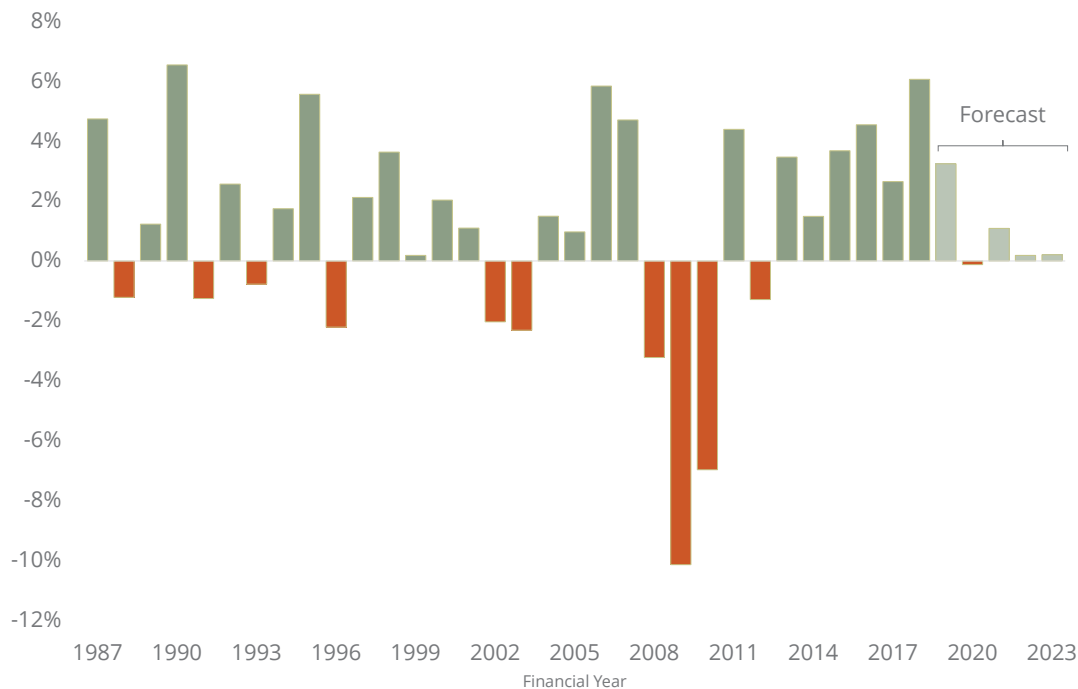
To expand broadband internet access, especially in rural areas of the state, the governor proposes setting up a new **Statewide Broadband Office** to serve as the central planning and coordinating body for public and private efforts to deploy broadband. His budgets also include funding for a competitive grant and loan program to extend broadband services to unserved and underserved people and to remote pockets of the state.

With the state's new children's agency up and running, the governor is calling for bold new investments in the state's early learning system. His budgets include funding to provide **newborn screening assessments** and **home visiting services** for all Washington families, expand and improve **preschool opportunities**, create a **statewide referral system** to connect families with early learning services and build more **early learning facilities**.

The budgets will make major funding and service improvements throughout our public education system.

The governor proposes new funding to support **special education** efforts and for more school counselors, nurses and social workers to support student needs. The governor also proposes protecting the ability of local communities to invest more **local levy funding** to enhance K-12 programs and services, with voter approval.

Annual percentage change of real per-capita revenue



Source: Economic and Revenue Forecast Council, Nov. 2018

Washington has long been a leader in providing **financial aid** for higher education students. The governor builds on that success by fully funding the Washington College Promise (formerly State Need Grant), which by the 2021–22 school year will guarantee financial aid for all students who qualify for it.

Among other things, the budgets will also increase funding for the **Career Connect Washington** initiative, boost efforts to combat homelessness and opioid abuse, enhance services for people with developmental disabilities and improve our state park system.

The governor is also proposing modest **pay increases** for most state employees, largely to help the state meet the challenge of attracting and retaining workers in a strong economy.

Improving Washington's outdated tax structure

By every measure, the state's economy is doing well. In Washington, however, economic growth does not necessarily translate to equivalent growth in state revenues. That's because we have an outdated state tax system that fails to keep pace with economic growth.

The bulk of Washington's tax system was put in place in the 1930s, when our economy was largely goods based. Today, however, we spend a smaller share of our disposable income on goods and a larger share on services. The bottom line: We do not tax services to the extent we tax goods.

More than half our revenue comes from retail sales taxes, which disproportionately impact people at the lower end of the economic scale and allow the very wealthiest individuals and most prosperous businesses to pay relatively less in taxes.

The state has invested enormously in building up one of the most skilled workforces in the country, designing and maintaining an infrastructure

that enables businesses to transport a growing volume of goods and products, and in preserving the beautiful spaces that companies tout when recruiting employees. When companies and individuals do well, everyone benefits when they help pay it forward so the state can continue investing in the things that ensure the same opportunities for all Washingtonians.

To pay for the investments laid out in his budget, the governor proposes using a portion of the state's budget reserves in combination with revenue from one new tax and changes to two current state taxes:

- A new capital gains tax on the sale of stocks, bonds and other assets. With the tax geared to very large capital gains, only a tiny fraction of the state's wealthiest taxpayers would be affected. Exemptions are provided for retirement accounts, homes, farms and forestry. Earned income from salaries and wages are not capital gains and would not be taxed at all.
- Increasing the state business and occupation tax on services, such as those provided by accountants, architects, attorneys, consultants and real estate agents.
- Changing the state's real estate excise tax from a regressive flat rate to a progressive graduated rate that would lower the tax on sales of lower-value properties and increase it for sales of properties valued at \$1 million or more. Additional revenue generated by the change will help fund the removal of fish passage barriers, or culverts, across the state.

The proposed tax changes would raise nearly \$4 billion in the next biennium. Even with the revenue increases the governor is proposing, Washington's tax collections as a share of the economy will remain below the national average. Heading into the next biennium, the state is projected to have about \$3 billion in total reserves. Under Inslee's proposal, the state would still have about \$2.8 billion in total reserves at the end of the biennium.

Economic and revenue outlook

Employment, personal income growth expected to continue

Continuing strong economic performance has buttressed Washington state's advantage throughout the current expansion, and the state should outperform the nation in job and income growth for the foreseeable future.

Washington's unemployment rate, which hovered above the national rate during the past two years, reached a record monthly low of 4.3 percent in October 2018. Washington's jobless rate has traditionally been higher than the national average due to the state's outsized share of seasonal industries and its attractiveness to in-migrants drawn to the strong economy as well as the Northwest experience.

During the past three years, nearly 72 percent of Washington's population growth has been due to new people moving into the state. More recent forecasts expect Washington's jobless rate to remain above the national average, likely the result of strong population growth and the accompanying frictional lag in employment. In fundamental ways, that reflects the confidence workers have in finding gainful employment. By the end of the upcoming biennium (2019–21), Washington's annual unemployment rate is projected to be 4.4 percent, down from the current 4.7 percent. In the subsequent biennium (2021–23) the rate is projected to increase to 4.6 percent as economic growth moderates.

Personal income in Washington is expected to make above-average gains over the next several biennia. Real personal income should gain 3 percent in fiscal year 2020, 2.8 percent in fiscal year 2021, 2.6 percent in fiscal year 2022 and 2.8 percent

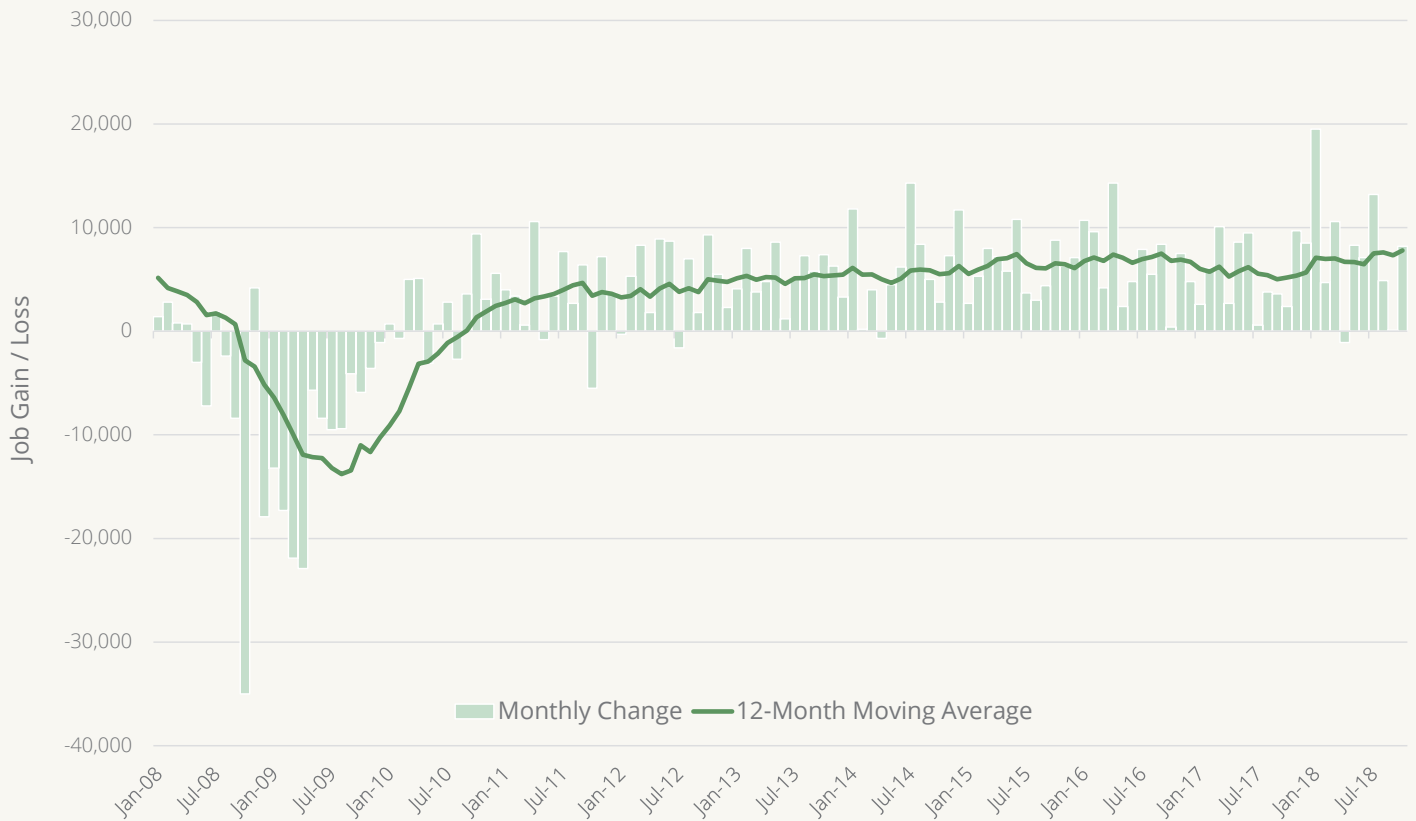
in fiscal year 2023 — measurably higher than the respective 2.6 percent, 2.3 percent, 2.2 percent and 2.3 percent projections for the nation. On a per-capita basis, Washington's real personal income should reach \$58,100 in fiscal year 2021 and \$59,764 in fiscal year 2023, more than \$6,550 above the U.S. average in 2021 and \$6,600 above the U.S. average in 2023.

These gains in Washington's personal income will occur notwithstanding the absence of growth in aerospace employment, one of the traditional drivers of Washington's economy. Aerospace employment is expected to hold at 84,900 jobs from fiscal year 2020 through fiscal year 2023. However, thanks to employment gains in other high-salary industries such as software publishing, electronic shopping and mail order, Washington is projected to net a 1.8 percent increase in total payroll jobs in fiscal year 2020, 1.2 percent in fiscal year 2021 and 1 percent in fiscal years 2022 and 2023.

Construction activity in Washington is expected to remain at a healthy level over the next two biennia. While multi-family home construction growth was prompted by demand for rental units in the aftermath of the recession, strong income gains have renewed demand for single-family housing. Building permits should reach 44,100 in fiscal year 2020, 42,900 in fiscal year 2021 and then slow to 41,800 in fiscal year 2022 and 41,000 in fiscal year 2023. Despite the easing trend, construction activity in each year of the forecast is still above the long-term state average. As a result, annual construction employment should hold above 213,000 jobs over the next four years. With overall

Private sector payroll employment in Washington

Monthly change, seasonally adjusted



nonfarm jobs on the rise, the share of construction jobs should ease to 5.9 percent of total nonfarm employment, still a bit above historic averages yet reflective of a stabilizing housing and commercial building market.

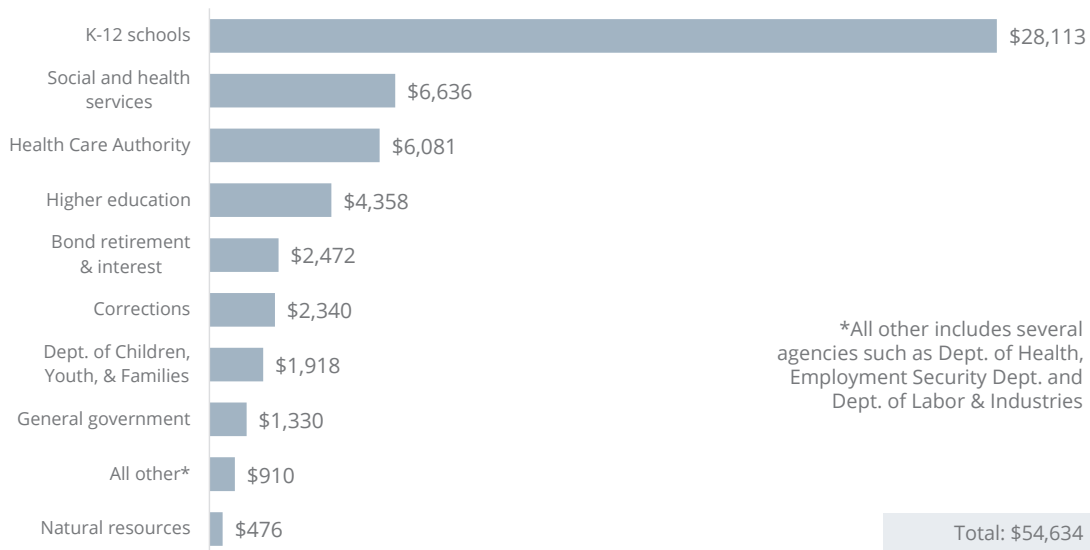
General Fund-State revenues are on pace to close out the 2017–19 biennium with a 14.6 percent

increase over the previous budget cycle. General Fund-State revenues are forecasted to increase 11.7 percent in the 2019–21 biennium and 7.6 percent in the 2021–23 biennium. The expanding economy, strong gains in hiring, solid growth in personal income and sound housing markets should keep revenues growing at a steady pace.

Governor's Proposed 2019-21 Biennial Budget

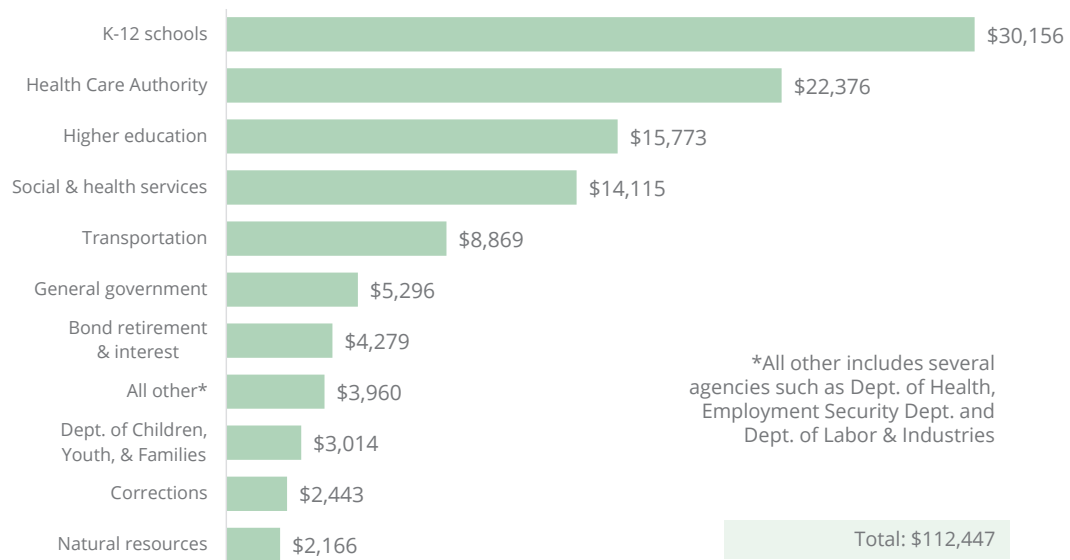
Near General Fund-State and Opportunity Pathways Accounts

\$ in millions



All funds – operating plus transportation capital

\$ in millions



Governor's Proposed 2019-21 Budget Balance Sheet

General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account and Budget Stabilization Account

\$ in millions

	2017-19	2019-21
RESOURCES		
Beginning Fund Balance	\$1,149	\$1,460
November 2018 Revenue Forecast	45,799	50,002
Transfer to Budget Stabilization Account (1% of general state revenue)	(438)	(490)
Transfer to Budget Stabilization Account (extraordinary revenue growth)	(1,575)	
Transfer from BSA (ERG)	1,078	
Enacted Fund Transfers	162	-
Actual/Assumed Prior Period Adjustments & CAFR Adjustment	85	41
Governor's Proposed Revenue Changes		
Governor's Tax Package		3,696
Additional 1% BSA Transfer		(16)
Fund Transfers		249
Budget Driven Revenue		(8)
Total Resources (including beginning fund balance)	\$46,260	\$54,934
EXPENDITURES		
2017-19 Biennium		
Enacted Budget	\$44,661	
Governor's Proposed 2019 Supplemental Budget	334	
Governor's Proposed 2019-21 Budget		
Maintenance Level Base Budget		\$51,077
Policy Changes		3,557
Actual/Assumed Reversions	(195)	(272)
Total Expenditures	\$44,800	\$54,362
RESERVES		
Projected Ending Balance (GFS + ELTA + OPA)	\$1,460	\$572
Budget Stabilization Account		
Budget Stabilization Account Beginning Balance	1,638	1,606
Plus Transfers from General Fund and Interest Earnings	2,054	595
Additional 1% BSA Transfer		16
BSA Transfer to Pension Stabilization Account	(925)	-
Appropriations for Fire Response	(84)	-
Less Transfers out to GFS (extraordinary revenue)	(1,078)	-
Projected Budget Stabilization Account Ending Balance	\$1,606	\$2,217
Total Reserves (Near General Fund plus Budget Stabilization)	\$3,066	\$2,789

Balance Sheet Detail

Fund Transfers, Revenue Legislation and Budget Driven Revenues

\$ in millions

	2019-21 Biennium	
	GF-S	ELTA
Fund Transfers To/From GFS (Excluding Transfers To/From BSA)		
03M Municipal Criminal Justice Account	\$(1.0)	
22T Tourism Marketing Account	(3.0)	
05C Criminal Justice Training Account	8.4	
05H Disaster Response Account	46.0	
404 Treasurer's Service Account	20.0	
492 School Employees Insurance Account Loan Repayment	38.7	
058 Public Works Assistance Account	-	\$140.0
Subtotal	\$109.1	\$140.0
Revenue		
Capital Gains Tax	\$975.0	
B&O Tax on Services	522.0	\$2,090.0
Wayfair Retail Sales Tax	92.8	
Wayfair Business and Occupation Tax	30.2	
Extension of the Renewable Energy M&E	(0.0)	
Renewable Energy Cost Recovery Incentive Extension	(4.8)	
Raise Cigarette Age to 21	(8.9)	
Additional 1% BSA Transfer	(16.1)	
Subtotal	\$1,590.2	\$2,090.0
Budget Driven Revenues		
Lottery Revenue Distribution Change	\$(1.2)	
Liquor Account Distribution	(9.8)	
Cannibus Revenue Distribution Change	3.4	
Subtotal	\$(7.6)	
All Revenue Changes	\$1,691.7	\$ 2,230.0

TRANSFORMING WASHINGTON'S BEHAVIORAL HEALTH CARE SYSTEM



Gov. Inslee puts forward plan to significantly increase community-based treatment

Washington's behavioral health system is based on an outdated model of care. We know the best way to treat patients is in the community and in smaller facilities that help them stay closer to home. Yet today, we lack enough community-based treatment options. This puts too much of a burden on our aging, oversized state psychiatric hospitals, where staffing and safety concerns strain treatment efforts. Meanwhile, a host of other problems — such as opioid abuse and a shortage of mental health treatment professionals — further stress our treatment systems. Gov. Jay Inslee's 2019–21 state operating and capital budgets make significant investments to help transform our system of care.

[For more information, see governor's policy brief.](#)

Gov. Inslee's comprehensive strategy

Last spring, Inslee announced a five-year plan to dramatically reshape how and where we treat people suffering from acute mental illness. His proposed 2019–21 operating and capital budgets provide significant new resources to launch that transformative effort. The plan immediately invests in developing community capacity and treatment services. This means individuals will be diverted from the state hospitals, and individuals at the hospitals can successfully transition back to the community. The plan also invests in long-term strategies to grow the behavioral health workforce while building additional civil commitment beds in the community. Lastly, the governor makes investments in the state hospitals to keep them running and safe for patients and staff while the system is being transformed.

To launch this effort, the governor's operating budget includes \$404 million and his capital budget includes \$271 million in investments during the next biennium, primarily in five key areas.



Expanding behavioral health treatment options

A February 2015 report from the Washington State Institute for Public Policy, "Inpatient Psychiatric Capacity and Utilization in Washington State," found that the prevalence rates for mental health conditions in Washington are among the highest in the nation. With an estimated 24 percent of adults experiencing a diagnosable mental health condition and 7 percent meeting criteria for serious mental illness, Washington ranks third and second, respectively, in the nation on these measures.

In 2015, approximately 180,000 individuals received an outpatient mental health service; of these patients, just over 1 percent were also admitted to a state hospital.

Effective behavioral health treatment options in the community help make sure patients can be

appropriately discharged from the state hospitals and help address behavioral health issues early on, preventing some individuals from needing psychiatric hospitalization in the first place. And, in some instances, effective treatment in the community can divert individuals from the criminal justice system.

Even for individuals with severe and chronic behavioral health needs, services in the community can offer timely and effective care that supports them in managing their condition outside the state hospitals.

To discharge patients from the state psychiatric hospitals and provide the necessary services, the governor's budget includes more than \$40 million to expand community alternative placements — such as long-term care facilities and state-operated living facilities — and creates new facility types for individuals who no longer need treatment but have high behavioral needs.

More than \$30 million is invested in community services — such as intensive outpatient treatment, partial hospitalization and intensive wraparound services — to make sure discharge placements are successful and to divert individuals from more inpatient care.

In addition to expanding mental health treatment options, the governor makes investments in substance use disorder treatment by increasing provider rates for secure withdrawal management and stabilization facilities across the state.



More housing support

Stable housing, paired with community treatment options, is essential to successfully stabilize individuals in their communities. Meeting housing needs can reduce the use of jails, emergency services and shelters. It can also help individuals who are ready for hospital discharge but lack the housing to go to.

Washington received federal approval to use Medicaid funding to provide the supportive services necessary to stably house the highest-need chronically homeless individuals. However, these federal dollars do not cover rental assistance, so many individuals who are eligible for these services remain homeless. The governor invests nearly \$35 million in rental assistance for permanent supportive housing services to an estimated 1,000 vulnerable people; priority is given to patients being discharged from the state hospitals.

The governor also proposes \$20 million in capital funding in the Housing Trust Fund for permanent supportive housing for people who suffer from chronic mental illness.



Workforce development

The demand for behavioral health professionals has outpaced our treatment system's ability to keep up nationwide. Meanwhile, high turnover rates, noncompetitive compensation and a shortage of professionals have compounded workforce challenges in our behavioral health system. In his 2017–19 biennial budget, Inslee invested in compensation increases and professional loan repayment to recruit and retain employees at our state hospitals.

Additional investment is needed to continue growing the workforce. Today there are 300 licensed psychiatrists in Washington state, 45 of whom are at Western State Hospital alone. As of November 2018, there were 17 vacant psychiatrist positions at the hospital.

The governor proposes investing a total of \$4 million to address these workforce shortages. His budget creates a new behavioral health conditional scholarship for 50 students who commit to working in high-demand behavioral health fields in state hospitals and state behavioral health community sites. The governor also adds five residency positions at the University of Washington's psychiatry residency program.

In addition to these proposed items, funding is provided for advanced behavioral home care aide specialist training and supports for providers who care for individuals in the community.



Appropriate community-based facilities

While community treatment options are essential, some individuals need institutional care. Two years ago, Inslee laid out a vision to move all civil commitments out of the hospitals and into the community over time. This will be done through a combination of community providers and new state-owned and -operated facilities in regional settings. This way, patients can remain close to their family and friends and be better connected to community resources upon discharge.

In his operating budget, the governor invests more than \$35 million for community providers to serve patients committed under the Involuntary Treatment Act, a key first step in his plan to phase all civil commitments into the community. Community providers can more quickly expand civil commitment capacity while work is underway on future capital budget investments in state-owned and -operated facilities. To aid in this effort, the capital budget includes \$110 million for grants to community hospitals and community providers. These grants expand capacity that helps divert and discharge individuals from the state hospitals. This investment is projected to add more than 500 beds statewide.

This governor also proposes making a major investment in transforming the way state-owned, state-operated civil commitments are served. His capital budget includes \$31 million to begin work on state-operated civil behavioral health facilities. Of this sum, nearly \$23 million will be tabbed for predesign and design of four 16-bed and two 48-bed facilities. The remaining \$8.3 million is for predesign of three 150-bed facilities. All these facilities will provide smaller settings to better serve patients in the community.

In addition, the governor's capital budget proposes \$2 million to conduct a predesign of a behavioral health-focused teaching hospital at the University of Washington.



Continued investment in state hospitals

While adding capacity in the community for civil placements, the governor recognizes we must continue to serve patients in our state hospitals. His capital budget includes nearly \$56 million for building improvements and critical infrastructure at Western and Eastern State hospitals. Almost half this funding is for fire safety projects and others

to help keep patients from harming themselves or others.

It is nearly impossible to bring Western State Hospital back into compliance with building code and federal standards, both requirements for federal certification. The governor's capital budget includes \$7.5 million to conduct a predesign for a new 500-bed forensic hospital; this is a key step in planning a facility that will provide a 21st century model of care for forensic services. The intent is to pursue about \$25 million in the 2021–23 budget for design and \$528 million in the 2023–25 budget for construction. In the interim, nearly \$47 million is provided to construct two new wards and a modern treatment space at Western State Hospital.

Human Services

Department of Social and Health Services – Behavioral health institutional services

State hospital operations

Provide high-quality patient care to individuals referred through behavioral health organizations, the civil court system or the criminal justice system to Western and Eastern State hospitals. (\$82.1 million General Fund-State)

Western State Hospital safety response

Implement a multi-pronged approach to reduce violence and boost patient and staff safety at Western State Hospital. Two new units will be established to serve the highest-acuity patients through evidence-based best practices: a STAR, or Specialized Treatment Assessment and Recovery unit, will serve up to 10 patients at a time and a Step Up unit will serve up to 20 patients as a transition from the STAR unit to a standard ward. Other initiatives include greater security and staff training and enclosing nurses stations. (\$22.2 million GF-S)

Psychiatric intensive care unit

Fund eight psychiatric intensive care unit beds at Eastern State Hospital to serve high-acuity, assaultive patients. PICU beds will house patients for short-term stays; patients will transition to a standard ward once stabilized. Providing this level of specialized care and treatment in the PICU will reduce violence and increase patient and staff safety across the hospital. (\$10.2 million GF-S)

Ross lawsuit compliance

Hire 23 staff as outlined in the Ross v. Lashway compliance plan. Additional staff will improve the quality and timeliness of treatment for patients found not guilty by reason of insanity. (\$6.2 million GF-S)

Child Study and Treatment Center capacity

Hire 84.7 individuals to staff the newly constructed 18-bed cottage at the Child Study and Treatment Center, located on the grounds of Western State Hospital. The center serves the state's most-acute child patients in the Children's Long-term Inpatient Program. This new cottage increases state CLIP bed capacity by more than 38 percent. (\$10.8 million GF-S)

Trueblood settlement agreement

A settlement agreement has been approved in the case of Trueblood v. Department of Social and Health Services. Agreement implementation will occur in phases in regions of the state, with the first phase including the Pierce, Spokane and Southwest regions. The agreement outlines five key areas of investments: competency evaluations; competency restoration; crisis diversion and supports; education and training; and workforce development. It requires DSHS to open 80 new forensic beds at Eastern State Hospital and Western State Hospital, as provided in the 2018 supplemental budget. Under the agreement, accrual of fines ceases December 2018 and continues unless the state is considered to be in material breach by the court. (\$90.7 million GF-S; \$3.7 million GF-Federal across several agencies)

Department of Social and Health Services – Aging and long-term and developmental disabilities services

Community transition expansion

Provide 100 community residential placements in state-operated living alternatives for individuals seeking a community placement. Placements will be phased in over a four-year period. (\$10.8 million GF-S; \$10.4 million GF-F)

Strengthening our response to the deadly opioid crisis

Opioid overdose deaths are now the leading cause of accidental deaths in nearly every part of our state, surpassing even motor vehicle and firearm-related fatalities. In 2017, a total of 739 people, or almost two a day, succumbed to opioid overdoses in Washington. While the number of deaths from prescription opioid drugs is slowly declining, deaths from heroin overdose are on the rise, particularly among young people.

Overuse of medically prescribed opioids to treat chronic pain has contributed to this epidemic. Through a first-in-the-nation set of guidelines developed here in Washington for use of opioids to treat chronic pain, the volume of these prescriptions has declined. While in 2016, Gov. Inslee issued Executive Order 16-09, which implements our state opioid response plan, the work is not done.

Inslee is advancing a plan to step up the state's response to the crisis. His budget and accompanying legislation will build upon substantial work underway to treat more of those in need of services and prevent the epidemic from claiming more lives.

Summary of opioid crisis-related items in the governor's budget

Treatment and recovery (\$19.3 million total)

Substance use disorder peer support

Create a Medicaid substance use disorder peer service benefit and fund the training and certification program. (\$1.8 million General Fund-State; \$9.1 million total)

Pregnant and parenting women residential program site expansion

Provide start-up costs for four new 16-bed pregnant and parenting women residential treatment sites that allow mother and child to reside together during the mother's treatment. (\$1.3 million GF-S)

Chemical dependency/substance use disorder specialist

Fund one staff member at the Department of Children, Youth, and Families to support pregnant and parenting individuals receiving chemical dependency or substance use disorder treatment. (\$200,000 GF-S)

Provider incentives and transportation for post-jail treatment

Provide transport and an incentive payment to providers to hold appointments so individuals being released from jail have no disruption in access to medication-assisted treatment for opioid use disorder. This will ease transition from jail and ensure access to treatment for individuals. (\$1.2 million GF-S)

Department of Corrections discharge planners

Fund four registered nurses to support released individuals who have medication needs and require behavioral health services or substance use disorder treatment upon release from a Department of Corrections facility. (\$1.4 million GF-S)

Substance abuse disorder assessments

Fund two chemical dependency professionals to complete approximately 2,000 more substance abuse disorder assessments at Department of Corrections reception centers. (\$406,000 GF-S)

Grants for diversion program

Fund grants to create two new Law Enforcement Assisted Diversion programs for jurisdictions outside King County. LEAD allows law enforcement officers to divert low-level offenders engaged in drug or prostitution activity to community service instead of jail or prosecution. (\$686,000 GF-S; \$5.2 million total)

Prevention (\$10.7 million total)

Chiropractic care for spinal pain

Provide Medicaid-covered adults access to certain nonpharmacological interventions for spinal pain diagnoses. (\$5.1 million GF-S; \$10.2 million total)

Fentanyl testing strip kits

Provide one-time funding and staff support to supply fentanyl test strips kits for distribution to syringe services programs. BTNX fentanyl test strips have been shown to be highly accurate, correctly detecting the presence of fentanyl and/or fentanyl analogues approximately 98 percent of the time. Data shows that 66 percent of individuals who found positive fentanyl test results reduced their risk-taking behaviors. (\$101,000 GF-S)

Electronic mail screeners

Fund four electronic mail screeners in the mail rooms at each of the stand-alone minimum security prison facilities to keep drugs and other contraband from inmates. (\$460,000 GF-S)

Community respite beds

Expand overnight planned respite services for adults and enhanced respite services for children by six beds each. The current daily rate is increased from \$374 to \$450–\$550 for adult services and from \$350–\$448 to \$400–\$510 for children’s services starting July 1, 2019. (\$5.3 million GF-S; \$1 million GF-F)

Children’s state-operated living alternatives

Add two new children’s SOLA homes on the west side of the state to serve children age 20 and younger. These children who are no longer eligible for residential habilitation center admission are not able to successfully transition to out-of-home residential placement because suitable community options do not exist. These SOLA homes will house three children each in King and Pierce counties. (\$2.5 million GF-S; \$2.3 million GF-F)

Residential habilitation center compliance

Hire 183.9 staff to meet requirements from the federal Centers for Medicare and Medicaid Services on continuous, aggressive active treatment in all intermediate care facilities, which are components of the residential habilitation centers, for individuals with intellectual disabilities. This includes residential habilitation center nursing facility capacity and additional SOLA capacity to transition some current clients with intellectual disabilities to more appropriate levels of services and supports. (\$20.1 million GF-S; \$20.1 million GF-F)

Group training homes

Add 14 new group training home beds. These are community-based, residential facilities serving two or more adults that provide 24-hour instruction and support services in an integrated setting that supports personal power, choice and full access to the greater community. *This item is part of the governor’s statewide behavioral health reform package.* (\$2.6 million GF-S)

Increase in-home personal needs allowance

Raise the income level at which in-home personal care clients must contribute to the cost of their care to 120 percent, up from 100 percent of the federal

poverty level. This allows clients greater flexibility to cover their expenses which helps them to remain in their homes rather than move to more expensive residential settings. (\$10.9 million GF-S; \$13.8 million GF-F)

Additional enhanced discharge beds

Provide 440 additional community placement beds for patients discharging from the state psychiatric hospitals. These include beds in enhanced service facilities, adult family homes, skilled nursing facilities, shared supportive housing, assisted living facilities, specialized dementia facilities and SOLAs. *This item is part of the governor’s statewide behavioral health reform package.* (\$49.6 million GF-S; \$44.2 million GF-F)

Kinship Care Support Program

Assist low-income caregivers with short-term financial supports to meet children’s urgent needs and provide them greater stability. Program funds can be used to purchase goods such as beds, clothing, safety items or supplies, and services when no other resources are available to meet a child’s particular needs. (\$500,000 GF-S)

Enhanced service facilities rate increase

Increase the daily rate for enhanced service facilities from \$425 to \$450 and add 78 beds. *This item is part of the governor’s statewide behavioral health reform package.* (\$14.9 million GF-S; \$14.9 million GF-F)

Targeted vendor rate increase

Set the quality enhancement component of the nursing home rate formula at a flat 2 percent of the overall rate, instead of a fixed dollar amount that decreases in percentage as the overall rate for nursing homes continues to grow. This increases the rate paid to assisted living facilities to 64 percent of the new rate system enacted by the Legislature in 2018, with an emphasis placed on significant increases for higher acuity classifications. This matches what the Health Care Authority now pays for contracted skilled nursing, nurse delegation and private duty nursing. (\$30.4 million GF-S; \$35.5 million GF-F)

Community residential rate increase

Increase the rate paid to community residential providers by 10 percent effective Jan. 1, 2020, and an additional 10 percent effective Jan. 1, 2021. Community residential providers deliver valuable in-home care services to keep citizens living in community settings. (\$59.4 million GF-S; \$58.2 million GF-F)

Department of Social and Health Services – Economic Services Administration

Automatic voter registration

Fund staff and information technology to implement automatic voter registration, consistent with state law. The department will provide information about an individual's right to register and offer the opportunity to opt out of automatic voter registration. (\$459,000 GF-S; \$188,000 GF-F)

Naturalization services increase

Expand contractor capacity for the Office of Refugee and Immigrant Assistance Naturalization Services Program to help up to 1,800 additional eligible refugees and immigrants annually to become citizens of the United States. (\$2 million GF-S)

Pregnant Women Assistance grant increase

Increase the maximum Pregnant Women Assistance program grant from \$197 to \$363 per month. Increasing the grant allows pregnant individuals who are ineligible for Temporary Assistance for Needy Families to meet more of their foundational needs, such as securing a safe home. Approximately 62 percent of PWA recipients report experiencing unstable housing, with half reporting as homeless. (\$300,000 GF-S)

Department of Social and Health Services – Division of Vocational Rehabilitation

Support individuals who are the most significantly disabled

Expand supported employment services to an additional 428 eligible individuals with the most significant disabilities. Services help individuals achieve competitive, integrated employment.

Without additional funding, some individuals in need of supported employment services will be placed on a waitlist. (\$2 million GF-S)

Health Care Authority – Other

Healthier Washington savings restoration

Restore savings assumed in the 2017–19 budget. Under Healthier Washington, HCA and DSHS have established integrated clinical models for physical and behavioral health care. This improves the effectiveness of health care purchasing and delivery. Due to aggressive assumptions about savings and delays in integrating the clinical models, full savings will not be realized. (\$55 million GF-S; \$65.2 million GF-F)

Pharmacy savings restoration

Restore savings assumed in the 2017–19 budget. While HCA has implemented a single Medicaid preferred drug list, the savings assumptions are aggressive and cannot be achieved as quickly nor at the level assumed in the enacted budget. (\$14.2 million GF-S; \$35.5 million GF-F)

Dental emergency room savings restoration

Restore savings assumed in the 2017–19 budget. HCA has named apparently successful bidders to transition dental services from fee-for-service to managed care. Savings from lower emergency department utilization as a result of dental managed care were assumed in the current budget. However, savings assumptions in the current budget will not be achieved at the level nor within the timeline originally anticipated. (\$12.2 million GF-S; \$17.6 million GF-F)

Doula services

Add doula services through the Maternity Support Services program, which includes preventive health and education services to help pregnant individuals have healthy pregnancies and healthy babies. Doulas are community-based professionals who provide education, case management and labor support as well as offer home visits. Doula services have been shown to improve perinatal outcomes and reduce negative outcomes among communities affected by disparities. (\$4.6 million GF-S; \$7.1 million GF-F)

Bi-directional behavioral health rate increase

Increase the rate paid for health and behavior codes and psychotherapy codes that were identified through the stakeholder work group process required under law. (\$9.1 million GF-S; \$27.7 million GF-F)

Primary care rate increase

Increase the rate paid for adult and pediatric primary care to 83 percent of the Medicare reimbursement rate. This increase helps to retain providers and improves access to medical care for Medicaid beneficiaries. (\$56.6 million GF-S; \$142.9 million GF-F)

Hepatitis C elimination strategy

Fund a hepatitis C virus elimination strategy established through a governor's directive. HCA, the Department of Health and other state hepatitis C virus medication purchasers will collaboratively set a comprehensive procurement strategy for the purchase of medications that includes financing public health interventions to affordably eliminate the infection by 2030. (\$3.7 million GF-S; \$3.7 million GF-F)

Public option

Contract with an insurance carrier to offer at least one health plan in all counties in Washington on the Health Benefit Exchange. (\$500,000 GF-S)

Health Care Authority – Community behavioral health

Intensive behavioral health treatment facilities

Create four intensive behavioral health community treatment facilities across the state. This new facility type addresses the need for discharge placements in the community for individuals leaving the state psychiatric hospitals but who possess higher levels of behavioral challenges that alternative behavioral health facilities cannot now accommodate. (\$80 million GF-S; \$6.4 million GF-F)

Mental health drop-in facilities

Create five mental health drop-in facilities across the state to divert individuals from crisis services and inpatient-level care. Mental health drop-in facilities are peer operated and serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness in a trauma-informed environment. (\$2.4 million GF-S; \$2.7 million GF-F)

Community long-term inpatient beds

Increase the daily bed rate to providers to create new 90- and 180-day civil inpatient psychiatric capacity in the community. (\$37 million GF-S; \$41.7 million GF-F)

Discharge wraparound services

Fund intensive wraparound services for adults discharging from the state psychiatric hospitals to alternative community placements. These services help ensure discharge placements are successful. (\$2.8 million GF-S; \$5.9 million GF-F)

Intensive outpatient treatment and partial hospitalization

Expand intensive outpatient treatment programs and partial hospitalization programs to Medicaid clients. These evidence-based programs are provided by acute or psychiatric hospitals and tailored to individual patient treatment needs once individuals are discharged from inpatient psychiatric facilities. (\$13.9 million GF-S; \$23.6 million GF-F)

Program for Assertive Community Treatment

Increase the ACT, or assertive community treatment teams statewide and provide flexibility in treatment models to better serve rural communities. ACT teams provide evidence-based, recovery-oriented intensive outreach services in the community to divert individuals from more intensive levels of care. Currently there are 14 PACTs, or program for assertive community treatment teams across the state and one FACT, or flexible assertive community treatment team being piloted. This funds eight more PACT and FACT teams across the state. (\$6 million GF-S; \$12.6 million GF-F)

Secure withdrawal management and stabilization vendor rate increase

Increase provider rates for secure withdrawal management and stabilization facilities across the state by 12 percent. These facilities provide up to 17 days of withdrawal management and substance use treatment for adults and adolescents over 13 years of age who present a likelihood of serious harm to themselves or others. (\$10.8 million GF-S; \$14.9 million GF-F)

Department of Corrections

Yakima County Jail women's therapeutic community

Establish at 60-bed substance abuse recovery therapeutic community for incarcerated women, with on-site case management, at the new Yakima County Jail. (\$2.1 million GF-S)

Earned time

Reduce the prison population through a prospective sentencing change that would make certain incarcerated individuals serving time for nonviolent or drug offenses eligible for 50 percent earned time. These offenders are now allowed to earn up to 33 percent of his or her sentence. A report produced by the Washington State Institute for Public Policy found that offenders who were awarded the increased earned time percentage had a 3.5 percent lower felony recidivism rate after three years than offenders who stayed in prison longer. (Save \$13 million GF-S)

Swift and certain sanctioning

Reduce the community violator population through a sentencing change that would allow for nonconfinement sanctions for low-level violations; remove the requirement that after an individual commits five violations under community custody, each subsequent violation must be addressed through a hearing and is subject to a sanction of up to 30 days in jail; and remove requirements outlining special rules for addressing violations that constitute new crimes by individuals on supervision for one of 21 underlying offenses. (Save \$8.2 million GF-S)

Concurrent supervision

Require terms of supervision to be served concurrently unless the court expressly orders the terms to be served consecutively. This change simplifies supervision and will allow the department to more accurately track adherence with conditions and ensure treatment for the offender is delivered at the most appropriate time. (Save \$9.6 million GF-S)

Capital project operating costs

Hire 107.8 staff and fund the operating costs related to several capacity projects that were funded in the 2017–19 capital budget to reduce overcrowding in prisons. These projects include more programming space at the Washington State Penitentiary, a 128-bed minimum security prison at Maple Lane and a 41-bed expansion of the Ahtanum View work release facility. (\$18.6 million GF-S)

Violator bed rate increase

Fund a jail bed rate increase to reflect actual costs incurred to house violators and to ensure continuity of contracts with local jails, which house individuals who violate the terms of their community supervision. (\$7.9 million GF-S)

Targeted vendor rate increase

Provide targeted vendor rate increases for contracted services, including chemical dependency treatment providers, health care professionals and psychological evaluators. (\$4.2 million GF-S)

Department of Children, Youth and Families – Children and families

Increase behavioral rehabilitation services rates and bed capacity

Provide a rate increase to behavioral rehabilitation services providers. This promotes financial solvency, attracts staff capable of delivering high-quality therapeutic treatment and reduces the average length of stay for youth. It also allows providers to maintain bed capacity, supports future federal accreditation requirements for Title IV-E funding and when combined with new investments in

Behavioral Rehabilitation Services Capacity Grants in the capital budget, allows providers to build bed capacity. (\$17.7 million GF-S; \$7.6 million GF-F)

Parent Mentoring Program

Fund a contract with a nonprofit entity to reestablish the Parent Mentoring Program which provides parents whose children are in an out-of-home placement with a skilled foster parent mentor. Although highly successful at reducing the length of stay for children in foster care and reducing the rate of re-entry into foster care, the Parent Mentoring Program was terminated in 2009. This funding is sufficient for statewide implementation beginning Dec. 1, 2019, and will serve nearly 2,200 children over the biennium. (\$4.9 million GF-S; \$1.6 million GF-F)

Foster parent application portal

Procure an online portal for foster parent applications and renewals. Automating the foster parent application will eliminate a cumbersome paper application and renewal process, thereby improving foster parent satisfaction, reducing errors, lessening the licensing process time and supporting efforts to recruit new foster parents. (\$1.4 million GF-S; \$1.4 million GF-F)

YVLifeSet young adult transitions

Provide intensive case management services using the YVLifeSet clinical consultation model, which significantly improves housing and economic stability, enhances health and safety outcomes and reduces recidivism rates. Funding is sufficient to contract with a community organization with expertise in this model to serve 318 youth. (\$1.3 million GF-S)

Child and family welfare service workers

Hire staff to lower the average statewide caseload ratio to 18 families per child and family welfare services worker. These staff manage children in temporary out-of-home placements and children who have reunified with their families following a placement. This step phases in case-carrying child and family welfare services workers, supervisors and support staff, with the goal of filling 106.9 positions. (\$7.9 million GF-S; \$7.4 million GF-F)

Department of Children, Youth and Families – Juvenile rehabilitation

Acute mental health staffing

Hire 5.6 counselor assistants and two security officers to operate the new acute mental health pod for female youth at Echo Glen Children's Center and provide mental health treatment programs to the youth housed there. (\$1.2 million GF-S)

Reduce assault in juvenile facilities

Hire 65 security officers to bring all three juvenile rehabilitation institutional facilities into compliance with the Prison Rape Elimination Act standard 115.313 (c), which requires each secure juvenile facility to maintain staffing ratios of 1:8 during waking hours and 1:16 during sleeping hours. (\$8.4 million GF-S)

Department of Children, Youth and Families – Early learning

Universal home visiting and newborn assessment

Create a new universal home visiting and universal newborn assessment program to serve 16,854 families this biennium. Specialized nurses will conduct in-home assessments to requesting parents with newborns between 3 and 12 weeks of age. Nurses will provide up to six home visits and determine if additional resources and supports are needed. A new statewide early learning referral system is also implemented and will link families to early learning services in their community. The referral system will give home visiting nurses, parents, caregivers, medical professionals and early learning educators access to centralized resources for all early learning services in their area. A total of 2,951 more families will receive additional intensive home visiting services for one to three years. This more than doubles the number of families receiving state-funded intensive home visiting services today. (\$38.3 million GF-S; \$4 million GF-F; \$2.3 million GF-Local)

Early Childhood Education and Assistance Program quality improvement

Fund quality improvements such as coaching, technical assistance, ratings and scholarships for teachers. In order for ECEAP to reach entitlement status by school year 2023, new providers must be recruited. These services will help new providers meet level 4 rating requirement for ECEAP and complete the rating process in a timely manner. (\$898,000 GF-S)

Early Childhood Education and Assistance Program expansion to entitlement

Fund 1,037 ECEAP slots in 2020 and 1,348 ECEAP slots in 2021 for a total of 2,385 slots, an 18 percent increase. Eighty percent of the slots are funded as full day and extended day. (\$38.5 million GF-S)

Early Childhood Education and Assistance Program rate increase

Fund a 6 percent rate increase for slots in ECEAP, with 3 percent effective July 1, 2019, and another 3 percent effective July 1, 2020. (\$12.6 million GF-S)

Early Childhood Education and Assistance Program pilot

Implement a three-year Early ECEAP pilot modeled after the federal Early Head Start program. The pilot will provide services to 154 children, ages birth to 3, in families with income below 110 percent of the federal poverty level. It will offer home-visiting services and age-appropriate curriculum in a classroom setting. (\$4.4 million GF-S; \$232,000 GF-L)

Preschool expansion

Create a new affordable preschool program with wraparound family support services. The program will offer 1,073 slots in 2020 and 833 more slots in 2021, totaling 1,907 slots for children of families with income up to 200 percent of the federal poverty level. Aligning the income limit with the state's subsidized child care program requirements maximizes future opportunities to serve children while their parents work full time, extended hours or nontraditional work hours. (\$30.1 million GF-S)

Child care equal access

Increase tiered reimbursement rates for child care center providers. The level 3 tiered reimbursement rate is increased by 7 percent and the level 4 TR rate is increased by 4 percent. Federal law requires that payment rates for child care are sufficient to ensure equal access to various child care settings for all eligible children. The intent is to reduce the gap between subsidy and private pay with a focus on incentivizing quality improvements. (\$72.3 million GF-F)

Department of Children, Youth and Families – Program support

Reduce gang violence

Use the Office of Juvenile Justice and Delinquency Prevention comprehensive gang model to offer more services for youth. Funds will also be used for a pilot in King County that uses social network data to identify youth and young adults most at risk for gun-related violence. (\$740,000 GF-S)

Youth services project

Develop a process for youth who are in crisis to access services outside the court system. This project will develop options for a pre-court process that provides intake, assessment and referral to services. It will also develop recommendations for leveraging federal funding sources to pay for community-based prevention and intervention services. (\$350,000 GF-S)

Department of Health

Fund foundational public health

Increase funding to help stabilize local public health systems and improve the public health system's capability to respond to communicable diseases and other environmental health issues. (\$22 million GF-S)

Reduce suicide rates

Expand the National Suicide Prevention Lifeline by adding call centers to better serve Eastern Washington and assist with rising call volumes. (\$1.2 million GF-S)

Increase access to fruits and vegetables

Maintain the Food Insecurity Nutrition Incentives and the WIC Farmers Market Nutrition programs to offer fruit and vegetable incentives to low-income individuals to use at grocery stores and farmers markets. Federal funding for these programs expires in 2020. (\$2.3 million GF-S)

Conduct mandated newborn screening

Add Pompe disease and MPS-I to the newborn screening panel, as mandated by the Board of Health. Additional expenditure authority and a fee increase are necessary for the Department of Health's Newborn Screening Laboratory to conduct blood sample testing. (\$1.6 million GF-S)

Department of Veterans Affairs**Increase transitional housing**

Add 40 beds to the Department of Veterans Affairs transitional housing program, which provides temporary housing and intensive case management services to eligible veterans in the Roosevelt Barracks on the Washington Soldiers Home campus in Orting. (\$1.3 million GF-S; \$120,000 GF-F)

Department of Labor and Industries**Workers' compensation systems modernization**

Begin a seven-year workers' compensation system replacement project, including implementation of systems that support employer accounts. This project simplifies the program's technology architecture, replaces manual processes with electronic features and frees up staff time to focus on improving services to injured workers and their employers. Modernization is critical as the system processes \$2.25 billion in workers' compensation premiums annually, paid by 176,000 employers and 2.9 million workers; processes about 110,000 new injured worker claims annually; and issues about \$2.1 billion in provider, time-loss and pension payments annually. (\$41 million Accident Account-State; \$41 million Medical Aid Account-State)

Preventing worker hospitalizations

Hire two staff to join the Safety and Health Assessment and Research for Prevention program to conduct research on preventing the types of work-related injuries that result in immediate hospitalization. Labor and Industries must submit a report to the governor and Legislature in August 2020, and annually thereafter, summarizing work-related immediate hospitalization and prevention opportunities, actions that employers and workers can take to make workplaces safer and ways to avoid severe injuries. (\$273,000 Accident Account-State; \$273,000 Medical Aid Account-State)

Health care apprenticeships

Develop and operate an apprenticeship program for several health care occupations, including medical assisting, behavioral health and licensed practical nurse. In addition to connecting workers and employers to fill employment needs, the health care apprenticeship program will partner with community-based organizations to support nonpostsecondary youth ages 16 to 21, low-income individuals and people of color. Health care employers in Washington will match the state financial contribution through funds and resources contributed through the SEIU Healthcare 1199NW Multi-Employer Training Fund. (\$1.3 million Accident Account-State; \$240,000 Medical Aid Account-State)

Technology apprenticeships

Continue to contract through fiscal year 2020 for supplemental instruction for information technology apprentices. The contractor will collaborate with the State Board for Community and Technical Colleges to offer instruction through one or more Washington community or technical colleges by the 2020–21 academic year. The technology apprenticeship program prepares underemployed Washingtonians to succeed in the tech sector while filling the talent shortage employers are facing. (\$1.7 million Accident Account-State; \$300,000 Medical Aid Account-State)

Crime victims provider rate increase

Increase the Crime Victim Compensation Program reimbursement rate for medical and health care providers from 70 percent to 100 percent of the workers' compensation fee schedule. Increasing the rate will allow more medical providers to participate in the program and offer services to victims of crimes when they have no other coverage options. (\$6.7 million GF-S)

Employment Security Department

Statewide Reentry Initiative

Hire an additional eight staff to advance the reentry model, which allows the department to proactively engage with incarcerated individuals before release to reduce the state's recidivism rate. Through collaboration with state and local corrections partners who work with justice-involved people, individuals will receive registration with the state's job match system WorkSourceWA and individualized job readiness services. (\$4.6 million Employment Services Administrative Account-State)

Temporary agriculture program

Fund 14 staff and create the Employment Security Department's Office of H-2A Compliance and Farm Labor to provide adequate protections for foreign and domestic workers. The office will provide education and outreach services to help agricultural employers maintain a stable workforce and meet federal H-2A program requirements. Sustainable funding for the office comes from new fees that agricultural employers hiring H-2A temporary workers must pay on an annual basis beginning Jan. 1, 2020. (\$4.1 million Temporary Agriculture Program Nonappropriated Account)

INVESTING IN OUR FUTURE



Gov. Inslee proposes major investments to strengthen state early learning system

Brain science tells us that strong bonds and learning-focused experiences early in life are essential for a child's healthy development. Unfortunately, across our state, many young children face challenges that have long-term implications for their well-being. In fact, fewer than half our children are kindergarten-ready by age 5.

Gov. Inslee's 2019–21 operating and capital budgets invest in comprehensive early learning services that will ensure children (regardless of race, family income and/or disability) receive the support necessary to enter kindergarten prepared and well-positioned for success in school and life.

[For more information, see governor's policy brief.](#)



Gov. Inslee's birth-to-5 early learning system

Investing in a comprehensive early learning initiative is a key focus in Inslee's 2019–21 budgets. Along with other early learning investments, the governor's capital and operating budgets include a combined \$173 million to:

- Provide **universal home visiting and universal newborn assessments** to all families in Washington. In these programs, specialized nurses conduct in-home assessments on all families who request the service with newborns between 3 and 12 weeks of age. The nurse will provide up to six home visits and determine if additional resources and supports are needed. An additional 2,951 families will receive intensive home visiting services that assist families for one to three years. This more than doubles the number of families receiving state-funded intensive home visiting services today.
- Create a **statewide early learning referral system** linking families to services in their community. The system will give home visiting nurses, parents, caregivers, medical professionals and early learning educators ready access to a centralized resource for all early learning services in their area.
- Make progress toward **Early Childhood Education and Assistance Program entitlement** by adding 2,385 slots (an 18 percent increase), raising provider payment rates and funding quality improvements such as coaching, technical assistance and scholarships for teachers. The majority of new slots will be full-day; a 6 percent rate increase for ECEAP contractors is included.
- Set up a new **affordable preschool program** with wraparound family support services for 1,907 children. Families with incomes up to 200 percent of the federal poverty level will have access to high-quality, state-funded preschool. Aligning the income limit with the state's subsidized child care program requirements maximizes the opportunity to serve children while their parents work full time, extended hours or nontraditional work hours.
- Build **142 classrooms for ECEAP** and preschool. Capital grants will be made available through the competitive Early Learning Facilities program for eligible contractors to construct new ECEAP and preschool classrooms.
- Set up a three-year **Early ECEAP** pilot project modeled after the federal Early Head Start program for 154 children ages birth to 3 in families with income below 110 percent of the federal poverty level. The model blends home visiting services and age-appropriate curriculum in a classroom setting.
- Construct a state-of-the-art **capitol campus child care center** with the capacity to enroll 148 children. Priority will be given to state employees and low-income families. The child care center will serve as a business model for employee-supported child care and a training site for state preschool licensing staff.

This new and enriched early learning continuum ensures that families receive foundational supports to successfully prepare children for kindergarten and closes the opportunity gap for vulnerable and low-income children. These investments also prevent the need for expensive interventions later in life by improving social, emotional, cognitive, behavioral, educational, economic and health outcomes in adulthood.

K-12 Education

Budget builds on state's landmark school funding achievements

During the past five years, Gov. Inslee and the Legislature dramatically boosted state funding for public K-12 schools and 1 million students. In response to the 2012 McCleary court decision, the state has phased in public school funding of \$4.7 billion. Last year, the final piece of the funding response to the McCleary case was enacted with a \$1 billion state increase in education employee compensation.

As new McCleary funding is maintained in the coming years, the focus of state budgets and policies for the public schools will be on enhancing services for all students, especially for those with the greatest needs for help in achieving their bright potential.

The 2019–21 budget will be the first in which all McCleary funding improvements will be fully funded for an entire biennium: The additional cost of meeting McCleary and other K-12 obligations is nearly \$4.1 billion above the current budget.

Inslee understands that meeting the state's basic education funding obligation was just a start. His budget for the next biennium calls for several major enhancements to the state's public school system.

Local levy authority

Funding the McCleary decision was essential to providing appropriate funding for basic education. Yet Inslee believes that mandatory base funding for schools should be a floor for support and not a ceiling, or limit, on local communities' ability to enhance school services through voter-approved local levies. The governor has heard from schools and families across the state that levy reforms implemented in 2017 simply went too far in reducing local control of school district programming and operations.

With his budget, the governor proposes returning to Washington's traditional levy structure beginning

in calendar year 2020. His levy proposal eliminates old complications such as grandfathering and ghost revenue calculations for a more simplified approach. It allows all districts to levy up to 28 percent of their combined state and federal revenues and reinstates state equalization of local levies at 14 percent of the same. His budget calls for a \$214 million biennial increase in Local Effort Assistance.

Student supports

The governor proposes increasing staffing levels — as called for under Initiative 1351 — for nurses, social workers, psychologists and guidance counselors in elementary and middle schools. These staff provide a system of support for students' physical, mental and emotional well-being in addition to serving as potential points of contact for students who may be seeking adults to trust. The budget includes \$155 million for districts in which more than half of students are eligible for free and reduced price meals. This kicks off a six-year phase-in beginning with Washington's lowest-income districts. Eventually, all districts will be served.

Special education

Investments in the 2018 legislative session, including the final compensation increase under McCleary, raised special education program funding by \$340 million from the 2017–18 to the 2018–19 school years.

In his 2019–21 budget, the governor takes the next steps to funding the special education needs of Washington students:

- \$51 million to fully fund the safety net, a program that reimburses districts for extraordinary expenditures on services to students with the highest-cost special education needs.

- \$94 million to begin phasing in the targeted and enhanced special education funding structure proposed by Superintendent of Public Instruction Chris Reykdal. As the state explores its goals and options for special education, the superintendent's plan will align state resources more closely with student needs.
- \$1 million for the Washington State Institute of Public Policy to study special education goals, services and outcomes — nationally and internationally — to help inform Washington's future options for special education.

Science education

The budget includes \$4 million to double the current investment in climate science education in our schools. This will promote more teacher development in science education and bolster support for community-based organizations to partner with schools and educational service districts to develop training and curriculum supports.

Another \$4 million is for computer science grants, bringing funding for this program to a total of \$6 million. This new investment includes a \$1 million increase for a grant program that requires private matching funds for disbursement. The other \$3 million is for grants to districts in which more than 60 percent of students are eligible for free and reduced price meals.

Student mental health and safety

The budget includes \$7.5 million for a regional support structure for districts to offer a coordinated approach to prevention, early identification and intervention for student behavioral health and safety needs. Coordinated by the Office of Superintendent of Public Instruction and with supports delivered by the nine educational service districts, the proposed funding will provide school districts with capacity to:

- Develop and implement comprehensive safe schools plans.

- Recognize and respond to emotional and behavioral distress in students.
- Expand student access to publicly funded behavioral health services.

Addressing the opportunity gap

The governor proposes additional investments to improve educational outcomes for all students and to address opportunity gaps. These include expansion of dual language opportunities and recruitment of educators from diverse populations and with the ability to teach in multiple languages:

- \$2.7 million to expand and strengthen the state's dual language grant program and statewide supports.
- \$500,000 to cover exam fees for low-income students seeking to earn the Seal of Biliteracy.
- \$300,000 to widen recruitment of bilingual educators across the state.
- \$50,000 to develop K-12 Spanish language arts learning standards.
- \$3.6 million for scholarships to recruit and retain teachers and address teacher shortages with the condition that the recipients work in Washington public schools for two years (or one year if working in a shortage area).

Paraeducator training

Our public schools rely heavily on paraeducators to serve students in many capacities. A 2017 law requires that all paraeducators receive four days of training in the fundamental course of study within their first year of employment and another 10 days of training during the following three years to obtain a paraeducator certificate. To achieve the goal of a fully trained paraeducator workforce, the governor's budget includes \$24.6 million for four days of training in the 2019–20 school year.

Career Connect Washington: Building a stronger future

Washington has one of the strongest economies in the nation — an economy driven largely by innovation and a diverse, talented workforce. To keep our economy thriving, we must make sure our next generation is fully prepared for the high-demand, high-wage careers in today's labor market.

In the next five years alone, there will be hundreds of thousands of job openings in our state. Unfortunately, many young people do not have access to adequate education and training opportunities or the high-impact experiences that develop the skills necessary to be competitive for those jobs, such as career exploration, pre-apprenticeships, registered apprenticeships and paid internships.

To ensure our young people have the skills they need — and our businesses and industries have an adequate pool of talent — we must invest in creating a career-connected learning system that provides opportunities for all students.

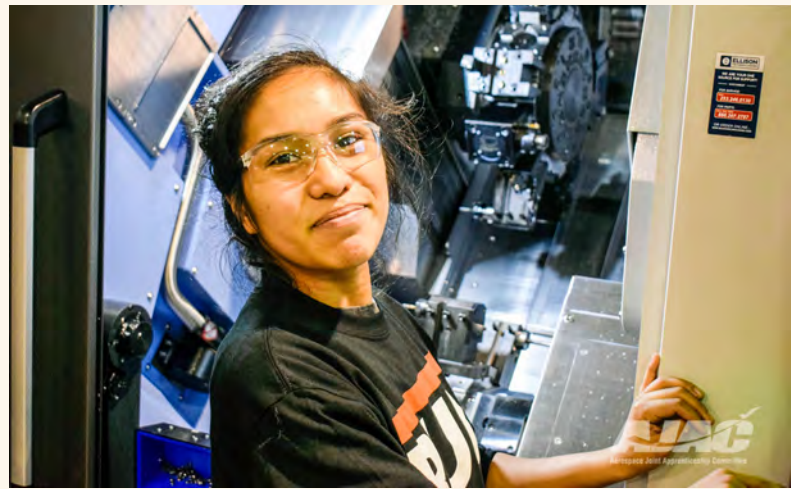
Last year, Gov. Inslee launched the Career Connect Washington initiative, a public-private partnership with the five-year goal of connecting 100,000 young people with employer internships, registered apprenticeships and other learning opportunities.

The governor created the Career Connect Washington Task Force to determine how to better align education programs with career opportunities. Earlier this year, the task force — composed of leaders from business, labor, state government, nonprofit organizations and education — delivered recommendations for improving Washington's registered apprenticeship and career-connected learning programs.

Based on the task force's recommendations and to ensure that every student in Washington has meaningful hands-on career experiences and pathways to economic self-sufficiency, the governor proposes \$93 million in new investments through his operating and capital budgets. These include:

Regional career connected learning networks

Create career connected learning opportunities that meet local employer and community needs through a competitive grant program. The program will support regional networks of business, labor, education



and nonprofit organizations to work together to identify and develop career awareness; prepare career launch programs to meet the needs of their region; and expand innovations across the state. The Employment Security Department will administer the new competitive grant program in partnership with the Office of the Governor. Program intermediaries may include school districts, higher education institutions, workforce development councils, chambers of commerce, nonprofit organizations, labor organizations and industry associations. (\$32.7 million General Fund-State)

Student support

Direct resources to K-12 and higher education partners to support student enrollment in dual credit and career and technical education courses, registered apprenticeships, State Work Study and career launch programs. The capital budget includes competitive grants to purchase and install career preparation and career launch equipment at high schools, skills centers, and the community and technical colleges. (\$30.3 million GF-S; \$17.5 million state bonds)

Statewide system and coordination

Develop a statewide career connected learning system through cross-agency coordination and better data collection. Six agencies will receive additional staffing to support system changes and facilitate collaboration across sectors. Partner agencies are the Department of Labor and Industries, Employment Security Department, Office of Superintendent of Public Instruction, State Board for Community and Technical Colleges, Washington Student Achievement Council and Workforce Training and Education Coordinating Board. (\$12.1 million GF-S)

Higher Education

Washington College Promise

Guarantee access to the new Washington College Promise Scholarship (formerly State Need Grant) for more than 93,000 students in 2022. This fulfills legislative commitment to eliminate the waitlist for the State Need Grant program by the 2021–22 academic year. Funding covers 6,000 students in the 2019–20 academic year and 12,000 students in the 2020–21 academic year. (\$103 million General Fund-State)

Add capacity in STEM, high-demand fields

Support the Opportunity Scholarship for low- and middle-income students who have received their high school diploma or GED certificate in Washington and are pursuing a degree or certificate in approved fields such as STEM or health care, and ensure that College Bound students who also receive the Opportunity Scholarship receive a full College Bound award. To date, the state has provided \$85 million to match private contributions. (\$14.1 million GF-S)

Build behavioral health workforce

Create a new behavioral health professional conditional scholarship for 50 students who commit to working in high-demand behavioral health fields in state hospitals and state behavioral health community sites. This will increase the behavioral health workforce to address critical staffing shortages. (\$2 million GF-S)

Offer five additional residency positions in the University of Washington psychiatry residency program. (\$2 million GF-S)

Foundational support

Offset compensation and central services costs that exceed undergraduate operating fee revenue. Since the 2017–18 academic year, tuition operating fees for resident undergraduates have been capped at approximately 2 percent annually. (\$64.3 million GF-S)

Program enhancements, student support

Support academic program enhancements, student support services and other key university priorities that maintain a high-quality academic experience for students. (\$50 million GF-S)

Guided Pathways

Assist community colleges with academic program redesign, more academic advising and improved student supports using the Guided Pathways model. The State Board for Community and Technical Colleges may award grants to up to 14 additional colleges to expand advising and counseling resources, support faculty time for program redesign and purchase tools to track student success. (\$8 million GF-S)

Expand worker training

Scale up customized worker training for current and new employees and their employers by doubling the investment in the State Board for Community and Technical Colleges' Washington Job Skills program. The program provides customized training to meet employers' needs on the job site or in the classroom. Funding leverages a dollar-for-dollar employer match. (\$12 million GF-S)

Support access to care and medical education teaching missions

Maintain access to medical care for uninsured individuals and those covered by Medicaid, and promote the teaching mission and access to services at Harborview Medical Center, University of Washington Medical Center and University of Washington Dental School. (\$16 million GF-S)

Washington State University medical school support

Support years 3 and 4 of the first class of students at the Elson S. Floyd College of Medicine at Washington State University. (\$10.8 million GF-S)

SAVING THE SOUTHERN RESIDENT ORCA



Gov. Inslee puts forward unprecedented funding package that will support recovery efforts

The Pacific Northwest's iconic Southern Resident orcas are struggling to survive. More than a century of development and human activity along the Puget Sound and the ravages of climate change are largely to blame. Significant efforts and investments are needed throughout the region to prevent Southern Resident orcas from falling closer to extinction.

Supporting Southern Resident orca recovery efforts is one of the top priorities of Gov. Inslee's 2019–21 budgets. His operating, capital and transportation budgets for the next biennium include a combined \$1.1 billion in investments to build toward a thriving and resilient orca population.

Besides helping orcas, these investments will have significant benefits for the region's entire ecosystem and complement efforts to recover salmon, tackle climate change, improve water quality and more. These investments are based on actions most likely to yield strong benefits for Southern Residents orcas over the short term while setting up a sustainable, data-driven path for longer-term efforts.

[For more information, see governor's policy brief.](#)



Lack of prey

Southern Resident orcas prey primarily on Chinook salmon. Productive and protected habitat is critical to support sustainable populations of both naturally spawning salmon as well as young hatchery salmon. Fully functioning salmon habitat includes uplands and riparian habitat as well as cool, clear water. To achieve these, Gov. Inslee provides nearly \$363 million in the capital budget for salmon recovery, culvert removal, water quality and water supply projects that will expand and improve salmon habitat across the state. The transportation budget includes \$291 million for the Washington State Department of Transportation to correct fish passage barriers on state highways and to meet the requirements of the U.S. District Court injunction requiring removal of fish passage barriers in most of Western Washington.

In the operating budget, Inslee includes \$6.2 million to boost enforcement and improve compliance with state and federal habitat protection laws, including the Hydraulic Permit Act, Shoreline Management Act and Clean Water Act, as well as to implement legislation improving compliance with the Hydraulics Act.

The governor's operating and capital budgets provide nearly \$19 million to create incentives that encourage voluntary actions by landowners to protect habitat through the Washington State Conservation Commission.

Meanwhile, salmon hatcheries can play an important role in increasing prey abundance for Southern Resident orcas in the near term (three to 10 years) as increasing natural Chinook stocks will take more time. Increases in hatchery production must be consistent with sustainable fisheries management principles and natural stock recovery under the Endangered Species Act. Nearly \$12 million is included in the operating budget to maximize existing capacity at Department

of Fish and Wildlife hatcheries to produce an additional 24.2 million salmon smolts, which will result in approximately 186,000 additional adult returns. Capital investments totaling \$75.7 million are provided to make improvements to keep the hatchery system operating and meet water quality standards.

The recently renegotiated Pacific Salmon Treaty between the United States and Canada will also play an important part in restoring Chinook stocks in the Puget Sound. Gov. Inslee strongly supports full funding by Congress for the habitat restoration projects, increased hatchery production and filling monitoring gaps the treaty calls for. This is likely to result in at least \$43 million in new federal funding for Washington state projects and programs.

Salmon in the Columbia and Snake River systems must travel over 14 dams as they migrate as smolts to the ocean and then return as adults. Breaching of the four Lower Snake River dams has been raised by many as a way to increase Chinook for Southern Resident orcas. The Columbia River system is undergoing a federal environmental impact statement review on the operation of the dams. Breaching of the four Lower Snake River dams is one option being evaluated as part of that federal process. The governor's Southern Resident task force recommended establishing a stakeholder process to discuss the associated economic and social impacts — as well as mitigation costs — of the potential breaching or removal of the Lower Snake River dams. The budget provides \$750,000 for the task force to lead this stakeholder process.

While that process is underway, the governor is directing the Department of Ecology to take the steps necessary to allow for increasing spill of water over the dams. Increased spill will speed travel of smolts out to the ocean and help cool the water. To increase spill, the Department of Ecology needs to raise the allowable amount of dissolved oxygen gas. Ecology has taken the first steps to modifying state water quality standards for greater spill; \$580,000 is included in the operating budget to complete this process.

In addition, Inslee's operating budget includes \$524,000 to examine issues related to increasing the Chinook population by reestablishing salmon runs above Chief Joseph Dam on the Columbia River and \$743,000 to improve monitoring and management of forage fish that provide the food source for Chinook.

Seals and sea lions (pinnipeds), along with other predators such as fish and birds, impact the abundance of Chinook and other salmon that Southern Resident orcas eat. Thanks in large part to the adoption of the Marine Mammal Protection Act in 1972, the population of pinnipeds along the West Coast has increased dramatically. However, pinniped predation is especially a problem at "pinch points" such as dams or other artificial structures where salmon congregate. The operating budget includes \$2.4 million to collect additional population information and develop management options for pinnipeds in Puget Sound and to increase management actions in the Columbia River.



Disturbance from vessel traffic

To decrease disturbance to Southern Resident orcas, the governor proposes a permanent increase in the distance all vessels must maintain from the orcas to 400 yards and creates an unprecedented permanent "go-slow" zone for all vessels within half a nautical mile of Southern Resident orcas. Scientists recommend that slowing down boats and providing a large zone where boats are absent are both necessary to quiet the waters near orcas. The governor is also requiring a temporary, three-year suspension on all Southern Resident whale watching. This would be reviewed by the Washington State Department of Fish and Wildlife after the three-year period to evaluate the effectiveness of the suspension. In addition, a limited-entry whale watching system for commercial vessels and kayaks would be established through legislation to limit and manage future interactions with orcas in state waters.

The budget includes \$1.1 million for the Washington Department of Fish and Wildlife to enforce these requirements.

The frequent daily transits of Washington state ferries are a significant contributor to underwater noise in Puget Sound. The ferries are also a major source of greenhouse gases. The transportation budget provides \$117 million to begin converting two of the state's Jumbo Mark II ferries from diesel to hybrid-electric and to begin constructing two new hybrid-electric ferries. Besides reducing noise and greenhouse gas emissions, the new and modified vessels will lower operating costs by an estimated \$7 million a year in fuel once the charging stations are in place and the boats are running in full electric mode.

Oil spills represent a low-probability but high-impact risk to Southern Resident orcas. To reduce the risk of a catastrophic oil spill, the governor supports legislation and \$751,000 to fund rule-making that will require tug escorts for barges transporting oil through high risk areas of Puget Sound. Currently only the larger oil tankers have this safety requirement.

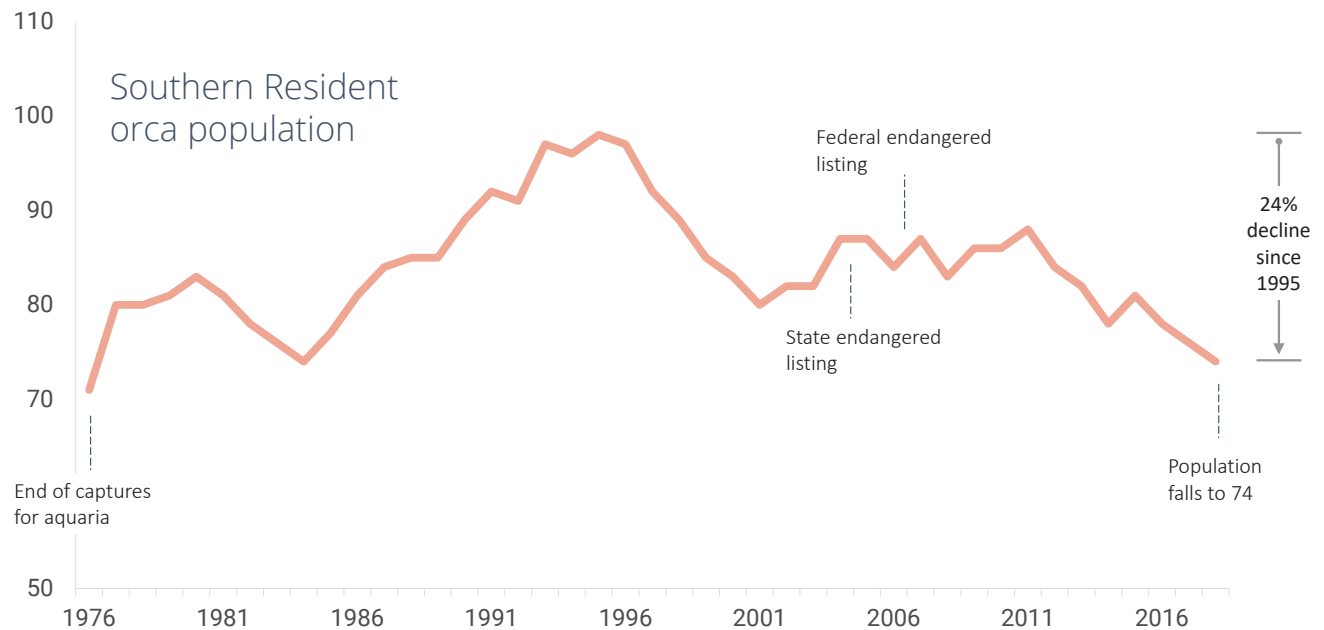


Toxic contaminants

Toxic contaminants in water and sediments are harmful to the marine food web supporting Southern Resident orcas. Besides reducing the survival of salmon and other forage fish, these toxics are also absorbed by orcas, which can disrupt reproduction and suppresses their immune system.

To reduce this threat, the operating budget includes \$3 million to enhance local source control programs and \$4.2 million to speed up the management of toxics cleanups. To remove toxics already contaminating sediments, lands and structures, the operating budget includes \$3.5 million to remove toxic creosote structures and the capital budget has

Southern Resident orca population fell to 74 in 2018, lowest count in 30 years



Source: Washington Department of Fish and Wildlife, Nov. 2018

\$57.8 million to clean up toxic sites, \$51 million to reduce and manage stormwater and \$32 million to address contaminants from wastewater systems and other nonpoint sources.

To prevent toxic chemicals from being used in consumer products and then entering the environment where they pose a health risk to people and the environment orcas rely on, the operating budget includes \$2.9 million to enhance testing for toxics in products and \$236,000 for reducing pharmaceuticals in wastewater. The operating and capital budgets provide \$7.3 million to implement chemical action plans for preventing toxics from entering the environment.

Science and support

Success in recovering Southern Resident orcas will require additional science and monitoring to fill data gaps, measure progress and improve recovery efforts. The operating budget provides \$1.4 million to monitor zooplankton and increase monitoring of pollutants in marine waters and \$3.5 million to conduct research and modeling. Meanwhile, \$1.3 million is included in the operating budget for state agencies to support overall recovery efforts and consultant support for the second year of the Governor's Southern Resident Killer Whale Task Force.



DOING OUR PART TO COMBAT CLIMATE CHANGE

Governor, legislators team up on comprehensive clean energy package

The science is clear that climate change poses significant risks to our economy, our health, our environment, our national security and our way of life. The most recent National Climate Assessment, a federal report prepared by hundreds of scientists, details the disruptive impacts anticipated in the United States and the Pacific Northwest if we don't act now to cut greenhouse gas emissions.

The good news is that leaders at all levels of government around the world are increasing their attention and commitment to this effort. Washington state is well-positioned to do its part and help lead the transition to a new clean energy future.

In 2008, the state Legislature adopted targets requiring the state to limit greenhouse gas emissions to 1990 levels by 2020, to 25 percent below 1990 levels by 2035 and to 50 percent below 1990 levels by 2050. Without additional action, the state is not on track to meet these targets. The latest scientific assessments suggest we

[For more information, see governor's clean energy package.](#)

must reduce emissions even further, and the state Department of Ecology has recommended stronger targets in line with the science of climate change.

Gov. Inslee and legislators are proposing a comprehensive package of legislation and investments that will speed up the transition to a cleaner, carbon-free future. The package includes five initiatives that, combined, will significantly reduce emissions and put Washington on track to meet its statutory targets.



[100 percent clean energy](#)

Washington's clean electricity supply is the cornerstone of its clean energy transition. Inslee's plan puts Washington on a pathway to 100 percent clean electricity, with aggressive near-term requirements for utilities to begin transitioning to clean energy now. He also proposes additional funding to support the transition, including \$57.5 million for the state's Clean Energy Fund for projects related to grid modernization and development of clean energy technology, and renewed funding for the state's solar incentive program.



[Cleaner buildings](#)

The building sector contributes 27 percent of overall greenhouse gas emissions in Washington state; those emissions have grown by half since 1990. Accelerating investments in energy efficiency and low-carbon technologies can drastically cut this pollution while providing enormous cost savings on energy bills. Inslee's proposal encourages retrofitting of commercial buildings and modernize codes for

construction of new buildings. It also creates a new efficiency standard for natural gas to ensure utilities achieve the same conservation savings required for electricity.



[Eliminating HFC super-pollutants](#)

Hydrofluorocarbons, or HFCs, are greenhouse gases that can be thousands of times more damaging to the climate than carbon dioxide. These "super-pollutants" are used in a variety of applications, including aerosols, refrigeration and air conditioning. Climate-safe alternatives are available, and world leaders agreed in 2016 to phase down the use of these chemicals globally. As the federal administration fails to act on this problem, the governor supports legislation to phase down the use of HFCs in Washington state.



[Clean fuels](#)

Transportation is responsible for the single largest share of Washington's greenhouse gas emissions. Cars and trucks alone emit nearly one-third of the state's carbon pollution. One way we can reduce these emissions is to run our vehicles on lower carbon fuel sources, whether by blending biodiesel and other biofuels into our transport fuel or by introducing more electric vehicles.

A clean fuel standard is a market-based approach used by Oregon, California and the province of British Columbia to cut greenhouse gas emissions from transportation fuels. Inslee supports legislation



to enact a clean fuel standard that would require fuel providers to reduce the carbon intensity of fuels. The program is technology neutral, meaning the requirement can be achieved by any mix of alternative fuels that overall meet the average standard. Setting a clean fuel standard will spur manufacturing investment and create rural jobs processing new fuel here in Washington.

Clean transportation

Transitioning to electric vehicles is one of the most important ways to reduce carbon pollution. Inslee's proposal builds upon current efforts to promote electric vehicles and ferries and ensures electric and zero-emission vehicle options are a more affordable and convenient option for consumers across the state.

Summary of investments, 2019–21

Focus Areas	Items	Agency	Amount
Clean transportation	EV Infrastructure Bank: fast charging stations	WSDOT	\$2,000,000
	EV promotion campaign	WSDOT	\$1,000,000
	EVSE at state facilities	DES	\$5,000,000
	New authority for ultra high-speed rail	WSDOT	\$3,250,000
	Convert two ferries to electric-hybrid	WSDOT	\$53,200,000
	Construct two new electric ferries	WSDOT	\$64,300,000
	Zero-emission vehicles	Ecology	\$254,000
	Clean Transportation Total		\$129,004,000
Clean electricity	Clean electricity bill implementation	Commerce, UTC	\$428,000
	Grid modernization grants	Commerce	\$22,500,000
	Strategic RD&D	Commerce	\$17,500,000
	Nonprofit lenders grants	Commerce	\$12,500,000
	Renewable energy cost recovery incentive admin	Washington State University	\$1,411,000
	Solar tax incentives	DOR	\$4,700,000
	Clean Electricity Total		\$59,039,000
Clean buildings	Clean buildings bill Implementation	Commerce, DOR	\$2,300,000
	Public building retrofit prioritization study	Commerce	\$750,000
	Housing Family Trust NZE construction	Commerce	\$10,000,000
	K-12 NZE School construction	Commerce	\$10,000,000
	EE and solar in public buildings	Commerce	\$30,000,000
	Low-income weatherization	Commerce	\$25,000,000
	LED lighting upgrades at state facilities	Commerce	\$5,000,000
	Clean Buildings Total		\$83,050,000
HFC super-pollutants	Hydrofluorocarbon emissions reduction	Ecology	\$959,000
Low carbon fuels	Low carbon fuel standard	Ecology	\$1,424,000
	Grand Total		\$273,476,000

Natural Resources

Department of Ecology

Southern Resident orca recovery – Enhancing prey

Step up enforcement of water quality and water quantity laws, conduct rule making to allow more spills over Columbia and Snake River dams and provide technical assistance to promote forage-fish friendly shoreline development. (\$7.3 million General Fund-State; \$2.2 million other funds)

Southern Resident orca recovery – Reducing risk from vessels

Assist the Board of Pilotage Commissioners with rule making to require tug escorts for medium-sized oil-laden vessels, pursuant to legislation. (\$700,000 State Toxics Control Account)

Southern Resident orca recovery – Reducing risk from contaminants

Accelerate efforts to reduce toxins in the environment by increasing the number of site managers for toxics cleanups, developing chemical action plans to identify sources of and reduce problem chemicals in the environment, boosting support for local governments to help small businesses manage their toxic substances, monitoring toxics affecting juvenile Chinook salmon and studying ways to remove pharmaceuticals from wastewater. (\$200,000 GF-S; \$15 million Model Toxics Control Act Accounts)

Clarifying water rights

Investigate candidate basins for adjudication to address water rights uncertainties which, if resolved, could reduce conflict over water use, protect water right holders from illegal use, determine priority of use during water shortages and encourage water management to meet emerging economic and environmental needs. (\$600,000 Reclamation Account)

Staffing the Office of Chehalis Basin

Staff the Office of Chehalis Basin, providing administrative support to the Chehalis Basin Board to develop and implement the strategy to reduce long-term damage from floods and restore aquatic species habitat in the Chehalis Basin. (\$1.5 million GF-S)

Reducing litter and stabilizing the recycling system

Restore funds to the Department of Ecology for litter pickup, implement anticipated 2019 legislation to revitalize recycling markets hit hard by China-imposed import restrictions and reduce contaminants in the recycling stream. (\$6 million Waste Reduction, Recycling and Litter Control Account)

Taking action on climate

Pursuant to anticipated 2019 legislation, reduce greenhouse gas emissions from powerful hydrofluorocarbon chemicals, implement a low-carbon fuel standard and fully adopt the zero-emission vehicle program. Funds will also improve the quality and accuracy of greenhouse gas emission reporting. (\$1.7 million GF-S; \$1.1 million other funds)

Shifting Toxics Account costs back to General Fund-State

Free up capacity in the Model Toxics Control Act accounts by shifting \$20 million of MTCA-funded activities in the Air Quality, Environmental Assessment, Shorelands, Water Quality and Administration programs back to General Fund-State, where funding resided before the Great Recession. (\$20 million GF-S; save \$20 million MTCA Accounts)

Puget Sound Partnership

Southern Resident orca recovery – Recovery plans and monitoring

Advance recovery of endangered Southern Resident orcas by updating Puget Sound recovery plans for the Chinook salmon eaten by Southern Residents, conducting monitoring to advance understanding and guide recovery actions, and providing staff support to the Southern Resident Killer Whale Task Force Vessel Work Group. (\$4.8 million GF-S)

Performance accountability

Add capacity in response to a recent Joint Legislative Audit and Review Committee performance audit for evaluating actions, investments and barriers related to Puget Sound recovery. (\$800,000 GF-S)

Department of Ecology, Department of Natural Resources and University of Washington

Ocean acidification

Increase monitoring by the departments of Ecology and Natural Resources and the University of Washington for ocean acidification parameters and zooplankton in the nearshore and throughout the state's marine waters. Improve understanding of how ocean acidification impacts marine organisms. Conduct scientific research at the University of Washington on ocean acidification's impacts on salmon and forage fish and better understand the role of harmful algal blooms. (\$1.2 million GF-S; \$1.2 million Aquatic Lands Enhancement Account)

Department of Fish and Wildlife

Southern Resident orcas recovery – Increase prey and reduce threats

Increase efforts launched in the 2018 supplemental budget and identified by the SRKW Task Force to improve prey for and reduce disturbance of Southern Resident orcas. This includes \$11.3 million to increase salmon hatchery production by 19 percent; \$2.9 million to reduce predation of salmon from sea lions, harbor seals and nonnative

fish; \$2 million to increase technical assistance and enforcement of habitat protection laws; \$1.7 million to implement new restrictions on commercial and recreational vessels to reduce disturbance of orca behavior and cut down on oil spills from mid-sized barges; \$1.5 million to improve efforts to restore salmon habitat and manage forage fish populations and \$750,000 to convene a stakeholder process for the Lower Snake River dams. (\$19.2 million GF-S)

Preserve current programs and production

Provide stable funding through recreational fishing and hunting license fee increases and the General Fund-State to maintain core operations for fishing, hunting, recreation, conservation and shellfish protection. Funding addresses a significant shortfall to maintain operations at current levels. (\$16 million GF-S; \$9 million State Wildlife Account; \$3 million Columbia River Salmon and Steelhead Endorsement Account)

Payment in lieu of taxes

Provide additional resources to fully fund payments to counties in lieu of taxes for department-owned land. (\$761,000 GF-S)

Department of Natural Resources

Southern Resident orca recovery – Reduce pollutants

Remove marine debris and creosote pilings from the marine environment to reduce pollution harmful to orcas and salmon. (\$3.5 Aquatic Lands Enhancement Account; \$3.5 million State Toxics Account)

Wildfire preparation and response

Increase the state's ability to respond to wildland fires. This includes \$6 million to hire 15 permanent engine leaders, \$4.1 million to purchase two helicopters to expand aerial fire response, \$3.9 million to expand correctional camp fire crews and \$2.2 million to enhance state and local fire crew training. (\$17 million GF-S)

Forest health

Hire permanent staff to assist private landowners in protecting their homes from wildfire, conduct forest health treatments on federal lands and implement the department's forest health strategy. (\$4.9 million GF-S)

State Parks

Southern Resident orca recovery – Boater education

Educate recreational boaters on “go slow” guidelines around orcas and boost public education on orcas at Lime Kiln State Park on San Juan Island. (\$539,000 GF-S)

Preserve park operations

Provide General Fund-State funding to maintain State Parks' critical core operations, including customer service, facility maintenance and law enforcement. (\$10 million GF-S)

Enhance park operations

Meet customer expectations for more services, replace outdated equipment and conduct critical preventive maintenance of park facilities. (\$7.5 million GF-S; \$169,000 Parks Renewal and Stewardship Account)

Forest health and land management

Conduct forest health and noxious weed treatments as well as inventories of rare and sensitive plant species. (\$1.3 million GF-S)

Department of Agriculture

Tracking cattle for animal health

Expand a voluntary program to electronically track changes in cattle ownership to protect animal health and prevent the spread of disease. (\$698,000 Agriculture Local Account)

Pesticide safety education

Increase training and education to agricultural workers on safe pesticide handling and application requirements. (\$500,000 GF-S)

Washington State University and Department of Agriculture

Soil health

Create an initiative to identify farming practices to improve soil health practices that will increase crop yield, improve food nutrients, enhance carbon sequestration and enhance water quality. This funds research at Washington State University and project support at the Department of Agriculture. (\$3.6 million GF-S)

General government

Department of Commerce

Statewide Broadband Office

Create a Statewide Broadband Office to serve as the central planning and coordinating body for public and private efforts to deploy broadband. The office will promote economic vitality and meet the needs of the state's education, health care and public safety systems through greater broadband access. It will act as an information clearinghouse and set high-level statewide broadband policy to spur private investment and build local capacity. (\$1.2 million General Fund-State)

Meanwhile, the governor's capital budget includes \$25 million for a competitive broadband grant and loan program to be administered by the Public Works Board. For more information, see Capital Budget section.

Legal representation and referral services

Serve more clients by directing additional resources to organizations that provide legal representation and referral services to indigent persons needing help with matters related to their immigration status. (\$700,000 GF-S)

Office of the Attorney General

Increasing civil rights enforcement

Increase capacity for outreach, investigations and litigation to protect the constitutional and civil rights of Washingtonians. (\$1.8 million GF-S)

Increasing assistant attorneys general salaries

Increase salaries of assistant attorneys general, which remain significantly lower than those in other public law offices. Funding will meet market rates and allow for periodic increments similar to those of public sector peers. (\$1.5 million GF-S; \$14 million total funds)

Medicaid fraud protection

Meet the state match for an increase approval from the federal Department of Health and Human Services to better protect the Medicaid program and Washington's most vulnerable citizens. In the past year, the number of Medicaid fraud investigations dramatically increased in number, complexity, nature and scope. (\$5.6 million total funds)

State Auditor's Office

Increase cybersecurity audits

Conduct cybersecurity audits for state agencies and local governments. These audits help to assess security controls and identify weaknesses in security systems. (\$2.8 million Performance Audits of Government Account)

Department of Enterprise Services

Cyber insurance for small agencies

Purchase cyber incident insurance for 43 small and medium-sized agencies now without insurance to mitigate the impact of potential cyber risks. (\$200,000 GF-S)

Learning Management System upgrade

Upgrade the LMS platform to create a more streamlined and user-friendly interface. The system was made to support 1,500 employees; 60,000 are using it, which slows the system and makes signing up for training more burdensome. (\$2.5 million Enterprise Services Account)

Military Department

Expand hazard alert broadcast sirens

Procure and install 16 all-hazard alert broadcast sirens to increase inundation zone coverage. Today there are 68 sirens along the Pacific Coast to alert people that a tsunami is expected and they should go to high ground. (\$928,000 GF-S)

Install additional seismic monitoring stations

Procure and install 83 seismic monitoring stations and global navigation satellite systems that integrate with the early warning system known as ShakeAlert. An education and public outreach program is also funded. (\$5.2 million GF-S)

Assist schools' ability to prepare for natural disasters

Collaborate with schools and school districts statewide in the development, planning and exercise of catastrophic preparedness and emergency response plans. Initial work will be prioritized according to the risk level of known natural and other hazards. (\$1 million GF-S)

Continue to create a resilient 911 system

Finish the transition and operate the new 911 network, which will be more resilient and provide advanced capabilities, including text to 911, better location accuracy, and ability to transmit data and video. (\$10 million 911 Account-State)

Provide National Guard wildfire pay increase

Align state active duty wages for service members with firefighter certifications in wildfire suppression activities to those of their peers and align the hourly wage floor to the state minimum wage from 1.5 times the federal minimum wage for all other activities. (\$750,000 GF-S)

Consolidated Technology Services (WaTech)

Small agency desktop and IT support

Provide 14 small agencies with desktop and IT support, including server assistance, security and consultation on IT security policy and agency applications inventory. (\$4 million Consolidated Technology Services Revolving Account-State)

Computer Emergency Readiness Team

Meet demand and resolve a workload backlog on independent third-party cybersecurity risk assessments of state agency systems and applications to identify vulnerabilities, opportunities for system hardening and issues. CERT is the state's central cyber defense, incident response and security operations center. (\$1 million Consolidated Technology Services Revolving Account)

IT project oversight

Add four positions at the Office of the Chief Information Officer to align procurement oversight capabilities of major IT projects to the workload, improve technical/architecture review and address gaps in statutory functions and state policy. Larger, more complex projects require more time for oversight than the agency is able to support. (\$1.4 million Consolidated Technology Services Revolving Account-State)

Cloud strategy

Assess statewide cloud readiness and develop a cloud migration strategy for state agencies. (\$750,000 Consolidated Technology Services Revolving Account-State)

Secretary of State

Increase funding for the Address Confidentiality Program

Broaden access to ACP services by increasing the number of certified advocates statewide, strengthening interagency collaboration, solving critical issues that may deny program access or proper address use and strengthening the security of its case management system. ACP provides a legal substitute address for victims of domestic violence, sexual assault, trafficking or stalking, serving 4,600 clients, more than half of whom are children. (\$700,000 GF-S)

Provide prepaid postage on all election ballots

Reimburse counties for the cost of return postage on mail and absentee ballots for all elections, improving access to voting for Washington citizens. (\$4.8 million GF-S)

Enhance TVW access

Outfit the Natural Resources Building, Room 172; the Department of Transportation's Nisqually Conference Room; and the new Utilities and Transportation Commission facility in Lacey with camera equipment. This will allow TVW to more effectively provide televised access of public meetings, including Fish and Wildlife Commission, Transportation Commission and Utilities and Transportation Commission meetings. (\$750,000 GF-S)

Lieutenant Governor

Education program administrators

Expand the Complete Washington, Washington World Fellows, Legislative Youth Advisory and Youth Sports Mentoring programs. (\$319,000 GF-S)

Liquor and Cannabis Board

Continue modernizing regulatory system

Continue replacement of the outdated regulatory system to increase efficiency of operations and reduce risks associated with the current manual, paper-based licensing enforcement and fee collection process. (\$8.7 million Liquor Account-State)

Enhance cannabis enforcement and licensing efforts

Boost cannabis enforcement and licensing activities to meet the growth in the number of cannabis licensees. (\$3 million Dedicated Marijuana Account-State)

Eastern Washington Historical Society

Provide mission critical staffing

Continue funding six staff members whose salaries are paid through the agency's local funds. (\$842,000 GF-S)

Replace legacy system and connect to state data center

Purchase an off-the-shelf museum collections database solution and connect it to the state network so the museum can use WaTech's cloud services. The historical society's legacy software system is nearing end-of-life and has been plagued with problems that will not be supported by the software vendor. (\$389,000 GF-S)

Arts Commission

Enhance Folk Arts job stimulation program

Provide work and in-depth training, especially in rural and underserved parts of Washington, for this program that pairs master practitioners with apprentices who want to improve their skills and achieve mastery of one or more folk and heritage traditions. (\$350,000 GF-S)

Enhance care of state-owned public art

Add two staff to maintain and repair artwork in communities around Washington, ensuring that artworks are stored safely and in working condition. A current backlog of more than 1,900 unmet needs, from simple reframing to multi-month, complex repairs, needs to be resolved. (\$330,000 GF-S)

Washington State Historical Society

Enhance access to collections

Increase staffing for collections management, with an emphasis on digitization, cataloguing and online access. The historical society holds in trust approximately 83,000 artifacts, 600,000 photographs and more than 8 million documents. (\$366,000 GF-S)

Governor puts forward multipronged strategy for combating homelessness

In communities across Washington, the number of homeless individuals has grown steadily since 2013. Gov. Inslee's 2019–21 state operating and capital budgets provide \$262 million for combating homelessness. His multipronged approach is centered on three overarching goals:

- Building more affordable housing and preserving affordable units.
- Providing housing assistance to vulnerable people experiencing homelessness.
- Easing the trend of growing homelessness.

Build more affordable housing and preserve affordable units (\$165 million)

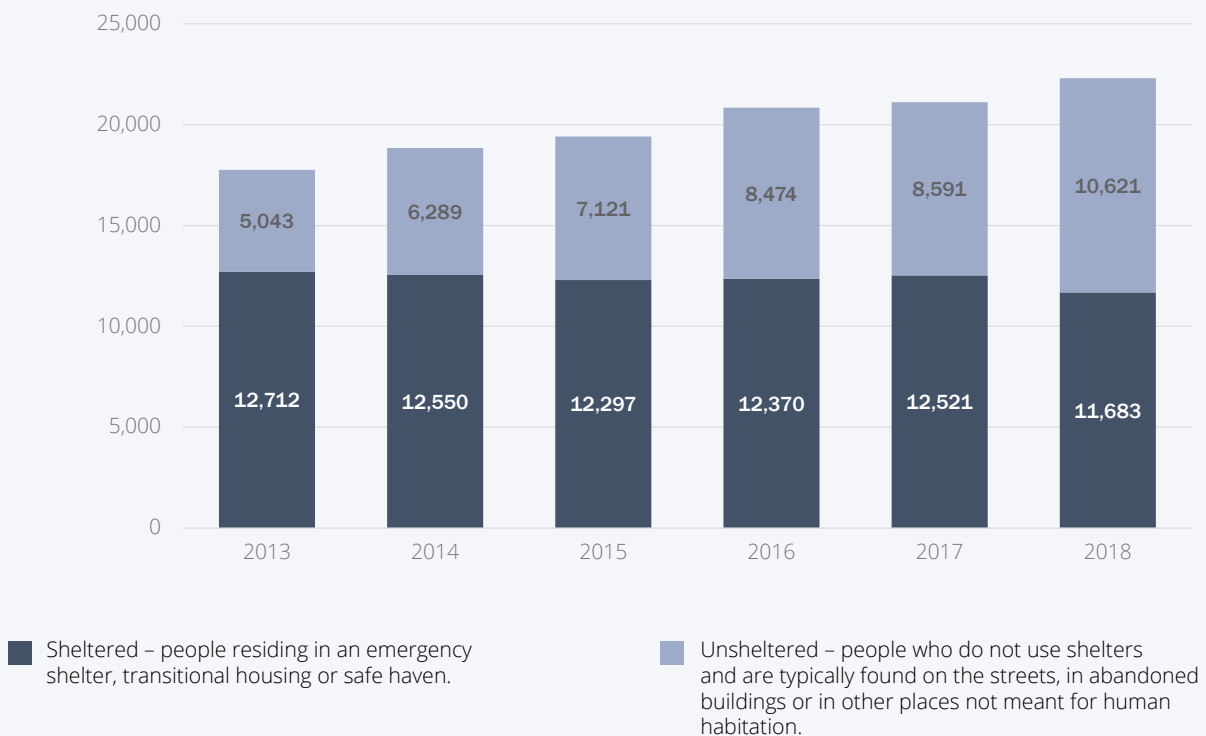
Housing Trust Fund (\$140 million bonds)

Affordability and availability of housing are the leading drivers of the rise of homelessness. Throughout the state, Washingtonians living at or below 80 percent of the area median income lack safe, affordable housing. The current supply of low-income housing units isn't sufficient to house low-income and vulnerable individuals and families.

The governor's budget includes \$110 million to build approximately 2,500 affordable and innovative housing units. These will serve a broad spectrum of vulnerable

Homelessness is on the rise

Point-in-time count — homeless individuals — 2013–present



Combating homelessness

populations, including individuals with chronic mental illness who need supportive housing and case management services, homeless families, youth and individuals, veterans, farmworkers, seniors and individuals with special needs.

His budget also includes \$10 million to preserve approximately 670 aging, affordable housing units to continue to serve low-income and vulnerable individuals and families.

Reducing the carbon footprint is a major priority for the governor and the state. Providing affordable housing with low- or no energy cost not only meets these goals, but also provides low-income tenants with sustainable and cost-effective housing. The governor's investment of \$10 million will create approximately 156 units of net-zero affordable housing. This will incentivize affordable housing developers to continue development of energy-efficient housing for low-income Washingtonians.

Buildable lands and housing affordability (\$20 million bonds)

The lack of sufficient safe and affordable housing results from not only traditional barriers to housing such as untreated behavioral health conditions, substance abuse disorders, domestic violence and poverty, but also due to insufficient siting and construction of new affordable housing, a multi-year trend. The governor's budget includes \$10 million to expand buildable land footprints by cleaning up hazardous sites that are assessed and ranked as mid- to lowest level of concern and \$10 million for grants to local governments to reduce the costs of developing affordable housing. This will incentivize housing developers to continue to develop affordable housing for low-income Washingtonians.

Rural Rehabilitation Loan Program (\$5 million bonds)

Substandard housing has a negative impact on many, including residents of rural communities in Washington. Many people, including seniors and disabled persons living in poverty, have equity in their homes but lack the financial resources to borrow against them to keep up with maintenance. The governor's investment of \$5 million ensures a

continuum of rural home rehabilitation. This cost-effective alternative to building new housing stabilizes housing for people at risk of losing their homes or who live in deteriorating, unsafe homes.

Provide housing assistance to vulnerable people experiencing homelessness

Reduce family homelessness (\$38.5 million General Fund-State)

While the 2018 point-in-time count of homeless households in Washington found that 273 families with children are living outside or in locations unfit for human habitation, approximately four times this number of families flow in and out of homelessness during the course of a year. The governor's budget includes \$38.5 million for a mix of permanent supportive housing and temporary rent assistance for more than 1,000 families.

Reduce chronic homelessness for individuals with a disability (\$34.3 million GF-S)

The vast majority of people living in the outdoors are single adults or households without children. About 3,000 people are chronically homeless, meaning they have been homeless for a long period of time and have a federally recognized disability. The governor's budget aims to alleviate the trauma for many of these chronically homeless individuals living with a disability.

Washington has received federal approval to use Medicaid funding to provide supportive services to stably house the highest-need chronically homeless people through a new Foundational Community Supports program. Research shows that providing this population with housing and supportive services cuts Medicaid costs. But because Medicaid does not pay rent, most of the people eligible to receive these services remain homeless. The sum of \$34.3 million is provided in the governor's budget for permanent supportive housing services to bring 1,000 vulnerable people inside by leveraging the benefits offered through the Medicaid Foundational Community Supports program.

Combating homelessness

Additionally, the governor's budget will continue nearly \$4 million in funding for permanent supportive housing for people with a history of mental illness. A behavioral health facilities siting navigator in the Department of Commerce will coordinate development of effective behavioral health housing options statewide to help individuals who are discharged from the state psychiatric hospitals find housing.

Reduce youth and young adult homelessness (\$8 million GF-S)

More than 13,000 young people ages 12 to 24 are experiencing homelessness, yet half of Washington's counties have no shelter beds or housing options for them. The governor's budget includes \$8 million to expand housing services to youth via two approaches: expanding shelter beds, outreach and housing to unserved areas of the state and leveraging the Anchor Community Initiative. The initiative will provide a blueprint for ending homelessness for youth in four pilot communities: Pierce County, Spokane, Walla Walla and Yakima. The governor's investment ensures that a continuum of interventions — including prevention, crisis response and long-term housing — are in place to successfully implement the goal of ending homelessness in these pilot communities by 2022, thereby creating a model for communities across Washington.

Ease the trend of growing homelessness

Reduce homelessness (\$12 million GF-S)

The Consolidated Homeless Grant Program supports communities by delivering resources to help people obtain and maintain housing. The governor's budget includes \$12 million to increase funding to this program to reduce the number of people living outside through a mix of interventions such as permanent supportive housing, short-term rent assistance and emergency shelter.

Help local governments plan for more affordable housing (\$4.3 million GF-S)

Finally, the governor's budget includes \$4.3 million to enable the seven "buildable lands" counties (Whatcom, Snohomish, King, Kitsap, Pierce, Thurston and Clark), the cities within them and regional planning organizations to conduct buildable lands analyses that, among other things, will address the ways zoning and land use regulations are promoting or hindering attainment of affordable housing goals.

Employee compensation

Budget includes modest wage increases for state employees

As Washington's economy grows and its jobless rate falls to historic lows, employers must do more to compete for workers. Meanwhile, the state's strong economy — especially in the central Puget Sound region — is driving up the cost of living.

Like other large employers, state government faces challenges in attracting and retaining the strongest possible workforce.

To help state agencies meet that challenge, the governor's 2019–21 budget includes funding for a modest general wage increase for most general government and community college employees, and larger, targeted increases to address issues such as recruitment, retention or higher-level duties and responsibilities in certain job classes. The new 2019–21 collective bargaining agreements also include provisions to help the state's lowest-paid workers as well as those facing higher living costs in King County.

The increases are the result of new agreements and arbitration awards the state recently reached with 38 unions representing about 55,000 state employees and 49,000 publicly funded nonstate employees. Among other provisions, the agreements:

- For most employees, provide a general wage increase phased in over the biennium (3 percent effective July 1, 2019, and 3 percent effective July 1, 2020).
- Increase the minimum wage for most state employees to \$14 per hour and address local minimum wage ordinances.
- Address staffing challenges in certain segments of our workforce by providing targeted pay increases for positions with demonstrated recruitment and retention challenges, including at the two state psychiatric hospitals and in the state agency IT workforce.

- Mitigate the high costs associated with living in and around Seattle by providing a 5 percent premium pay for employees working in King County.
- Expand commuting and vanpool support for the workforce to ease the strain on our transportation infrastructure.

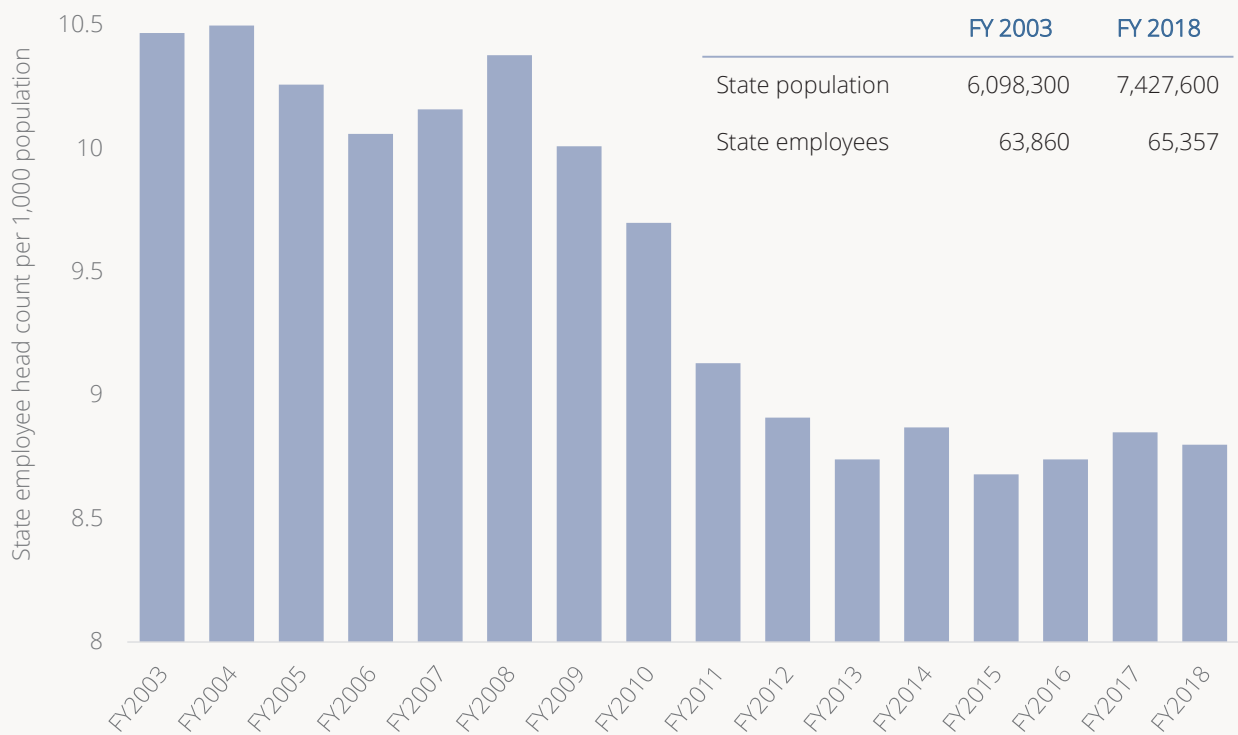
The governor's budget also includes a variety of increases in hourly wages or daily rates for nonstate employees such as home care workers as well as child and adult care workers. Investing in the home care workforce and adult family homes will enable the state to continue to honor client choice and maximize funding by serving people in the community, not in institutions. Strengthening these services will also be key in helping the state meet its commitment to improving access to community-based behavioral health care, particularly for individuals transitioning from psychiatric care facilities.

Four-year institutions of higher education bargain independently. Community colleges are represented by the state's bargaining team (with the exceptions of the technical colleges, Highline College and Yakima Valley College, which also bargain independently.) At most schools, higher education's collective bargaining agreement provisions are similar to the general government agreements, including 3 percent general wage increases in each year of the biennium.

In some instances, when the state and worker unions could not reach agreement, contract terms were set through arbitration.

For example, for four agreements covering a majority of Washington State Ferries employees, arbitrators set wage increases ranging from 7 to 8 percent over the biennium. An arbitrator awarded many Department of Corrections employees a general wage increase of 8 percent while another arbitrator awarded targeted

State government workforce vs. overall population growth



*Based on actual state employee head count. Does not include higher education.

increases to community corrections officers along with the 6 percent general wage increase agreed to in the agreements for general government employees.

Family child care providers received an arbitration award lifting licensed providers to at least the 55th percentile of the market, according to the market rate survey, in the first year. A 6 percent increase in subsidy rates follows in the second year. License-exempt providers received a 2 percent rate increase in the first year and a 4 percent increase in the second year. Additionally, before- and after-school child care, previously paid at a half-day rate, will now be paid at 75 percent of the full-day rate.

Health care benefits for state employees are bargained with a coalition of most of the unions. Under the agreements for the 2019–21 biennium,

health care premium contributions will remain at the current split: 85 percent employer/15 percent employee.

The estimated Near General Fund-State cost of the compensation increases for employees (represented and nonrepresented) and nonstate employees is \$691 million.

The budget also includes a 3 percent pension increase for many retirees in the Public Employees’ and Teachers’ Retirement Systems Plan 1. Effective July 1, 2019, the increase would be capped at \$62.50 per month. It would affect an estimated 39,000 PERS 1 and 32,000 TRS 1 retirees and cost about \$44 million General Fund-State per biennium.

School employee health care

State law sets up new school employee health insurance program

Over the past two years, the Legislature created a new state program that consolidates and funds health care and other insurance benefits for school employees across the state. Prior to the creation of the School Employees Benefits Board, or SEBB, school employee health insurance was administered by local school districts.

Similar to state employee health insurance, the [SEBB program](#) is administered by the Health Care Authority. The program will begin providing health care and other insurance benefits (such as life and disability insurance) for school employees and their dependents on Jan. 1, 2020. The SEBB board, in conjunction with HCA, is now designing and approving insurance benefit plans and setting eligibility criteria for participation in them.

As required in statute, the state must fund school employee health care at the same level (or higher) than it does for state agency employees. The law also requires that SEBB insurance benefits be made available to all school employees expected to work at least 630 hours per year. And, as with state employees, the state must collectively bargain to determine the dollar amount it contributes for school employee benefits.

To set terms for the 2019–21 budget, the state bargained with a coalition of school unions representing more than 100,000 school employees. Under the tentative agreement:

- For medical plan premiums, the state will contribute 85 percent of the monthly premium of the SEBB Uniform Medical Plan. Employees will pick up the remaining cost of the premium for their chosen plan.



- All employees will need to pay some amount toward a monthly premium. The actual amount will vary according to the plan the employee chooses.
- Employees will not pay any of the premium for:
 - dental insurance
 - stand-alone vision insurance
 - basic life and basic long-term disability insurance
- Employer contributions will be the same for all eligible employees — instructional, classified and administrative.
- During the term of the tentative agreement, eligible employees will have the opportunity to earn wellness incentives of \$50 for the first calendar year of the plan and \$125 for the next.

Including the increase to the PEBB funding rate required in statute, the total estimated increase of the state contribution to school employee benefits is \$942 million.

Capital

Strengthening Communities

Department of Commerce

Housing Trust Fund

Build approximately 2,500 affordable and innovative housing units. These will serve a broad spectrum of vulnerable populations, including individuals with chronic mental illness who need supportive housing and case management services, homeless families, youths and individuals, veterans, farmworkers, seniors and individuals with special needs. Funds will also be used to preserve approximately 670 aging affordable housing units to continue to serve low-income and vulnerable individuals and families and create approximately 156 units of net-zero energy affordable housing. (\$140 million bonds)

Building Communities Fund Program

Fund 25 eligible projects that involve the acquisition, construction or rehabilitation of a nonresidential facility that must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons. (\$31.2 million bonds)

Building for the Arts

Provide grants to 14 nonprofit organizations for performing arts, art museums and cultural facilities projects statewide. (\$12 million bonds)

Department of Ecology

Healthy Housing Remediation Program

Expand buildable land footprints by cleaning up low- to mid-level hazardous sites. This program incentivizes housing developers to develop more affordable housing for low-income Washingtonians. (\$10 million bonds)

Energy and Climate

Department of Commerce

Energy Efficiency and Solar Grants Program

Award grants to state agencies, public higher education institutions and local governments to improve the energy efficiency of public facilities and street lighting, and install solar systems to reduce energy demand and costs. (\$35 million bonds)

Budget establishes new Statewide Broadband Office

Broadband access is essential for full participation in society and the modern economy. People rely on internet service to access health care and other essential services, obtain an education and build careers. Businesses need the internet to market themselves and serve customers. Broadband can also help first responders get quickly to residents in an emergency. Yet too many Washingtonians, especially in the most rural parts of the state, lack access to affordable broadband service.

There is a pressing need for broadband coordination and planning at the state level, along with funding to boost broadband access and deployment in unserved and underserved communities.

Gov. Inslee's 2019–21 operating budget includes funding for a Statewide Broadband Office to serve as the central planning and coordinating body for public and private efforts to deploy broadband. The office will promote economic vitality and meet the needs of the state's education, health care and public safety systems through greater broadband access. It will act as an information clearinghouse and set high-level statewide broadband policy to spur private investment and build local capacity. (\$1.2 million, GF-S)

The governor's budget also includes separate capital funding to establish a competitive grant and loan program to be administered by the Public Works Board. The board will distribute funds to applicants for the acquisition, installation and construction of infrastructure to deliver broadband services to unserved and underserved people. The board may also award funding for feasibility studies and strategic planning for deploying broadband service in unserved and underserved areas. (\$17.5 million bonds; \$7.5 million Public Works Assistance Account)

Weatherization

Leverage approximately \$14 million in utility funding to boost energy efficiency and improve the health and safety of approximately 4,070 low-income and vulnerable households. This includes grant funding for the Washington State University Community Energy Efficiency Program that helps homeowners, tenants and small business owners to make sound energy efficiency investments through consumer education. (\$25 million bonds)

Clean Energy Fund

Develop, demonstrate and deploy clean energy technologies that save energy and shrink energy costs, reduce harmful air emissions or otherwise increase energy independence for the state. (\$57.5 million bonds)

Early Learning**Department of Commerce****Early learning facility grants**

Award facility construction and renovation grants to current and potential providers in the Early Childhood Education Assistance Program and the Early Achievers Program. This funding will help provide additional classrooms needed for ECEAP by the 2020–21 school year, as required by law. (\$16.5 million bonds)

Expansion of early learning facility grants

Increase early learning facility slots beyond the entitlement mandate and expand ECEAP with wraparound services to families with income between 110 and 200 percent of the federal poverty level. (\$5 million bonds)

Department of Enterprise Services**Capitol Child Care Center**

Design and construct a child care center on the Capitol Campus to serve approximately 150 children in 11 classrooms with direct access to outdoor nature-based play space. (\$12.9 million bonds; \$3 million other)

Behavioral Health**Department of Commerce****Behavioral health community facilities**

Expand and establish community capacity for more than 500 new behavioral health beds. This grant program will help divert and transition individuals with a complex array of behavioral health needs from the state hospitals. (\$110 million bonds)

Department of Social and Health Services**Additional forensic wards at Western State Hospital**

Construct two new 30-bed admission units at Western State Hospital's Center for Forensic Services to address growing demand for competency evaluation and competency restoration services. Funding also completes a predesign for a new 500-bed forensic hospital. (\$36.2 million bonds)

State-owned and -operated community civil capacity

Transform the statewide behavioral health system by relocating civil patients from state hospitals to smaller, community-based facilities. Predesign, siting and design funds are for four 16-bed and two 48-bed state-operated civil behavioral health facilities. Predesign and siting funds are for three 150-bed state-operated civil behavioral health facilities. (\$30.9 million bonds)

Facility improvements at Western and Eastern State hospitals

Preserve facilities and make improvements such as fire safety upgrades and projects that will reduce potential opportunities in the built environment for patients to harm themselves or others on state hospital campuses. (\$56.4 million bonds)

University of Washington**New teaching hospital**

Fund predesign for a 150-bed teaching hospital at the University of Washington. This will provide behavioral health treatment capacity as well as build and cultivate a more robust behavioral health workforce. (\$2 million bonds)

Other Human Services

Department of Social and Health Services

Fircrest School nursing facilities replacement

Design and construct a new 120-bed nursing facility at Fircrest School in Shoreline. Fircrest provides nursing care for clients with intellectual and physical disabilities. The buildings in which nursing clients are now housed contain failing water, sewer and electrical systems, and the building configuration does not comply with 1:1 bedroom-to-client ratio requirements. (\$103.2 million bonds)

Improvements at the residential habilitation centers

Make improvements such as fire safety and cooling system upgrades to the RHC campuses to better treat patients. This preserves facilities and enhances campus safety and security. (\$26.2 million bonds)

Department of Child, Youth, and Families

Green Hill School Recreation Building replacement

Construct a modern recreation building that will provide a dynamic therapeutic and physical exercise area so multiple groups can use concurrently. The building's present configuration makes it difficult for staff to effectively supervise male juvenile offenders housed in this facility. (\$36.5 million bonds)

Local Government Infrastructure

Department of Ecology

Stormwater Financial Assistance Program

Finance retrofit projects that treat polluted stormwater in priority areas throughout the state. Funds will be distributed to the highest priority projects through a competitive rating and ranking process to ensure projects provide good water quality value and address problems from urban development. The work accomplished by local governments will help reduce toxics and other pollution from entering waterways and protect marine waters, estuaries, lakes, rivers and groundwater resources. (\$37.4 million bonds; \$28.6 million State Toxics Control Account)

Water Pollution Control Revolving Program

Provide low-interest loans to local governments, special purpose districts and recognized tribes for high-priority water quality projects statewide. Ecology uses these funds to finance planning, designing, acquiring, constructing and improving water pollution control facilities and for related nonpoint source activities that help meet state and federal water pollution control requirements. (\$158 million Water Pollution Control Revolving Account; \$56 million federal)

Centennial Clean Water Program

Finance the construction of water pollution control facilities, and plan and implement nonpoint pollution control activities. Grant recipients are public entities that use funds for high-priority statewide water quality needs. (\$35 million bonds)

Department of Commerce

Public Works Assistance Program

Provide financial assistance in the form of low- or no-interest loans to local governments to repair, replace or rehabilitate bridges, roads, sanitary sewer systems, domestic water systems, storm sewer systems and solid waste/recycling systems. (\$130 million Public Works Assistance Account)

Flood Reduction and Water Supply

Department of Ecology

Floodplains by Design

Restore natural floodplain conditions by preserving open spaces, correcting problems created by earlier but erroneous flood control actions, improving long-term community flood resilience, reducing flood risks to infrastructure and development, and improving habitat conditions for salmon and other species. Floodplains by Design is an integrated approach that combines flood-hazard reduction actions with salmon recovery, river and habitat restoration and other public benefits. (\$42.8 million bonds)

Chehalis Basin strategy

Pursue and oversee the implementation of an integrated Chehalis Basin strategy to reduce long-term flood damage and restore aquatic species habitat. In the past 30 years alone, five of the

largest floods in the basin's recorded history have occurred. Not taking action could cost families and communities \$3.5 billion in flood and related damages over the next 100 years. (\$50 million bonds)

Yakima River Basin water supply

Fund infrastructure, programs and policies in the Yakima River Basin that support aquatic resources, fish and wildlife habitat, dry-year irrigation and municipal water supplies. (\$31.5 million bonds)

Columbia River Water Supply Development Program

Develop new municipal, domestic, industrial and irrigation water throughout the Columbia River Basin and place one-third of these new water supplies in-stream to meet the flow needs of fish, wildlife and recreational users. (\$32 million bonds; \$2.4 million other)

Toxic Cleanup

Department of Ecology

Remedial Action Grants

Clean up contaminated sites in Washington with help from local governments. Supports cleanup at contaminated industrial sites that affect the air, land and water resources of the state, and continuing cleanup of Puget Sound. Funding protects public and environmental health, creates jobs, promotes economic redevelopment by allowing contaminated properties to be redeveloped and leverages local match funding. (\$32.8 million Local Toxics Control Account)

Clean up toxics sites in Puget Sound

Integrate shoreline habitat restoration opportunities with cleanup projects to protect public and environmental health, create jobs and promote economic development in the Puget Sound Basin. (\$10.5 million State Toxics Control Account)

Eastern Washington Clean Sites Initiative

Remediate contaminated sites, including cleanup work related to metals contamination, leaking underground storage tanks, landfills, salvage yards and wood treatment facilities. (\$10.4 million State Toxics Control Account)

Solid waste management

Continue grant funding for this program to protect human health and the environment and to reduce human exposure to toxins. Program activities support the implementation of local solid and hazardous waste management plans and resource conservation through waste reduction, recycling and reuse programs. (\$20 million Local Toxics Control Account)

Chemical action plan implementation

Identify the sources of the worst chemicals reaching the environment and develop recommendations on how to reduce or eliminate those sources. (\$3.7 million Local Toxics Control Account)

Salmon and Habitat Protection

Recreation and Conservation Office

Salmon Recovery Funding Board programs

Implement the Salmon Recovery Act and provide funding for projects that protect or restore salmon habitat and for other salmon recovery programs and activities across the state. While other grant programs concentrate on a particular geographic region or bring in other nonsalmon values, this is the one grant program in Washington that focuses exclusively on protecting and restoring salmon habitat statewide. Projects are developed locally and evaluated to assess if and how well each will implement priorities listed in federally adopted salmon recovery plans. (\$35 million bonds; \$50 million federal)

Puget Sound acquisition and restoration

Protect and restore salmon habitat, a large portion of which is necessary for Chinook salmon, which provide one of the most critical food sources for Southern Resident orcas. (\$42.5 million bonds)

Washington Coastal Restoration Initiative

Restore aquatic and terrestrial habitat on the Washington coast to protect the stronghold of salmon populations and provide jobs. Projects strengthen communities through job creation, more work options for local contractors, flood control, access improvement, climate resiliency and more. (\$12.4 million bonds)

Department of Fish and Wildlife

Hatchery improvements for orca

Improve aging hatchery infrastructure to increase fish production for Southern Resident orcas. (\$75.7 million bonds)

Fire prevention

Department of Natural Resources and Department of Fish and Wildlife

Forest hazard reduction

Reduce severe wildfire risk and increase forest resiliency through fuels reduction, thinning, fuel break creation and prescribed burning. (\$18.2 million bonds)

Recreation

Parks and Recreation Commission

Nisqually State Park

Design and permit a new state park along the Nisqually and Mashel rivers near Eatonville. This is the first phase in developing a new full-service park, including a campground, support facilities and expanded trail system. This will be the state's first new state park constructed since 1997 and is a cooperative project between State Parks and the Nisqually Indian Tribe. (\$2.9 million bonds)

Palouse Falls State Park

Redevelop trails, viewpoints and parking for visitors viewing Palouse Falls, the state waterfall. The project will complete improvements to the day use area to enhance ice-age flood event and cultural heritage interpretive stations, pedestrian and traffic circulation, and visitor safety. (\$1.3 million bonds)

Willapa Hills Trail

Construct a pedestrian overpass for the Willapa Hills Trail over SR 6 to enhance pedestrian and motorist safety. (\$4.9 million bonds)

Recreation and Conservation Funding Board

Washington Wildlife Recreation Grants

Renovate new local and state parks, protect and restore wildlife habitat and preserve working farms and forests. Projects funded by this grant program contribute significantly to economic opportunities and a healthier population. (\$115 million bonds)

Department of Commerce and Recreation and Conservation Funding Board

Youth recreation programs

Build or renovate 15 indoor and outdoor recreational facilities for youth. (\$10 million bonds)

Higher Education: Four-year Institutions

University of Washington

Magnuson Health Sciences Teaching Center

Construct a modern, shared instructional facility for the six health sciences schools to meet demand and support teaching methods. The Magnuson Health Sciences Teaching Center (T-Wing) cannot accommodate all current or planned course offerings, nor support the advanced learning technologies and space requirements of active, team-based learning essential for training health and health care professionals. (\$80 million bonds)

Washington State University

Global Animal Health Building

Construct the second phase of the Global Animal Health Building that will directly adjoin the phase 1 building completed in 2013. New construction will house the Washington Animal Disease Diagnostic Laboratory and the Paul G. Allen School for Global Animal Health disease detection and surveillance program. (\$36.4 million bonds)

Tri-Cities Academic Building

Construct the Academic Building at WSU Tri-Cities to provide modern, right-sized STEM teaching laboratory and classroom space on campus. The university now leases several off-campus spaces for classrooms and class laboratories, which is inefficient and costly. (\$27 million bonds)

Biomedical and Health Sciences Building Phase II

Fund predesign for a new Biomedical and Health Sciences building on the university's growing health sciences campus in Spokane. This building will meet current and facilitate additional growth in research and academic programming for the colleges of Medicine, Nursing, and Pharmacy and Pharmaceutical Sciences. (\$500,000 bonds)

Eastern Washington University

Campus utilities preservation

Design and construct upgrades to preserve and modernize Eastern Washington University's infrastructure, including central steam production, chilled water production, medium voltage electrical distribution and water resource needs. (\$20 million bonds)

Central Washington University

Nutrition Science Building

Construct a building to house classrooms, class laboratories, research laboratories, student study areas and offices. The facility will offer improvements in laboratory quality, technology and student spaces, and house all health sciences programs, including nutrition/dietetics, clinical physiology, exercise science and emergency medical services. (\$32 million bonds)

The Evergreen State College

Health and Counseling Center

Construct a combined Health Clinic and Counseling Center to consolidate health and counseling services. This project will enclose and convert an open-air structure into a space dedicated to health care services. (\$5.4 million bonds)

Western Washington University

Sciences Building

Construct a new interdisciplinary science building to address classroom and lab space limitations. The new facility will consist of teaching labs, wet research labs and active learning spaces in biology, chemistry and other STEM degree programs and accommodate approximately 70 new STEM and high-demand degrees within four years of its completion. (\$60 million bonds)

Higher Education: Community and Technical Colleges

Statewide

Facility repairs and minor works

Complete high-priority building repairs and preservation projects at community and technical colleges. (\$75.4 million bonds; \$45.6 million other)

Wenatchee Valley

Wells Hall replacement

Demolish and replace approximately two-thirds of Wells Hall on the Wenatchee campus with a modern classroom and student support services building. (\$29.5 million bonds; \$5 million other)

Pierce Fort Steilacoom

Cascade Building renovation – Phase 3

Renovate partially the Cascade Building to support programs such as dental hygiene and veterinary technology. The project will also improve or add space for classrooms, the lecture hall, circulation areas and life safety systems. (\$31.6 million bonds)

South Seattle

Automotive Technology Building renovation and expansion

Renovate and expand the Automotive Technology Building to correct inefficiencies and infrastructure deficiencies and fill a service courtyard with a two-story addition to expand usable space. (\$23.4 million bonds; \$500,000 other)

Bates

Medical Mile Health Science Center

Replace the West Annex building at the downtown Tacoma campus with a new Medical Mile Health Science Center. The center will provide space for allied health and STEM programs and include classroom and lab space. (\$40.8 million bonds)

K-12 Education

Office of Superintendent of Public Instruction

School Construction Assistance Program

Partner with school districts to construct and modernize more than 100 school projects throughout the state. (\$946 million bonds; \$163.1 million Common School Construction Account)

School Preservation Program

Assist local school districts statewide through a competitive grant program for building system repairs and project planning. (\$80 million bonds)

Transportation

Department of Transportation

Connecting Washington package

Continue delivery of 132 projects that improve the movement of goods and people throughout the state, as authorized in the 2015 Connecting Washington package. (\$16 billion multi-year)

High-speed corridor authority

Develop a corridor authority to strengthen collaboration and develop bi-state and bi-national governance of ultra high-speed rail. The corridor authority will build on the 2018 Washington State Ultra High-Speed Ground Transportation business case analysis. Ultra-high-speed rail (defined as 250 mph or more) will offer an additional travel option for citizens between Vancouver, B.C., and Portland, Ore. (\$3.3 million 2019–21)

Continued commitment to congestion relief

- Extend the SR 167 HOT lanes south into Pierce County and address a critical fish passage barrier. (\$29.2 million 2019–21)
- Complete the SR 99/Alaskan Way Viaduct. (\$43 million 2019–21)
- Reopen an Interstate 5/Columbia River Bridge project office. (\$17.5 million 2019–21)

Ferry system support

- Construct two new hybrid-electric ferries. (\$64.3 million 2019–21; \$365 million total)
- Convert two diesel ferries to hybrid-electric during their midlife overhaul and fund the associated shore power. (\$54.3 million 2019–21; \$132 million total)
- Maintain the 144-car MV Hyak as a second service-relief vessel to prevent service disruption and capacity reductions. (\$6.3 million 2019–21)

Fish passage barrier removal

Add funding to meet court-ordered removal of fish passage barriers to improve access to fish habitat. Additional funding will enable the state to meet the court order for at least the next three biennia. This represents a \$205 million increase over currently planned funding levels for this biennium for a total biennial investment of \$275 million. (\$205 million 2019–21)

Cooperative automated transportation

Establish a cooperative automated transportation program to support use of automated vehicles and shared mobility, with an emphasis on safety, equity, inclusion, sustainability and prosperity for both rural and urban communities. (\$3 million Multimodal Account-State)

Practical solutions

Implement a coordinated approach across programs and modes to efficiently manage transportation corridors and increase mobility, in cooperation with local partners, with an emphasis on active transportation, traffic demand management and traffic system operations. (\$13 million 2019–21)

Worker safety

Create a worker safety program. New staff, protective equipment and facility inspections will protect the health and safety of this workforce. (\$5.8 million 2019–21)

Electric vehicle infrastructure

Fund installation of up to 24 publicly accessible electric vehicle charging stations in Washington. (\$2 million 2019–21)

Washington State Patrol

Additional troopers

Add troopers to reach full staffing levels in 2021. More troopers will make Washington roadways safer and more efficient by enforcing traffic laws, investigating collisions and assisting motorists. (\$2.4 million 2019–21)

Department of Licensing

Securing private data

Enhance data management through new technology and dedicated data stewards. Additional staff will expand auditing of data-sharing contract recipients and create a centralized data warehouse for the agency. (\$5.2 million 2019–21)

Moving toward Target Zero

Add requirements for obtaining a motorcycle permit and a motorcycle endorsement to bolster skills of these new drivers. More training and higher fines for drivers will help decrease collisions and boost safety. (\$185,000 2019–21)

Revenue

Improving Washington's outdated, unfair tax system

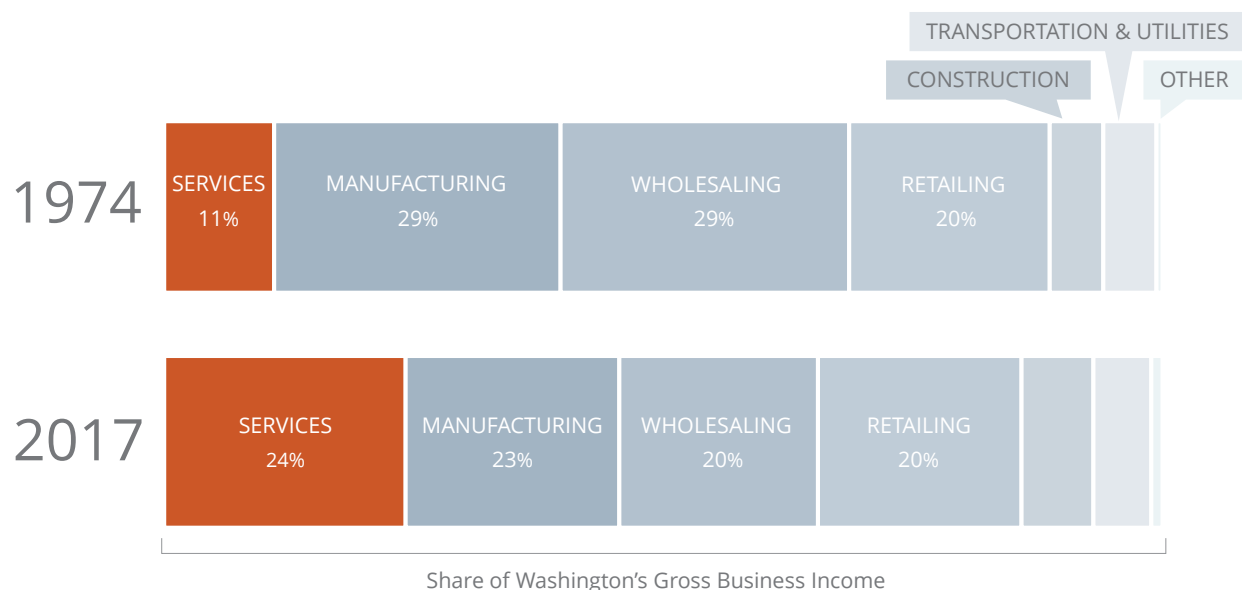
Washington has one of the most diverse and resilient economies in the nation. And, like much of the country, the state is in the midst of one of the longest-ever stretches of continuous economic growth. Even so, our state and local governments still struggle to find enough revenue to sustain their budgets.

This is partly due to the rising cost of providing services to a growing and aging population. But it is also the result of an outdated and inefficient state tax system that fails to keep pace with the growth of our economy — a tax system that puts too much of the burden on people at the lower end of the economic scale and does not require the very wealthiest to pay their fair share.

The bulk of Washington's tax system was put in place in the 1930s, when our economy was largely goods based. Today, however, we spend a smaller share of our disposable income on goods and a greater share on services such as those provided by accountants, architects, attorneys, consultants and real estate agents. In 1974, services made up a little over one-tenth of the overall state economy. By last year, services had grown to nearly a quarter of the economy. Washington's service economy also disproportionately caters to higher-income residents.

Here's the rub: Washington gets nearly half its revenue through retail sales taxes, primarily on goods. That may have worked well 50 years ago, but

Since 1974, **services** as a share of Washington's economy have more than doubled



Source: Washington State Department of Revenue, Nov. 2018

Washington's tax system was founded on a goods-based economy — we don't tax services to the extent we tax good and commodities. As our economy shifts, **our tax system fails to keep pace with economic growth.**

not anymore. Besides making the state's tax system the most regressive in the nation, our heavy reliance on a goods-based sales tax also makes it all but impossible for our revenue collections to keep pace with our growing economy.

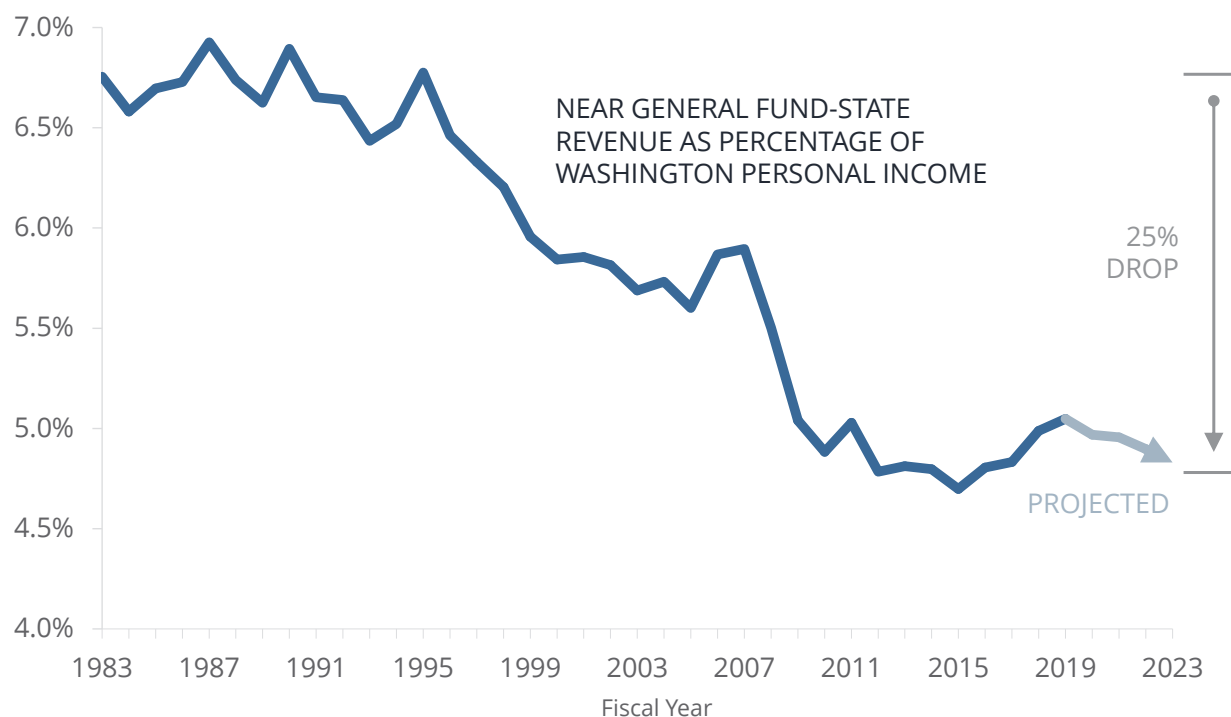
Unlike some states, Washington does not impose a sales tax on most services. While Washington assesses a modest business and occupation tax on some services, in general we do not tax services to the extent we tax goods.

As a result, each year, Washington's tax system falls farther behind. In the early 1990s, General Fund-State revenue collections equaled nearly 7 percent

of the overall economy (as measured by total personal income). But revenue collections as a share of the economy have declined steadily — to less than 5 percent today — and are projected to keep falling.

Washington is falling behind other states as well. As recently as the mid-1990s, Washington ranked 11th nationwide in state and local taxes as a share of the economy. Just two decades later, we ranked 32nd — well below the average for all states. If Washington's tax system were at the U.S. average, we would be generating an estimated \$3.5 billion more in state and local taxes per year.

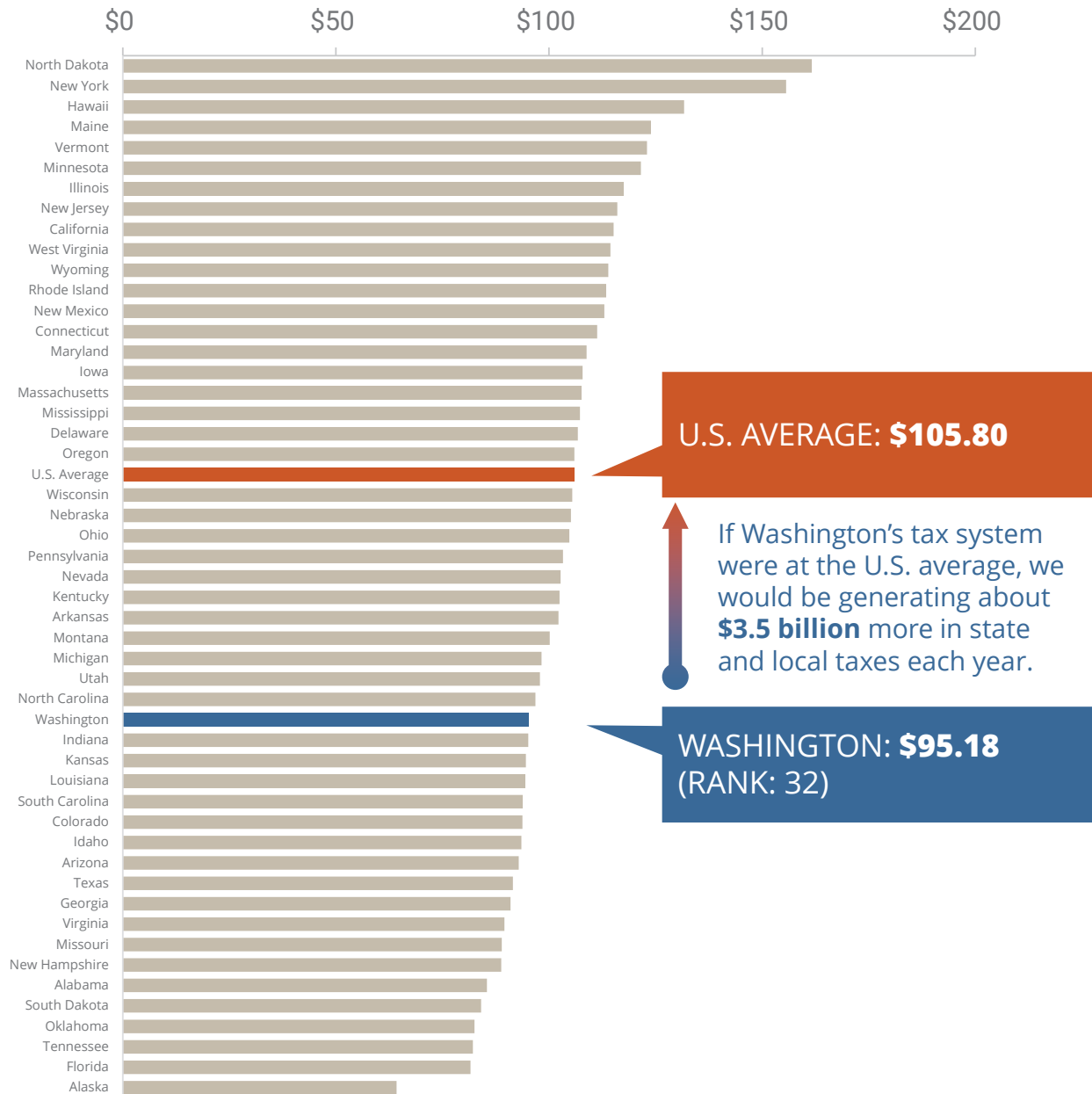
Over the past 23 years, state revenue collections as a share of the economy have fallen by 25 percent



Source: Washington State Economic and Revenue Forecast Council, Nov. 2018

Washington has fallen behind other states in revenue as a share of the economy

STATE AND LOCAL TAX COLLECTIONS PER \$1,000 PERSONAL INCOME (2015)



Source: Bureau of Economic Analysis and Census Bureau, U.S. Dept. of Commerce, Dec. 2018

In the mid-1990s, Washington ranked 11th nationwide. In the most recent ranking, our state was 32nd.

Proposed tax changes would help revenue keep pace with economy

With a tax system that does not keep pace with the growth of our economy, the state has too often had to rely on “one time” money — such as through fund shifts or tapping reserves — to solve budget shortfalls. As a result, budget shortfalls often reappear at the start of each biennium.

While it will be necessary to once again tap reserves, Gov. Inslee understands the state cannot rely too heavily on one-time solutions or temporary revenue sources to fund ongoing priorities.

The governor’s 2019–21 operating budget calls for a mix of tax and revenue changes that will help address the state’s immediate needs and create a more sustainable revenue system that is better able to keep pace with future needs as our economy grows.

Overall, the governor’s plan would generate nearly \$4 billion in additional revenue during the next biennium for the state operating, capital and transportation budgets. Besides helping the state meet its commitment to fully fund basic education, the additional revenue will enable the state to pay for vital improvements to our behavioral health system, expand early learning opportunities and fund recovery efforts for the region’s critically endangered Southern Resident orca population. It will also support investments in homelessness, financial aid for college students, public health and other key priorities.

Even with the revenue increases the governor is proposing, Washington’s tax collections as a share of the economy will remain below the national average.

Key revenue proposals

The governor proposes increasing the **state business and occupation tax** on services and other activities from 1.5 percent to 2.5 percent, which would generate about \$2.6 billion in the next biennium.

The state has increased the B&O tax on services in the past. The most recent change was in 2010, when

the tax was increased temporarily to help fund state services after revenue collections crashed during the recession.

As he has previously, the governor is calling for a new **capital gains tax** on the sale of stocks, bonds and other assets. Exemptions are provided for retirement accounts, homes, farms and forestry. Earned income from salaries and wages is not capital gains and would not be taxed at all.

Washington is one of just nine states that do not tax capital gains.

The proposal is designed to increase the share of state taxes paid by our state’s wealthiest taxpayers. The state would apply a 9 percent tax to capital gains earnings above \$25,000 for individuals and \$50,000 for joint filers, starting in the second year of the biennium.

At those earnings thresholds, the tax would primarily affect very wealthy households. In fact, if the tax had been in place in 2016, the average total income of affected households would have been nearly \$660,000.

And the tax will only affect a tiny fraction of taxpayers — about 1.5 percent of households in the first year.

The capital gains tax would raise an estimated \$975 million in fiscal year 2021.

To help the state pay for court-ordered removal of fish passage barriers, the governor also proposes changing the state’s **real estate excise tax** from a flat rate to a graduated rate. Currently, the state tax on all property sales is 1.28 percent, regardless of the sale price. Under the new graduated approach, the rate on lower-valued properties (under \$250,000) would be 0.75 percent, while the rate would be 2 percent for property sales over \$1 million and 2.5 percent for sales over \$5 million. The rate would stay at 1.28 percent for sales between \$250,000 and \$1 million.

The graduated rate would increase state real estate excise tax collections by about \$400 million in the next biennium.

Making government more effective, efficient, customer-focused

Launched in 2013, Gov. Inslee's [Results Washington](#) initiative continues to drive improvements in key areas, including energy, education, the economy and the environment, as well as health, safety and effective government. Results Washington's data-driven, collaborative approach has drawn national interest and is proving itself in real-world results:

- **A 55 percent increase in the number of community and technical college graduates in STEM fields since 2012.** This rise in science, technology, engineering and math graduates that helps the state better meet workforce needs is the result of cross-agency efforts to boost dual credit and dual enrollment opportunities for students. Results Washington monitors the number of graduates in STEM programs from public community and technical colleges and works with key partners across the state to convene teams, tackle challenges and improve outcomes.
- **In 2017, the state met and surpassed its 2020 WorkSource job placement target of 69.5 percent.** In 2012, prior to Results Washington, the job placement rate was 53.1 percent. This improvement in job placement is largely the result of strengthened partnerships in the state's workforce development system — including relationships with employer groups and advocates — experienced staff and stable support systems. Because measuring placement rates is not enough to ensure the well-being of state residents, Results Washington also tracks the median earnings of WorkSource participants, which show a steady linear increase, with a 34 percent increase in the past six quarters alone.
- **In 2017, the state met the 2020 target to recover 35 percent of species listed as endangered, threatened or sensitive.** Forty-



six species in Washington were listed as endangered, threatened or sensitive in 2013, when Results Washington began measuring the percentage of listed species to enter recovery status. The Washington Department of Fish and Wildlife and its local and regional partnerships have implemented recovery strategies and action plans that are monitored by Results Washington.

- **In 2018, petroleum and petroleum-related contaminated sites cleanup met the 2020 target of 6,803 sites cleaned up.** By applying a performance management lens and magnifying visibility of this work, Results Washington has helped the state increase, beyond projected progress, the number of contaminated sites cleaned up. Voluntary cleanup sites are often created during property transactions and demonstrate that Washington's growing economy — the development of commercial and residential space, along with the creation of new jobs — has had positive impacts on our environment. The state's Department of Ecology, in partnership with Results Washington, has identified how the cleanup of contaminated sites can also contribute to the development of affordable housing.

More statewide progress and hundreds of agency-level process improvements are happening. These result in faster services, better outcomes, streamlined processes, easier-to-use forms and millions of dollars in cost avoidance. Underlying much of this work is Lean management — a set of principles and tools widely used in the private sector — with an emphasis on making government more inclusive and human-centered. Find more at www.results.wa.gov.

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Policy

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
Special Approps	Bond Retire and Intr	Debt Service on New Projects	50,297		50,297
	Spec Approp to Gov	Communication Services Reform	8,000		8,000
		Health Coalition FSA Shift	6,980	4,241	11,221
		IT Investment Revolving Account	24,400		24,400
		Municipal Criminal Just Asst Acct	1,000		1,000
		One Washington IT Pool		24,400	24,400
		ORCA Passes Account Shift	8,184	1,524	9,708
		School Employees Benefits Board	10,000		10,000
		SERA Repayment	14		14
	Salary Inc	Non-Rep General Wage Increase	11,827	2,184	14,011
		Non-Rep Premium Pay	1,210		1,210
		PERS & TRS Plan 1 Benefit Increase	280	56	336
		State Public Employee Benefits Rate	207	32	239
	Contrib-Retirement	Pension Funding Stabilization Acct	(13,855)	13,855	0
Legislative	Joint Leg Sys Comm	Cybersecurity Audit	70		70
	Redistricting Cmsn	Establish Redistricting Commission	800		800
Judicial	Supreme Court	Salary Survey Implementation	660		660
	Court of Appeals	Law Clerk Salary Survey	1,624		1,624
		Orca Transit Pass - Outside CBAs	24		24
		Orca Transit Pass Funding Transfer	(84)		(84)
	Judicial Conduct Cmn	Contested Cases/Special Proceedings	188		188
		Retention & Compensation for Staff	219		219
	Admin Office Courts	Appellate Electronic Court Records	2,207		2,207
		Benchbooks	487		487
		CLJ - Case Management System		14,486	14,486
		Court System Online Training	496		496
		EDR Future Integrations	500		500
		EDR Operations and Maintenance	1,881		1,881
		Electric Vehicle Infrastructure	1		1
		External Equipment Replacement		1,646	1,646
		Family & Juvenile Court Improvement	729		729
		Guardianship Monitoring	1,399		1,399
		Guardianship Services	1,718		1,718
		Internal Equipment Replacement		1,913	1,913
		Odyssey Business & Training Support	2,017		2,017
		Odyssey Development Hours		574	574
		Orca Transit Pass - Outside CBAs	8		8
		Orca Transit Pass Funding Transfer	(34)		(34)
		SC- Case Mgmt Sys - Ongoing Ops		1,440	1,440
		Therapeutic Courts Best Practice	340		340
		Thurston County Impact Fee	2,188		2,188
		Timely and Essential Court Training	911		911
		Trial Court Funding Language Access	2,160		2,160
		Web Services	277		277
	Public Defense	Contract/Fiscal Support Staff	155		155
		Contractor Retention	11,000		11,000
		Court Reporter/Transcriptionist	566		566
		Dependency Caseload Parity	7,214		7,214

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds
				Grand Total
	Public Defense	Disproportionality Training Coord.	281	281
		Washington Defender Association	610	610
	Civil Legal Aid	Childrens Rep Caseload Adj.	400	400
		Children's Rep Study Completion	38	38
		Childrens Representation Study Ext	467	467
		Civil Justice Reinvestment-Phase 2	7,737	7,737
		Kinship Legal Services	200	200
		Vendor Rate Adj - Maintain Current	3,078	3,078
		Vendor Rate Adjustment - Pro Bono	600	600
Govt Operations	Governor	BH Information & Assistance Office	600	600
		CTS Central Services	(2)	(2)
		DES Central Services	31	31
		Education Ombuds Capacity Increase	602	602
		Immigration & Naturalization Policy	350	350
		Legal Services	11	11
		Non-Rep General Wage Increase	551	551
		Non-Rep Premium Pay	150	150
		OFM Central Services	43	43
		Orca Transit Pass Funding Transfer	(8)	(8)
		PCC and U.S. Climate Alliance	290	290
		PERS & TRS Plan 1 Benefit Increase	14	14
		State Public Employee Benefits Rate	9	9
		Washington State Equity Office	2,000	2,000
		Women's Commission Staffing	339	339
	Lieutenant Governor	CTS Central Services	(4)	(4)
		DES Central Services	20	20
		Education Program Administrators	319	319
		Non-Rep General Wage Increase	65	65
		OFM Central Services	6	6
		PERS & TRS Plan 1 Benefit Increase	2	2
		Security and Emergency Preparedness	40	40
		State Public Employee Benefits Rate	2	2
	Public Disclosure Cm	CTS Central Services	692	692
		DES Central Services	54	54
		Electronic Filing Modernization	239	239
		Legal Services	177	177
		Non-Rep General Wage Increase	255	255
		Non-Rep Salary Schedule Revision	26	26
		OFM Central Services	25	25
		PERS & TRS Plan 1 Benefit Increase	6	6
		State Public Employee Benefits Rate	5	5
		Travel and Training	25	25
	Secretary of State	Address Protection	700	700
		Archives/Records Management	1	2
		Audit Services	1	1
		CTS Central Services	(28)	(55)
		DES Central Services	41	80
		Digital Archives Functionality		391
		Election Reconciliation Reporting	159	159
		Election Security Improvements	396	500
		Facilities Maintenance and Staffing		612
		Health Coalition FSA Fund Transfer	(14)	(8)
		Humanities Washington	100	100
		Legal Services	15	29
		Microsoft LinkedIn Learning Academy	1,890	1,890

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Nonprofit Outreach & Training		227	227
		Non-Rep General Wage Increase	508	950	1,458
		Non-Rep Premium Pay		128	128
		Non-Rep Salary Schedule Revision	80	132	212
		Non-Rep Targeted Pay Increases	18	215	233
		OFM Central Services	76	150	226
		Orca Transit Pass - Outside CBAs		2	2
		Orca Transit Pass Funding Transfer		(20)	(20)
		PERS & TRS Plan 1 Benefit Increase	16	30	46
		Post-Election Audits	116		116
		Prepaid Postage	4,823		4,823
		State Public Employee Benefits Rate	10	22	32
		State Rep Employee Benefits Rate	6	4	10
		TVW Equipment	750		750
		WA State Penitentiary Library	258		258
		WFSE General Government	191	352	543
	Indian Affairs	Audit Services	1		1
		CTS Central Services	53		53
		DES Central Services	4		4
		Non-Rep General Wage Increase	18		18
		OFM Central Services	2		2
	Asian Pacific Amer	Civic Engagement	34		34
		CTS Central Services	53		53
		DES Central Services	4		4
		Non-Rep General Wage Increase	16		16
		OFM Central Services	2		2
	Treasurer, State	Archives/Records Management		1	1
		Audit Services		5	5
		CTS Central Services		(9)	(9)
		DES Central Services		32	32
		Legal Services		48	48
		Non-Rep General Wage Increase		647	647
		Non-Rep Salary Schedule Revision		162	162
		Non-Rep Targeted Pay Increases		56	56
		OFM Central Services		55	55
		PERS & TRS Plan 1 Benefit Increase		16	16
		State Public Employee Benefits Rate		11	11
	Auditor, State	Archives/Records Management		1	1
		CTS Central Services		(118)	(118)
		Cybersecurity Performance Audit		2,792	2,792
		DES Central Services		28	28
		Legal Services		51	51
		Non-Rep General Wage Increase		3,690	3,690
		Non-Rep Premium Pay		503	503
		Non-Rep Salary Schedule Revision		99	99
		Non-Rep Targeted Pay Increases		30	30
		OFM Central Services		271	271
		Orca Transit Pass - Outside CBAs		18	18
		Orca Transit Pass Funding Transfer		(56)	(56)
		PERS & TRS Plan 1 Benefit Increase		94	94
		State Public Employee Benefits Rate		66	66
	Sal for Elected Offi	CTS Central Services	35		35
		DES Central Services	3		3
		Non-Rep General Wage Increase	12		12
		OFM Central Services	1		1

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
Attorney General		Administrative Hearings		1	1
		Archives/Records Management	1	16	17
		Attorney Retention and Salary Grid	1,500	12,572	14,072
		Audit Services		3	3
		Consumer Privacy Protection	200		200
		CTS Central Services	(43)	(442)	(485)
		DES Central Services	16	177	193
		Education Legal Services		55	55
		Electric Vehicle Infrastructure	2	19	21
		Increase Civil Rights Enforcement	1,837		1,837
		Medicaid Fraud Control		5,627	5,627
		Mental Health Legal Services		919	919
		Natural Resources Legal Services		372	372
		Non-Rep General Wage Increase	1,471	11,226	12,697
		Non-Rep Premium Pay	1,382	2,362	3,744
		Non-Rep Salary Schedule Revision		375	375
		Non-Rep Targeted Pay Increases		119	119
		OFM Central Services	81	838	919
		Orca Transit Pass - Outside CBAs	4	56	60
		Orca Transit Pass Funding Transfer	(106)	(294)	(400)
		PERS & TRS Plan 1 Benefit Increase	36	282	318
		Ratepayer Advocacy		766	766
		State Public Employee Benefits Rate	26	194	220
		State Tax - Wellness Gift Card		2	2
		WSU Legal Services		374	374
Caseload Forecast C		CTS Central Services	320		320
		DES Central Services	23		23
		Legal Services	1		1
		Non-Rep General Wage Increase	112		112
		OFM Central Services	12		12
		PERS & TRS Plan 1 Benefit Increase	2		2
		State Public Employee Benefits Rate	2		2
		Washington College Promise	162		162
Financial Institutns		Administrative Hearings		12	12
		Archives/Records Management		3	3
		CTS Central Services		(49)	(49)
		DES Central Services		13	13
		Enhance Consumer Services Exams		740	740
		Improve Information Governance		486	486
		Legal Services		133	133
		Non-Rep General Wage Increase		1,960	1,960
		Non-Rep Premium Pay		287	287
		Non-Rep Salary Schedule Revision		130	130
		Non-Rep Targeted Pay Increases		175	175
		OFM Central Services		160	160
		Orca Transit Pass - Outside CBAs		8	8
		Orca Transit Pass Funding Transfer		(34)	(34)
		PERS & TRS Plan 1 Benefit Increase		50	50
		State Public Employee Benefits Rate		33	33
Commerce, Dept of		Archives/Records Management	1		1
		Audit Services	3	4	7
		Buildable Lands Program	4,305		4,305
		Clean Buildings	2,300		2,300
		Clean Electricity	430		430
		CTS Central Services	(29)	(58)	(87)
		DES Central Services	6	9	15

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Drug & Gang Task Force	8,000		8,000
		Electric Vehicle Infrastructure	1	1	2
		Health Coalition FSA Fund Transfer	(12)	(2)	(14)
		Lead Based Paint Enforcement	544		544
		Legal Services	21	36	57
		Legal Support	700		700
		LGFN Program		594	594
		Modern Work Environment	1,290		1,290
		MRSC Funding		300	300
		Non-Rep General Wage Increase	856	328	1,184
		Non-Rep Premium Pay	164	36	200
		Non-Rep Salary Schedule Revision	61	37	98
		Non-Rep Targeted Pay Increases	96	62	158
		OFM Central Services	87	156	243
		Orca Transit Pass Funding Transfer	(24)	(12)	(36)
		PERS & TRS Plan 1 Benefit Increase	34	32	66
		Reduce Homelessness	12,000		12,000
		Reduce Homelessness: Families	38,500		38,500
		Reduce Homelessness: Youth	8,000		8,000
		Reduce Homelessness-Rent Assistance	34,320		34,320
		Rural Economic Development	2,000		2,000
		Skilled Worker Grant Program	300		300
		State Public Employee Benefits Rate	15	3	18
		State Rep Employee Benefits Rate	11	20	31
		State Surplus Property	348		348
		State-Owned Buildings/SEEP	750		750
		Statewide Broadband Office	1,200		1,200
		Supporting Clean Energy Transition	4,030		4,030
		WFSE General Government	627	1,083	1,710
	Econ & Rev Forecast	CTS Central Services	(3)		(3)
		DES Central Services	11		11
		Non-Rep General Wage Increase	66		66
		OFM Central Services	5		5
		PERS & TRS Plan 1 Benefit Increase	2		2
	Financial Mgmt	2020 Census Promotion	4,588		4,588
		APCD Ongoing Operations	1,817		1,817
		Audit Services	1	2	3
		Career Connected Learning	6,554		6,554
		Competitive Compensation	263	551	814
		CTS Central Services	(18)	(42)	(60)
		DES Central Services	102	4	106
		Employee Services Unit	1,028		1,028
		ERDC Resources		1,828	1,828
		Legal and Legislative Affairs Unit	506		506
		Legal Services	14	32	46
		Non-Rep General Wage Increase	760	616	1,376
		Non-Rep Premium Pay	2	12	14
		OFM Central Services	55	128	183
		OFM Enterprise Applications		60,904	60,904
		One Washington		29,344	29,344
		Pay Equity & Investigations		1,337	1,337
		PERS & TRS Plan 1 Benefit Increase	20	14	34
		Research & Analytic Capacity	827		827
		State Public Employee Benefits Rate	13	9	22
		Statewide Lease Tracking		587	587
		Transfer of Capital Staff	3,926		3,926
		WSP Crime and Toxicology Lab Study	300		300

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds Grand Total
	Administrative Hrgs	Audit Services	1	1
		CTS Central Services	(52)	(52)
		DES Central Services	15	15
		Legal Services	28	28
		Non-Rep General Wage Increase	1,640	1,640
		Non-Rep Premium Pay	333	333
		Non-Rep Salary Schedule Revision	124	124
		Non-Rep Targeted Pay Increases	69	69
		OFM Central Services	132	132
		Orca Transit Pass - Outside CBAs	14	14
		Orca Transit Pass Funding Transfer	(52)	(52)
		Paid Family & Medical Leave Appeals	1,947	1,947
		PERS & TRS Plan 1 Benefit Increase	22	22
		Privacy and Public Records Officer	240	240
		State Public Employee Benefits Rate	15	15
	Lottery Commission	Archives/Records Management	2	2
		Audit Services	4	4
		CTS Central Services	(41)	(41)
		DES Central Services	13	13
		Electric Vehicle Infrastructure	12	12
		Legal Services	9	9
		Non-Rep General Wage Increase	708	708
		Non-Rep Premium Pay	50	50
		Non-Rep Salary Schedule Revision	139	139
		Non-Rep Targeted Pay Increases	64	64
		OFM Central Services	116	116
		Orca Transit Pass - Outside CBAs	2	2
		Orca Transit Pass Funding Transfer	(24)	(24)
		PERS & TRS Plan 1 Benefit Increase	22	22
		State Public Employee Benefits Rate	15	15
		State Rep Employee Benefits Rate	5	5
		WFSE General Government	281	281
	Gambling Commission	Administrative Hearings	6	6
		Archives/Records Management	1	1
		Audit Services	2	2
		CTS Central Services	(16)	(16)
		DES Central Services	6	6
		Gambling Self-Exclusion Program	47	47
		IT Feasibility Study	250	250
		Legal Services	65	65
		Non-Rep General Wage Increase	875	875
		Non-Rep Premium Pay	56	56
		Non-Rep Salary Schedule Revision	156	156
		Non-Rep Targeted Pay Increases	19	19
		OFM Central Services	93	93
		Orca Transit Pass - Outside CBAs	6	6
		Orca Transit Pass Funding Transfer	(14)	(14)
		PERS & TRS Plan 1 Benefit Increase	22	22
		State Public Employee Benefits Rate	18	18
	Hispanic Affairs	Communications Staff	190	190
		CTS Central Services	53	53
		DES Central Services	4	4
		Non-Rep General Wage Increase	16	16
		OFM Central Services	2	2
	African-Amer Affairs	Audit Services	2	2
		CTS Central Services	53	53

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds
				Grand Total
	African-Amer Affairs	DES Central Services	4	4
		Legal Services	2	2
		Non-Rep General Wage Increase	18	18
		OFM Central Services	2	2
	Retirement Systems	Administrative Hearings		3
		Archives/Records Management		4
		Audit Services		6
		CTS Central Services	(54)	(54)
		DES Central Services	17	17
		DRS Building Update	443	443
		Electric Vehicle Infrastructure	1	1
		Increasing Transactions/Workload	741	741
		IT Security New Capabilities	796	796
		Legacy IT Update Program	9,529	9,529
		Legal Services	28	28
		Non-Rep General Wage Increase	1,839	1,839
		Non-Rep Salary Schedule Revision	422	422
		Non-Rep Targeted Pay Increases	167	167
		OFM Central Services	203	203
		PERS & TRS Plan 1 Benefit Increase	47	47
		State Public Employee Benefits Rate	39	39
	Investment Board	Archives/Records Management	1	1
		Audit Services	7	7
		CTS Central Services	(11)	(11)
		Data Management Enhancement	4,269	4,269
		DES Central Services	5	5
		Improving Investment Performance	2,055	2,055
		Investment Officer Compensation	1,401	1,401
		Investment Portfolio Data Delivery	3,162	3,162
		Legal Services	87	87
		Non-Rep General Wage Increase	1,808	1,808
		Non-Rep Premium Pay	350	350
		Non-Rep Salary Schedule Revision	52	52
		Non-Rep Targeted Pay Increases	69	69
		OFM Central Services	84	84
		Orca Transit Pass Funding Transfer	(10)	(10)
		PERS & TRS Plan 1 Benefit Increase	46	46
		State Public Employee Benefits Rate	17	17
	Revenue, Dept of	2019 Revenue Legislation	4,587	4,587
		Archives/Records Management	3	3
		Audit Services	17	19
		Business Licensing Account Backfill	2,300	(2,300)
		CTS Central Services	(426)	(55)
		DES Central Services	67	74
		Electric Vehicle Infrastructure	4	4
		GenTax Maintenance	3,137	113
		Health Coalition FSA Fund Transfer	(92)	(30)
		Legal Services	572	71
		Non-Rep General Wage Increase	2,506	247
		Non-Rep Premium Pay	130	130
		Non-Rep Salary Schedule Revision	275	37
		Non-Rep Targeted Pay Increases	197	34
		OFM Central Services	939	117
		Orca Transit Pass - Outside CBAs	6	6
		Orca Transit Pass Funding Transfer	(258)	(2)
		PERS & TRS Plan 1 Benefit Increase	232	22
		State Data Center Migration	800	800

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Revenue, Dept of	State Public Employee Benefits Rate	41	5	46
		State Rep Employee Benefits Rate	143	14	157
		State Tax - Wellness Gift Card	2		2
		UCP System Replacement		6,226	6,226
		WPEA General Government	9,347	852	10,199
	Tax Appeals Board	CTS Central Services	372		372
		DES Central Services	28		28
		Legal Services	2		2
		Non-Rep General Wage Increase	149		149
		OFM Central Services	13		13
		PERS & TRS Plan 1 Benefit Increase	4		4
		State Public Employee Benefits Rate	2		2
	Minority & Women Bus	Business Diversity Subcabinet	880		880
		CTS Central Services		(10)	(10)
		DES Central Services		45	45
		Legal Services		15	15
		Non-Rep General Wage Increase		70	70
		OFM Central Services		19	19
		PERS & TRS Plan 1 Benefit Increase		4	4
		State Public Employee Benefits Rate		2	2
		State Rep Employee Benefits Rate		2	2
		WFSE General Government		177	177
	Insurance Commissner	Administrative Hearings		7	7
		Archives/Records Management		2	2
		Audit Services		2	2
		Consumer Access to Providers		1,177	1,177
		CTS Central Services		(63)	(63)
		DES Central Services		29	29
		Enhance Cybersecurity		327	327
		Enterprise Content Management		599	599
		Fair Insurance Rates		486	486
		Fighting Criminal Insurance Fraud		1,913	1,913
		Health Coalition FSA Fund Transfer		(18)	(18)
		Legal Services		118	118
		Non-Rep General Wage Increase		862	862
		Non-Rep Premium Pay		76	76
		Non-Rep Salary Schedule Revision		92	92
		Non-Rep Targeted Pay Increases		30	30
		OFM Central Services		197	197
		Orca Transit Pass Funding Transfer		(32)	(32)
		PERS & TRS Plan 1 Benefit Increase		52	52
		State Public Employee Benefits Rate		13	13
		State Rep Employee Benefits Rate		25	25
		WFSE General Government		1,689	1,689
	CTS	1500 Jefferson	6,108		6,108
		Apptio from ESF to OCIO		0	0
		Archives/Records Management		2	2
		Audit Services		14	14
		Cloud Strategy		750	750
		Computer Emergency Readiness Team		1,001	1,001
		CTS Central Services		231	231
		DES Central Services		35	35
		Electric Vehicle Infrastructure		1	1
		Encrypted State Network Threats		768	768
		Enterprise Apps Transfer Backfill	4,729		4,729
		Health Coalition FSA Fund Transfer		(4)	(4)

2019-21 Operating Budget Summary

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds
				Grand Total
		Legal Services		29
		Logging and Monitoring		1,224
		Non-Rep General Wage Increase		3,589
		Non-Rep Salary Schedule Revision		1,721
		Non-Rep Targeted Pay Increases		66
		OCIO State IT Project Oversight		1,408
		OFM Central Services		451
		OFM Enterprise Applications		(60,904)
		PERS & TRS Plan 1 Benefit Increase		125
		SAW - IBM Passport License Increase		424
		SecureAccess Washington		790
		Small Agency IT Services		3,995
		State Data Center Operations	4,784	4,784
		State Public Employee Benefits Rate		54
		State Rep Employee Benefits Rate		24
		Vulnerability Assessment Program		1,000
		WFSE General Government		2,471
	Accountancy Board	CPA Licensing System Modernization		1,742
		CTS Central Services		286
		DES Central Services		43
		Legal Services		12
		Non-Rep General Wage Increase		89
		Non-Rep Salary Schedule Revision		8
		Non-Rep Targeted Pay Increases		8
		OFM Central Services		10
		PERS & TRS Plan 1 Benefit Increase		2
		State Public Employee Benefits Rate		2
	Enterprise Services	Archives/Records Management		4
		Audit Services		10
		Building Feasibility Study	100	100
		Campus Contracts		1,848
		Coalition of Unions		143
		CTS Central Services		(268)
		DES Central Services		121
		Electric Vehicle Charging Stations		1,021
		Electric Vehicle Infrastructure		34
		Facility Planning Team Position		309
		Health Coalition FSA Fund Transfer		(120)
		Learning Management System		2,449
		Legal Services		128
		Non-Rep General Wage Increase	4	3,260
		Non-Rep Salary Schedule Revision		135
		Non-Rep Targeted Pay Increases		279
		OFM Central Services		643
		Orca Transit Pass Funding Transfer		(2)
		PERS & TRS Plan 1 Benefit Increase		126
		Small Agency Cyber Insurance	200	200
		Small Agency Human Resources		748
		State Public Employee Benefits Rate		59
		State Rep Employee Benefits Rate		53
		Teamsters 117 DES		199
		WFSE General Government		1,932
	Horse Racing Commssn	Audit Services		1
		CTS Central Services		(8)
		DES Central Services		28
		Legal Services		6
		Non-Rep General Wage Increase		42

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds Grand Total
	Horse Racing Commssn	OFM Central Services		13 13
		Orca Transit Pass - Outside CBAs		2 2
		Orca Transit Pass Funding Transfer		(42) (42)
		PERS & TRS Plan 1 Benefit Increase		2 2
		State Rep Employee Benefits Rate		1 1
		WFSE General Government		56 56
	Liquor Cannabis Bd	Administrative Hearings	1	64 65
		Archives/Records Management		4 4
		Audit Services		4 4
		Cannabis Enforcement and Licensing		3,000 3,000
		Coalition of Unions		466 466
		CTS Central Services	(2)	(121) (123)
		DES Central Services		21 21
		Electric Vehicle Infrastructure		36 36
		Health Coalition FSA Fund Transfer	(4)	(40) (44)
		Legal Services	5	467 472
		Modernization of Regulatory Systems		8,677 8,677
		Non-Rep General Wage Increase	5	926 931
		Non-Rep Premium Pay		26 26
		Non-Rep Salary Schedule Revision		73 73
		Non-Rep Targeted Pay Increases		72 72
		OFM Central Services	3	292 295
		Orca Transit Pass Funding Transfer		(40) (40)
		PERS & TRS Plan 1 Benefit Increase		66 66
		State Public Employee Benefits Rate		17 17
		State Rep Employee Benefits Rate		43 43
		System Modernization Project		1,200 1,200
		WFSE General Government	37	943 980
		WPEA General Government		1,249 1,249
		WSDA Cannabis Program		(1,270) (1,270)
	Utilities/Transp Cmn	Archives/Records Management		2 2
		Audit Services		2 2
		Clean Electricity		246 246
		CTS Central Services		(46) (46)
		DES Central Services		10 10
		Electric Vehicle Infrastructure		9 9
		Health Coalition FSA Fund Transfer		(12) (12)
		Legal Services		344 344
		Non-Rep General Wage Increase		645 645
		Non-Rep Salary Schedule Revision		30 30
		OFM Central Services		142 142
		PERS & TRS Plan 1 Benefit Increase		38 38
		Reduce Hydrofluorocarbon Emissions		10 10
		State Public Employee Benefits Rate		9 9
		State Rep Employee Benefits Rate		17 17
		WFSE General Government		985 985
	BVFFRO	Audit Services		1 1
		CTS Central Services		(2) (2)
		DES Central Services		6 6
		Legal Services		3 3
		Non-Rep General Wage Increase		28 28
		Non-Rep Targeted Pay Increases		12 12
		OFM Central Services		3 3
		Pension and Benefit Tracking System		275 275
	Military Department	Archives/Records Management	1	1
		Audit Services	6	6

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Military Department	CTS Central Services	(116)		(116)
		DES Central Services	8		8
		Disaster Response Account		38,535	38,535
		Electric Vehicle Infrastructure	6		6
		Enhanced 911/Next Generation		9,975	9,975
		Hazardous Materials Program	1,040	(1,040)	0
		Health Coalition FSA Fund Transfer	(48)	(2)	(50)
		Legal Services	49		49
		National Guard Wildfire Pay	750		750
		Non-Rep General Wage Increase	588	229	817
		Non-Rep Salary Schedule Revision	8	24	32
		Non-Rep Targeted Pay Increases	70	14	84
		OFM Central Services	264		264
		Orca Transit Pass - Outside CBAs	20	10	30
		Orca Transit Pass Funding Transfer	(36)	(82)	(118)
		Other Fund Adjustments		0	0
		PERS & TRS Plan 1 Benefit Increase	28	38	66
		School Catastrophic Preparedness	1,000		1,000
		ShakeAlert Monitoring Stations	5,000		5,000
		ShakeAlert Public Outreach	240		240
		State Public Employee Benefits Rate	11	2	13
		State Rep Employee Benefits Rate	13	29	42
		Tsunami Sirens for Coastal Cities	928		928
		WFSE General Government	482	1,078	1,560
		WPEA General Government	218	732	950
	Pub Emp Relations Cm	CTS Central Services	(7)	(7)	(14)
		DES Central Services	6	6	12
		Electric Vehicle Infrastructure	1	1	2
		Legal Services	2	2	4
		Non-Rep General Wage Increase	148	182	330
		Non-Rep Premium Pay	42	50	92
		Non-Rep Salary Schedule Revision	8	8	16
		OFM Central Services	17	16	33
		Orca Transit Pass Funding Transfer	(4)	(6)	(10)
		PERS & TRS Plan 1 Benefit Increase	4	6	10
		State Public Employee Benefits Rate	2	2	4
	LEOFF 2 Ret Board	CTS Central Services		(4)	(4)
		DES Central Services		12	12
		Legal Services		4	4
		Non-Rep General Wage Increase		73	73
		OFM Central Services		6	6
		PERS & TRS Plan 1 Benefit Increase		2	2
		State Public Employee Benefits Rate		2	2
	Arch and Hist Preser	Audit Services	1		1
		CTS Central Services	450		450
		DES Central Services	37		37
		Disaster Recovery	41		41
		Electric Vehicle Infrastructure	1		1
		GIS and Lease Costs	85	(97)	(12)
		Legal Services	10		10
		Main Street Program	120		120
		Non-Rep General Wage Increase	91	42	133
		OFM Central Services	16		16
		PERS & TRS Plan 1 Benefit Increase	2	2	4
		State Public Employee Benefits Rate	2		2
Other Human Svcs	Health Care Auth	Administrative Hearings	195	180	375

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
Other Human Svcs	Health Care Auth	Archives/Records Management	2	2	4
		Assertive Community Treatment	6,021	12,577	18,598
		Audit Services	31	51	82
		Behavioral Health Grants		45,111	45,111
		Benefit Education and Communication		150	150
		Benefits Staff - Employee & Retiree		1,899	1,899
		BHO Reserve Savings	(5,000)		(5,000)
		Bi-Directional Rate Increase	9,105	27,721	36,826
		Centers of Excellence		2,368	2,368
		Chiropractic Care for Spinal Pain	5,063	5,090	10,153
		Community and Rural Hospitals	2,786	6,994	9,780
		Community Long-Term Inpatient Beds	36,961	41,680	78,641
		CTS Central Services	(212)	(363)	(575)
		Dental Savings Restoration	12,203	17,648	29,851
		DES Central Services	33	60	93
		Discharge Wraparound Services	2,816	5,938	8,754
		Doula Services	4,597	7,131	11,728
		Electric Vehicle Infrastructure	1	2	3
		Eliminate Medicaid Rate Increase	(49,352)	(116,834)	(166,186)
		Evaluation Pay 1 Replacement		300	300
		Federal IV&V Requirements		558	558
		Finance Staffing	622	880	1,502
		Gun List Incident Report	114	61	175
		Health Coalition FSA Fund Transfer	(235)	(10)	(245)
		Healthier WA Savings Restoration	54,973	65,210	120,183
		Hepatitis C Virus Elimination	3,693	3,693	7,386
		Intensive BH Treatment Facilities	8,018	6,421	14,439
		Intensive Outpatient Treatment	13,850	23,582	37,432
		Language Access Providers CBA	531	797	1,328
		Legal Services	150	252	402
		Low Income Health Care/I-502	(6,003)	6,003	0
		Maintain Hospital Safety Net		0	0
		Medicare Retirees Portfolio		1,500	1,500
		Mental Health Drop-In Facilities	2,361	2,662	5,023
		Newborn Screening Pompe and MPS-1	300	518	818
		Newborn Screening X-ALD	60	102	162
		Non-Rep General Wage Increase	2,768	4,348	7,116
		Non-Rep Premium Pay	4	10	14
		Non-Rep Salary Schedule Revision	57	197	254
		Non-Rep Targeted Pay Increases	213	337	550
		OFM Central Services	390	663	1,053
		Opioid Package: Diversion Grants	686	4,534	5,220
		Opioid Package: Same Day Visit	1,168		1,168
		Opioid Package: Start Up Funds	1,270		1,270
		Orca Transit Pass Funding Transfer	(2)	(2)	(4)
		PEBB Administrative Fees		6,035	6,035
		PERS & TRS Plan 1 Benefit Increase	100	171	271
		Primary Care Rate Increase	56,637	142,946	199,583
		Public Option	500		500
		Restore Pharmacy Savings	14,245	35,477	49,722
		SEBB Dependent Verification		512	512
		SEBB TPA Payments		17,286	17,286
		Secure Withdrawal Vendor Rate	10,792	14,904	25,696
		State Public Employee Benefits Rate	51	76	127
		State Rep Employee Benefits Rate	29	59	88
		SUD Peer Support	1,843	7,296	9,139
		Suicide Prevention	1,614	1,466	3,080
		System Integrator Reprourement		2,946	2,946
		Tort Recovery FTEs	(1,376)	(3,384)	(4,760)
		Tribal Affairs	(426)	1,462	1,036

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Health Care Auth	Tribal Evaluation Treatment Center	150		150
		Trueblood Settlement Agreement	25,996	3,702	29,698
		WFSE General Government	1,528	3,318	4,846
	Human Rights Cmsn	Administrative Support	169		169
		Case Management Database System	160		160
		CTS Central Services	(14)		(14)
		DES Central Services	118		118
		Legal Services	18		18
		Non-Rep General Wage Increase	37	39	76
		Non-Rep Premium Pay	2	8	10
		Non-Rep Salary Schedule Revision	6	2	8
		OFM Central Services	27		27
		Orca Transit Pass Funding Transfer	(2)	(2)	(4)
		PERS & TRS Plan 1 Benefit Increase	2	2	4
		State Rep Employee Benefits Rate	1	2	3
		WFSE General Government	53	87	140
	Inds Ins Appeals Bd	Archives/Records Management		4	4
		Coalition of Unions		964	964
		CTS Central Services		(52)	(52)
		DES Central Services		18	18
		Health Coalition FSA Fund Transfer		(24)	(24)
		Legal Services		10	10
		Modernizing Information System		392	392
		Non-Rep General Wage Increase		280	280
		Non-Rep Premium Pay		36	36
		OFM Central Services		130	130
		One-Time Lease Adjustments/Moves		40	40
		Orca Transit Pass Funding Transfer		(36)	(36)
		PERS & TRS Plan 1 Benefit Increase		36	36
		State Public Employee Benefits Rate		4	4
		State Rep Employee Benefits Rate		22	22
		WFSE General Government		604	604
	Crim Justice Trng Cm	Audit Services	1		1
		Basic Law Enforcement Academy	4,517	1,925	6,442
		Corrections Academy Expansion	157	52	209
		Corrections Officer Academy	95	32	127
		CTS Central Services	3		3
		DES Central Services	13		13
		Equivalency Academy	23		23
		Firearms Certificate Program	60		60
		Health Coalition FSA Fund Transfer	(10)		(10)
		Legal Services	44		44
		Non-Rep General Wage Increase	224	9	233
		Non-Rep Premium Pay	246	10	256
		OFM Central Services	44		44
		Orca Transit Pass Funding Transfer	(44)		(44)
		PERS & TRS Plan 1 Benefit Increase	10		10
		School Safety Training and Website	(392)		(392)
		State Public Employee Benefits Rate	4		4
		State Rep Employee Benefits Rate	6		6
		Trueblood CIT Training	899		899
		Trueblood Mental Health Response	4,000		4,000
		WFSE General Government	478	11	489
	Labor/Indus, Dept of	Administrative Hearings		69	69
		Apprenticeship Replacement System		482	482
		Archives/Records Management		19	19

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds
	Labor/Indus, Dept of			Grand Total
		Audit Services		28
		Career Connected Learning		1,202
		Coalition of Unions		2,183
		Company-wide Wage Investigations		1,260
		Conveyance Management System		1,450
		Crime Victims Provider Rates	6,768	6,768
		CTS Central Services	(7)	(1,139)
		Customer Service Workload		1,488
		DES Central Services		184
		Electric Vehicle Infrastructure	1	123
		Health Care Apprenticeships		1,600
		Health Coalition FSA Fund Transfer	(10)	(378)
		Legal Services	7	5,118
		Non-Rep General Wage Increase	12	2,370
		Non-Rep Premium Pay		68
		Non-Rep Salary Schedule Revision		380
		Office Moves		1,298
		OFM Central Services	13	2,399
		Orca Transit Pass - Outside CBAs		4
		Orca Transit Pass Funding Transfer	(18)	(286)
		PERS & TRS Plan 1 Benefit Increase	6	570
		Prevailing Wage Improvements		1,672
		Preventing Worker Hospitalizations		546
		Small Business Outreach		1,700
		State Public Employee Benefits Rate		32
		State Rep Employee Benefits Rate	6	436
		State Tax - Wellness Gift Card		4
		Technology Apprenticeship		2,000
		WFSE General Government	270	25,061
		Workers' Comp Modernization		81,974
	Health, Dept of	Address Newborn Screening Shortfall		332
		Align Drinking Water Funding		834
		Archives/Records Management	4	22
		Audit Services	3	12
		Conduct Mandated Newborn Screening		1,606
		Continue Maternal Mortality Reviews	807	807
		CQAC Increased Legal Costs		500
		Create Developmental Screening Tool	223	223
		CTS Central Services	(111)	(545)
		DES Central Services	15	101
		Electric Vehicle Infrastructure	2	12
		End AIDS		18,000
		Fruit and Vegetable Incentives	2,325	2,325
		Fund Foundational Public Health	22,000	22,000
		Health Coalition FSA Fund Transfer	(74)	(54)
		Improve License Processing Times		2,010
		Improve Prescription Drug System	100	100
		Legal Services	129	1,042
		Modernize Vital Records Law		399
		Monitor Group B Water Systems	1,012	1,012
		NCQAC Increased Legal Costs		3,210
		Non-Rep General Wage Increase	752	2,915
		Non-Rep Premium Pay	152	252
		Non-Rep Salary Schedule Revision	64	263
		Non-Rep Targeted Pay Increases	34	64
		OFM Central Services	249	1,212
		Opioid Package: Fentanyl Test Strip	101	101
		Orca Transit Pass Funding Transfer	(64)	(126)
		PERS & TRS Plan 1 Benefit Increase	60	309

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Reduce Suicide Rates	1,150		1,150
		SEIU 1199 General Government	46	516	562
		State Public Employee Benefits Rate	11	43	54
		State Rep Employee Benefits Rate	33	186	219
		Streamline Marijuana Funding		0	0
		Upgrade Profession Licensing System		7,943	7,943
		WFSE General Government	2,398	11,686	14,084
		WMC Clinical Investigator Costs		1,310	1,310
		WMC Increased AG Costs		1,123	1,123
	Veterans Affairs	Archives/Records Management	3		3
		Audit Services	6		6
		Coalition of Unions	186	1,022	1,208
		CTS Central Services	(2,031)		(2,031)
		DES Central Services	98		98
		Electric Vehicle Infrastructure	14		14
		Health Coalition FSA Fund Transfer	(310)		(310)
		Increase Transitional Housing		1,458	1,458
		Legal Services	4		4
		Non-Rep General Wage Increase	518	787	1,305
		Non-Rep Premium Pay		52	52
		Non-Rep Salary Schedule Revision	35	37	72
		Non-Rep Targeted Pay Increases	44	52	96
		OFM Central Services	3,226		3,226
		Orca Transit Pass - Outside CBAs		4	4
		Orca Transit Pass Funding Transfer	(10)	(84)	(94)
		PERS & TRS Plan 1 Benefit Increase	32	100	132
		State Public Employee Benefits Rate	9	13	22
		State Rep Employee Benefits Rate	22	95	117
		WFSE General Government	1,250	5,875	7,125
	Children, Youth, Fam	Acute Mental Health Staffing	1,197		1,197
		Administrative Hearings	170	91	261
		Archives/Records Management	1		1
		Assessment of Treatment Model	200		200
		Audit Services	7	4	11
		Auto Theft Prevention Account	196	(196)	0
		BRS Capital Funds Recruitment	50	50	100
		Child Care Equal Access		72,263	72,263
		Child Welfare Social Workers	7,863	7,434	15,297
		CTS Central Services	(127)	(67)	(194)
		DCYF Headquarters	1,178	786	1,964
		DES Central Services	183	100	283
		Domestic Violence Unit Transfer	(12,262)	(6,390)	(18,652)
		Early ECEAP Pilot	4,402	232	4,634
		ECEAP Expansion Toward Entitlement	38,522		38,522
		ECEAP Quality Improvement	898		898
		ECEAP Rate Increase	12,588		12,588
		Electric Vehicle Infrastructure	79	43	122
		Expand Hub Home Model	872		872
		Family Child Care CBA	54,908		54,908
		Finance and Human Resource Staff	1,304		1,304
		Foster Parent Application Portal	1,397	1,397	2,794
		Foster Parent/Parent Liaison Pilot	2,217	700	2,917
		Health Coalition FSA Fund Transfer	(436)		(436)
		Increase BRS Rates & Bed Capacity	17,745	7,604	25,349
		Language Access Providers CBA	10	16	26
		Legal Services	4,776	2,571	7,347
		Meet New Licensing Requirements	10,385		10,385
		Non-Rep General Wage Increase	5,419	28	5,447

2019-21 Operating Budget Summary

Governor's 2019-21 Budget Policy Items

Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Non-Rep Premium Pay	654		654
		Non-Rep Salary Schedule Revision	174		174
		Non-Rep Targeted Pay Increases	324		324
		OFM Central Services	446	240	686
		One-time Fund Swap	(41,737)	41,737	0
		Opioid Package: CD/SUD Specialist	200		200
		Orca Transit Pass - Outside CBAs	36		36
		Orca Transit Pass Funding Transfer	(1,036)	(245)	(1,281)
		Parent Mentoring Program	4,915	1,581	6,496
		Parents for Parents Program	532		532
		PERS & TRS Plan 1 Benefit Increase	700	2	702
		Preschool Expansion	30,110		30,110
		Preschool Expansion and UHV	3,467		3,467
		Preserve ECLIPSE Program	4,304		4,304
		Reach Out and Read	300		300
		Reduce Assaults in JR Facilities	8,388		8,388
		Reducing Gang Violence	740		740
		SEIU 1199 General Government	295		295
		State Public Employee Benefits Rate	96		96
		State Rep Employee Benefits Rate	540		540
		State Tax - Wellness Gift Card	6		6
		Universal Home Visiting	38,773	6,288	45,061
		Wendy's Wonderful Kids	400		400
		WFSE General Government	35,938	150	36,088
		Youth Services Project	350		350
		YVLifeSet Young Adult Transitions	1,325		1,325
	Corrections, Dept of	Archives/Records Management	25		25
		Audit Services	18		18
		Auto Theft Prevention Acct Align	259	(259)	0
		Capital Project Operating Costs	18,588		18,588
		Coalition of Unions	85		85
		Community: Violator Transport	4,818		4,818
		Concurrent Supervision	(9,610)		(9,610)
		Critical Safety: Nursing Relief	5,414		5,414
		CTS Central Services	(3,803)		(3,803)
		Custody Relief Factor	12,497		12,497
		Custody Staff: Health Care Delivery	16,933		16,933
		DES Central Services	314		314
		Direct Patient Care: DVC Adjustment	5,870		5,870
		Earned Time to 50% - Drug Offenses	(4,355)		(4,355)
		Earned Time to 50% - Nonviolent	(8,634)		(8,634)
		Electric Vehicle Infrastructure	141		141
		Food & Staff Safety Improvements	2,776		2,776
		Health Coalition FSA Fund Transfer	(582)		(582)
		Inversion & Compression	4,584		4,584
		IT Architecture & Portfolio Mgmt	1,206		1,206
		Legal Services	1,176		1,176
		Non-Rep General Wage Increase	12,460		12,460
		Non-Rep Premium Pay	314		314
		Non-Rep Salary Schedule Revision	1,190		1,190
		Non-Rep Targeted Pay Increases	595		595
		OFM Central Services	6,862		6,862
		Opioid Package: Contraband Mgmt	460		460
		Opioid Package: Discharge Planners	1,412		1,412
		Opioid Package: SUD Assessment	406		406
		Orca Transit Pass - Outside CBAs	738		738
		Orca Transit Pass Funding Transfer	(1,126)		(1,126)
		PERS & TRS Plan 1 Benefit Increase	1,506		1,506
		Relocation Costs	2,751		2,751

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title	
			Near General F	Other Funds
				Grand Total
	Corrections, Dept of	SCAAP Grant Backfill	1,974	1,974
		State Public Employee Benefits Rate	236	236
		State Rep Employee Benefits Rate	1,077	1,077
		State Tax - Wellness Gift Card	10	10
		Swift and Certain	(8,216)	(8,216)
		Teamsters 117 DOC	68,161	68,161
		Vendor Rate	4,222	4,222
		Violator Bed Rate Increase	7,869	7,869
		WFSE General Government	13,370	13,370
		Work Release Expansion	15,245	15,245
		Yakima Jail Women's TC	2,066	2,066
	Blind, Services for	Archives/Records Management	1	1
		Audit Services	2	2
		CTS Central Services	2	2
		DES Central Services	140	140
		Electric Vehicle Infrastructure	3	3
		Health Coalition FSA Fund Transfer	(18)	(18)
		Independent Living Services	460	460
		Legal Services	1	1
		Maintain VR Employment Services	2,200	2,200
		Non-Rep General Wage Increase	132	132
		Non-Rep Premium Pay	74	74
		OFM Central Services	64	64
		Orca Transit Pass Funding Transfer	(4)	(42)
		PERS & TRS Plan 1 Benefit Increase	14	14
		State Public Employee Benefits Rate	2	2
		State Rep Employee Benefits Rate	13	13
		WFSE General Government	1,023	1,023
	Employment Security	Administrative Hearings		2,700
		Archives/Records Management		8
		Audit Services		34
		Career Connected Learning	33,074	33,074
		CTS Central Services		(601)
		DES Central Services		234
		Electric Vehicle Infrastructure		12
		H-2A Temporary Agriculture Program		4,116
		Health Coalition FSA Fund Transfer		(190)
		IT Continuity of Operations		5,081
		Legal Services		306
		Non-Rep General Wage Increase		1,915
		Non-Rep Premium Pay		42
		Non-Rep Salary Schedule Revision		2
		OFM Central Services		1,359
		Orca Transit Pass - Outside CBAs		2
		Orca Transit Pass Funding Transfer		(156)
		PERS & TRS Plan 1 Benefit Increase		294
		PFML Technical Corrections		162
		State Public Employee Benefits Rate		28
		State Rep Employee Benefits Rate		234
		State Tax - Wellness Gift Card		2
		Statewide Reentry Initiative		4,636
		WFSE General Government		12,374
DSHS	Social & Health Serv	Abuse Registry	170	72
		Administrative Hearings	432	408
		ADRC Business Case Grant		128
		Adult Family Homes Award/Agreement	37,577	46,834
		Agency Provider Parity	21,316	27,128
				48,444

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
DSHS	Social & Health Serv	Archives/Records Management	63	22	85
		Audit Services	115	44	159
		Automatic Voter Registration	501	229	730
		BH: Additional Enhanced Discharge	34,898	31,328	66,226
		BH: Group Training Homes	2,640		2,640
		BHA Administration Support	2,618		2,618
		Child Support Annual Fee Increase	(251)	(487)	(738)
		Children's SOLA	2,456	2,340	4,796
		Civil Capacity Project Manager	280		280
		Coalition of Unions	10,177	857	11,034
		Community Competency Evaluations	(462)		(462)
		Community Expansion	310		310
		Community Respite Beds	5,296	976	6,272
		Community Transition Expansion	11,215	10,499	21,714
		Consolidated Maintenance/Operations	2,296		2,296
		Continuation of Enterprise Services	5,630	1,876	7,506
		CSTC - New Cottage Operating Costs	10,816		10,816
		CTS Central Services	(4,505)	(1,886)	(6,391)
		DES Central Services	611	253	864
		Direct Care and Support - Unit 1N3	16,963		16,963
		Direct Care and Support - Unit 3N3	16,963		16,963
		Domestic Violence Unit Transfer	12,262	6,390	18,652
		Electric Vehicle Infrastructure	95	32	127
		Electronic Visit Verification	6,383	8,189	14,572
		Enhance Community Residential Rate	59,446	58,170	117,616
		ESF Capacity Mental Health	14,893	14,896	29,789
		Families Forward Washington Grant		481	481
		Finance Staffing	520	114	634
		Forensic Competency Restoration	3,124		3,124
		Health Coalition FSA Fund Transfer	(3,222)		(3,222)
		Increase In-Home PNA	10,868	13,819	24,687
		In-Home Care Providers Agreement	72,391	92,287	164,678
		IT Systems Modernization	200	200	400
		King County Expansion	1,803		1,803
		Kinship Care Support Program	500		500
		Language Access Providers CBA	94	142	236
		Leased Facilities One-Time Costs	10,629	7,512	18,141
		Legal Services	1,936	411	2,347
		Meet Basic Food Integrity Standards	104	104	208
		Naturalization Services Increase	2,000		2,000
		Non-Rep General Wage Increase	12,845	5,977	18,822
		Non-Rep Premium Pay	1,207	697	1,904
		Non-Rep Salary Schedule Revision	1,054	333	1,387
		Non-Rep Targeted Pay Increases	1,440	1,543	2,983
		OFM Central Services	8,863	3,481	12,344
		Orca Transit Pass - Outside CBAs	322	72	394
		Orca Transit Pass Funding Transfer	(3,226)	(1,438)	(4,664)
		PERS & TRS Plan 1 Benefit Increase	1,863	826	2,689
		Psychiatric Intensive Care Unit	10,164		10,164
		PWA Grant Increase	300		300
		RHC Compliance	20,118	20,118	40,236
		Ross Lawsuit Compliance	6,188		6,188
		RTF Staffing - Building 27	9,352		9,352
		Safety, Compliance & Accountability	3,955	868	4,823
		SEIU 1199 General Government	9,686	3,150	12,836
		State Hospital Operations	82,136		82,136
		State Public Employee Benefits Rate	217	103	320
		State Rep Employee Benefits Rate	1,439	652	2,091
		State Tax - Wellness Gift Card	12	6	18
		Support Most Significantly Disabled	2,000		2,000

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Supported Living Investigators	(2,330)	11,388	9,058
		Targeted Vendor Rate Increase	30,404	35,488	65,892
		Transport and Hospital Watch Staff	1,111		1,111
		Transportation Pilot Study	100		100
		Trueblood Fines	(96,000)		(96,000)
		Trueblood Settlement Agreement	16,494		16,494
		Updated Facility Definition	(10,714)	(4,927)	(15,641)
		WFSE General Government	103,146	48,952	152,098
		WSH Safety Response	22,200		22,200
Natural Resources	Columbia River Gorge	Access Database Replacement	213	213	426
		CTS Central Services	(2)	(2)	(4)
		DES Central Services	7	7	14
		Donated Funds - Landowner Outreach		10	10
		Land Use Planning Support	90	90	180
		Match Oregon Funding Level	(2)	(2)	(4)
		Non-Rep General Wage Increase	31	31	62
		OFM Central Services	3	3	6
	Ecology, Dept of	Archives/Records Management	1	5	6
		Audit Services	2	11	13
		Balance to Available Revenue		(532)	(532)
		Chemical Action Plan Implementation		4,482	4,482
		Content Management System	562	4,398	4,960
		CTS Central Services	(73)	(525)	(598)
		DES Central Services	11	68	79
		Efficient Biosolids Permitting		334	334
		Electric Vehicle Infrastructure	9	69	78
		Emergency Flood Assistance		250	250
		Enhanced Product Testing		2,882	2,882
		Expanded Cleanup Site Capacity		2,094	2,094
		GHG Reporting Workload Changes		184	184
		Hanford Air Permit and Compliance		168	168
		Health Coalition FSA Fund Transfer	(28)	(75)	(103)
		HFC Emissions Reduction		959	959
		Integrated Revenue System	165	1,290	1,455
		Legal Services	303	819	1,122
		Litter Control and Waste Reduction		4,056	4,056
		Local Source Control Program		3,000	3,000
		Low Carbon Fuels	1,424		1,424
		Meeting Air Operating Permit Needs		624	624
		Non-Rep General Wage Increase	270	2,766	3,036
		Non-Rep Premium Pay	18	280	298
		Non-Rep Salary Schedule Revision		221	221
		Non-Rep Targeted Pay Increases		46	46
		Office of Chehalis Basin	1,464		1,464
		OFM Central Services	164	1,200	1,364
		Orca - Dissolved Gas Rulemaking	580		580
		Orca - Pharmaceuticals & Wastewater	236		236
		Orca - PS Instream Flow Enforcement	1,944		1,944
		Orca - Recovery Coordinator	260		260
		Orca - Shoreline Armor Assistance	638		638
		Orca - Toxics and Juvenile Chinook		491	491
		Orca - Tug Escort Rule		689	689
		Orca - Water Quality Enforcement	856		856
		Orca Transit Pass Funding Transfer	(24)	(180)	(204)
		PERS & TRS Plan 1 Benefit Increase	34	304	338
		Puget Sound Nonpoint Specialists	707		707
		Puget Sound Observation Network	682		682
		Recycling Crisis Response		1,944	1,944

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Relocate NW Regional Office	558	4,090	4,648
		Shift MTCA-Funded Work Back to GF-S	20,000	(20,000)	0
		State Public Employee Benefits Rate	4	45	49
		State Rep Employee Benefits Rate	21	183	204
		Support Voluntary Cleanups		2,074	2,074
		Washington Conservation Corps		1,259	1,259
		Water Right Adjudication Options		592	592
		WFSE General Government	1,456	12,851	14,307
		Woodstove Standards and Fees		192	192
		Zero-Emission Vehicle Legislation	254		254
	Pollution Liab Insur	CTS Central Services		(5)	(5)
		DES Central Services		22	22
		Extend Technology Modernization		820	820
		Legal Services		4	4
		Non-Rep General Wage Increase		80	80
		Non-Rep Targeted Pay Increases		16	16
		OFM Central Services		9	9
		PERS & TRS Plan 1 Benefit Increase		2	2
		State Public Employee Benefits Rate		1	1
		Tank Insurance Programs Study		100	100
	Parks/Rec Commission	Archives/Records Management		3	3
		Audit Services		4	4
		CTS Central Services		(291)	(291)
		DES Central Services		29	29
		Electric Vehicle Infrastructure		1	1
		Equipment Replacement Costs	1,831	169	2,000
		Health Coalition FSA Fund Transfer	(20)	(122)	(142)
		Improve Business Processes and Data	425		425
		Legal Services		46	46
		Maintain Critical Core Operations	10,000		10,000
		Mandated Compensation Increases	77	231	308
		Meet Customer Expectations	1,195		1,195
		Modernize Parks Technology	761		761
		Non-Rep General Wage Increase	185	572	757
		Non-Rep Premium Pay	2	8	10
		Non-Rep Salary Schedule Revision	15	49	64
		Non-Rep Targeted Pay Increases	13	32	45
		OFM Central Services		570	570
		Orca Transit Pass Funding Transfer	(2)	(72)	(74)
		PERS & TRS Plan 1 Benefit Increase	22	76	98
		Protect and Maintain State Parks	4,500		4,500
		Protect Natural Resources	1,262		1,262
		State Public Employee Benefits Rate	3	9	12
		State Rep Employee Benefits Rate	16	66	82
		Support Orca Recovery Efforts	487	52	539
		WFSE General Government	781	3,124	3,905
	Rec/Conserv Fund Bd	ALEA Grant Management Adjustment		(175)	(175)
		CTS Central Services	(7)	(11)	(18)
		DES Central Services	42	64	106
		Economic Analysis of Recreation	50		50
		Electric Vehicle Infrastructure		1	1
		Health Coalition FSA Fund Transfer		(2)	(2)
		Lead Entities	2,400		2,400
		Legal Services	2	3	5
		Non-Rep General Wage Increase	42	131	173
		Non-Rep Targeted Pay Increases		6	6
		OFM Central Services	13	19	32

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		
			Near General F	Other Funds	Grand Total
	Rec/Conserv Fund Bd	PERS & TRS Plan 1 Benefit Increase	2	8	10
		State Public Employee Benefits Rate		2	2
		State Rep Employee Benefits Rate		5	5
		Update Salmon Recovery Strategy	150		150
		WFSE General Government		255	255
	Environmental Hrgs	CTS Central Services	354		354
		DES Central Services	27		27
		Legal Services	3		3
		Non-Rep General Wage Increase	160		160
		Non-Rep Premium Pay	14		14
		OFM Central Services	12		12
		Orca Transit Pass Funding Transfer	(2)		(2)
		PERS & TRS Plan 1 Benefit Increase	4		4
		State Public Employee Benefits Rate	2		2
	Conservation Comm	Conservation Science Program	538		538
		Conservation Technical Assistance	4,000		4,000
		CTS Central Services	(10)		(10)
		DES Central Services	31		31
		Electric Vehicle Infrastructure	5		5
		Legal Services	5		5
		Non-Rep General Wage Increase	182	15	197
		Non-Rep Targeted Pay Increases	28	14	42
		OFM Central Services	16		16
		PERS & TRS Plan 1 Benefit Increase	4		4
		State Public Employee Benefits Rate	4		4
		Voluntary Stewardship Program		801	801
	Fish & Wildlife	Archives/Records Management	1	5	6
		Assoc of Fish & Wild Prof Agreement	2,409	5,474	7,883
		Audit Services	3	10	13
		Authority Adjustment to Revenue		(13,400)	(13,400)
		Coalition of Unions	1,585	4,571	6,156
		CTS Central Services	(134)	(508)	(642)
		DES Central Services	68	257	325
		Electric Vehicle Infrastructure	28	107	135
		Enforcement Records Management	1,084	400	1,484
		Enhance Conservation	1,280		1,280
		Enhance Fishing	5,348	1,530	6,878
		Enhance Hunting		826	826
		Enhance RFEGs	700	771	1,471
		Global Wildlife Trafficking	298		298
		Health Coalition FSA Fund Transfer	(368)	(106)	(474)
		Legal Services	90	342	432
		Maintain Columbia River Endorsement		2,961	2,961
		Maintain Conservation	3,392		3,392
		Maintain Customer Service	1,872		1,872
		Maintain Fishing and Hatcheries	3,732	5,656	9,388
		Maintain Hunting		3,072	3,072
		Maintain Land Management	2,640		2,640
		Maintain Shellfish & Public Safety	2,524		2,524
		Maintain Wildlife Conflict Response	4,360		4,360
		Non-Rep General Wage Increase	887	1,743	2,630
		Non-Rep Salary Schedule Revision	35	47	82
		Non-Rep Targeted Pay Increases	101	236	337
		OFM Central Services	268	1,021	1,289
		Orca Transit Pass - Outside CBAs	2	4	6
		Orca Transit Pass Funding Transfer	(30)	(84)	(114)
		Orca Whale Recovery - Capacity	580		580

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Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Orca Whale Recovery - Prey	10,530		10,530
		Orca Whale Recovery - Vessels	1,683		1,683
		PERS & TRS Plan 1 Benefit Increase	84	221	305
		Salmon Marking Trailers	270	240	510
		State Data Center Migration	963		963
		State Public Employee Benefits Rate	16	35	51
		State Rep Employee Benefits Rate	69	197	266
		WFSE General Government	152	2,032	2,184
	Puget Sound Partner	Audit Services	1		1
		CTS Central Services	(12)	(6)	(18)
		DES Central Services	52	23	75
		Electric Vehicle Infrastructure	1		1
		Lease Rate - Olympia Office	55	25	80
		Legal Services	1	1	2
		Monitoring to Accelerate Recovery	1,296		1,296
		Non-Rep General Wage Increase	202	175	377
		OFM Central Services	21	9	30
		Orca - Vessel Workgroup Support	326		326
		Orca Transit Pass - Outside CBAs	10	8	18
		Orca Transit Pass Funding Transfer	(10)	(8)	(18)
		PERS & TRS Plan 1 Benefit Increase	6	4	10
		Promote Accountability Measures	834		834
		Puget Sound Scientific Research	2,222		2,222
		Restore Puget Sound Salmon Runs	977		977
		State Public Employee Benefits Rate	4	2	6
	Natural Resources	Adaptive Management Program	(1,066)		(1,066)
		Agricultural College Trust Mgmt.	326	(63)	263
		Archives/Records Management	1	4	5
		Audit Services	2	6	8
		Balance to Available Revenue		(1,242)	(1,242)
		Business Analysis & One Washington	66	31	97
		Coastal Marine Advisory Council		(33)	(33)
		CTS Central Services	(117)	(564)	(681)
		DES Central Services	67	274	341
		Electric Vehicle Infrastructure	1	2	3
		Environmental Resilience		7,986	7,986
		Fairview Remediation		304	304
		Health Coalition FSA Fund Transfer	(24)	(106)	(130)
		Legal Services	182	849	1,031
		Non-Rep General Wage Increase	332	1,462	1,794
		Non-Rep Premium Pay	2	22	24
		Non-Rep Salary Schedule Revision	15	97	112
		Non-Rep Targeted Pay Increases	2	6	8
		Off-Road Vehicles	1,300	(1,300)	0
		OFM Central Services	213	1,014	1,227
		Orca Transit Pass - Outside CBAs		2	2
		Orca Transit Pass Funding Transfer	(18)	(72)	(90)
		PERS & TRS Plan 1 Benefit Increase	40	180	220
		State Public Employee Benefits Rate	6	23	29
		State Rep Employee Benefits Rate	31	135	166
		WFSE General Government	951	3,627	4,578
		Wildfire and Forest Health	21,881		21,881
		WPEA General Government	968	5,074	6,042
	Agriculture, Dept of	Archives/Records Management	1		1
		Audit Services		1	1
		Balance to Available Revenue		(36)	(36)
		CTS Central Services	(151)	(196)	(347)

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Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Agriculture, Dept of	DES Central Services	29	88	117
		Electric Vehicle Infrastructure	28	37	65
		Electronic Tracking of Cattle		698	698
		Health Coalition FSA Fund Transfer	(6)	(130)	(136)
		Legal Services	21	95	116
		Livestock Branding Inspection	244	(1,000)	(756)
		Manure Risk Assessment	200		200
		Minimum wage remove double count		(2)	(2)
		Non-Rep General Wage Increase	533	1,841	2,374
		Non-Rep Premium Pay	66	36	102
		Non-Rep Salary Schedule Revision		172	172
		Non-Rep Targeted Pay Increases	44	205	249
		OFM Central Services	302	393	695
		Orca Transit Pass Funding Transfer	(8)	(42)	(50)
		PERS & TRS Plan 1 Benefit Increase	22	106	128
		Pesticide Safety Education	500		500
		Shellfish Coordination		250	250
		Spartina Program Reduction		(400)	(400)
		State Data Center Transfer	64	262	326
		State Public Employee Benefits Rate	11	37	48
		State Rep Employee Benefits Rate	7	67	74
		WA State Soil Health Initiative	750		750
		WFSE General Government	63	6,047	6,110
		WPEA General Government	324	275	599
		WSDA Cannabis Program		1,270	1,270
Transportation	Patrol, Wash State	Archives/Records Management	3		3
		Audit Services	1		1
		Coalition of Unions	89		89
		County Criminal Justice Services		510	510
		Criminal Investigation Technology	39		39
		CTS Central Services	(203)		(203)
		DES Central Services	39		39
		DNA Laboratory Staffing	2,554		2,554
		Drug and Gang Task Force		700	700
		Executive Protection Funding	1,303		1,303
		Health Coalition FSA Fund Transfer	(30)	(20)	(50)
		I-1639 Gun Violence Protection	203		203
		Interagency Bomb Squad Suits	2		2
		Land Mobile Radio System Upgrade	66		66
		Legal Services	40		40
		Missing/Exploited Child Task Force	3,949		3,949
		Non-Rep General Wage Increase	426	213	639
		Non-Rep Premium Pay	78	132	210
		Non-Rep Salary Schedule Revision	24	7	31
		OFM Central Services	392		392
		Orca Transit Pass Funding Transfer	(78)	(54)	(132)
		PERS & TRS Plan 1 Benefit Increase	54	28	82
		PTE Local 17 General Government	14		14
		Radio Communications Replacement	118		118
		Reallocation of Debt Service	(334)		(334)
		Sexual Assault Kit Tracking Funding	1,042	(1,044)	(2)
		State Public Employee Benefits Rate	17	1	18
		State Rep Employee Benefits Rate	35	20	55
		Toxicology Laboratory Staffing	2,356		2,356
		WFSE General Government	1,987	1,353	3,340
		WPEA General Government	328	122	450
		WSP Lieutenants/Captains	174		174
		WSP Troopers	437		437

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Licensing, Dept of	Appraisal Management Companies		192	192
		Audit Services		3	3
		Cloud - Continuity of Operations	38	578	616
		CTS Central Services	(2)	(50)	(52)
		Data Stewardship & Privacy	45	687	732
		DES Central Services	2	31	33
		Electric Vehicle Infrastructure		2	2
		Health Coalition FSA Fund Transfer	(4)	(38)	(42)
		Implementation of I-1639	1,691		1,691
		Legal Services	7	116	123
		Non-Rep General Wage Increase	14	337	351
		Non-Rep Salary Schedule Revision		13	13
		OFM Central Services	10	161	171
		PERS & TRS Plan 1 Benefit Increase	2	36	38
		Replace Legacy Firearms System	4,053		4,053
		State Public Employee Benefits Rate		4	4
		State Rep Employee Benefits Rate	2	22	24
		WFSE General Government	71	1,477	1,548
Public Schools	Public Instruc, Sup	Administrative Hearings	93		93
		Archives/Records Management	1		1
		Audit Services	26		26
		Career Connected Learning	6,101		6,101
		Computer Science K-12 Expansion	4,000		4,000
		CTS Central Services	(162)		(162)
		DES Central Services	203		203
		Dual Language	3,250		3,250
		Electric Vehicle Infrastructure	1		1
		Enhanced Institution Funding	5,250		5,250
		Legal Services	154		154
		Local Effort Assistance	213,568		213,568
		Next Gen Science Standards	4,000		4,000
		Non-Rep General Wage Increase	2,112	1,296	3,408
		Non-Rep Salary Schedule Revision	92	24	116
		Non-Rep Targeted Pay Increases	8		8
		OFM Central Services	311		311
		Paraeducator Training	24,558		24,558
		PERS & TRS Plan 1 Benefit Increase	43,298	28	43,326
		PESB Career Pathways in Education	1,040		1,040
		SBE Competency Based Diploma	242		242
		School Employee Benefits Board	645,590		645,590
		School Financial System Redesign	2,377		2,377
		School Safety Academy & Website	392		392
		Shift GF-S to Education Legacy	0		0
		Single Sign-on	2,400		2,400
		Special Education Multiplier	94,454		94,454
		State Public Employee Benefits Rate	39	23	62
		Student Mental Health & Safety	7,497		7,497
		Student Support Staffing	155,915		155,915
		Website ADA compliance	161		161
Higher Education	Student Achieve C	Audit Services	2	2	4
		Career Connected Learning	3,706		3,706
		College Bound WSOS Adjustment	2,127		2,127
		Continue Program Suspensions	(9,514)		(9,514)
		CTS Central Services	(15)	(18)	(33)
		DES Central Services	3	3	6
		Increase FAFSA Completion	1,155		1,155
		Legal Services	12	14	26
		Mental Health Scholarship	2,000		2,000

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Student Achieve C	National Guard Grant	3,000		3,000
		Non-Rep General Wage Increase	484	504	988
		Non-Rep Salary Schedule Revision	6	6	12
		Non-Rep Targeted Pay Increases	6	6	12
		OFM Central Services	40	47	87
		Opportunity Scholarship State Match	12,000		12,000
		PERS & TRS Plan 1 Benefit Increase	12	10	22
		State Public Employee Benefits Rate	8	9	17
		Teacher Shortage Scholarships	1,600		1,600
		Washington College Promise	103,300		103,300
	U of Washington	Archives/Records Management	22	40	62
		Audit Services	16	32	48
		CAMCET Clean Energy Operations	2,000		2,000
		Career Connected Learning	278		278
		CTS Central Services	(4,190)	(7,781)	(11,971)
		DES Central Services	182	338	520
		Electric Vehicle Infrastructure	2	3	5
		Enhancements and Student Supports	8,838		8,838
		Foundational Support	25,500		25,500
		Health Coalition FSA Fund Transfer	(132)	(1,632)	(1,764)
		Labor Archive	600		600
		Legal Services	278	518	796
		Mental Health Residency	2,000		2,000
		Non-Rep General Wage Increase	17,346	132,089	149,435
		Ocean Acidification Response	501		501
		Ocean Acidification Sampling		200	200
		OFM Central Services	6,404	11,893	18,297
		PERS & TRS Plan 1 Benefit Increase	305	1,507	1,812
		State Public Employee Benefits Rate	257	2,126	2,383
		State Rep Employee Benefits Rate	63	1,073	1,136
		State Tax - Wellness Gift Card	2	28	30
		UW Dental School	2,000		2,000
		UW Hospital Support	14,000		14,000
		UW Police - Teamsters 117	124	342	466
		UW SEIU 1199	2	248	250
		UW SEIU 925	2,067	42,452	44,519
		UW WFSE Police Management	61	130	191
	Washington State U	Additional Legal Services	460		460
		Administrative Hearings	6	6	12
		Archives/Records Management	9	9	18
		Audit Services	9	9	18
		Career Connected Learning	278		278
		CTS Central Services	(1,729)	(1,729)	(3,458)
		DES Central Services	78	78	156
		Electric Vehicle Infrastructure	1	1	2
		Enhancements and Student Supports	6,162		6,162
		Foundational Support	9,800		9,800
		Four-year Higher Ed WFSE	238	252	490
		Health Coalition FSA Fund Transfer	(6)	(8)	(14)
		Legal Services	302	302	604
		Medical School - Completion Funding	10,800	6,558	17,358
		Non-Rep General Wage Increase	15,439	25,481	40,920
		Non-Rep Minimum Starting Wage	40	50	90
		Non-Rep Salary Schedule Revision	339	366	705
		Non-Rep Targeted Pay Increases	171	256	427
		OFM Central Services	2,641	2,641	5,282
		PERS & TRS Plan 1 Benefit Increase	256	88	344
		Remove Minimum Wage Double Count	(49)	(218)	(267)

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Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
		Renewable Energy Program	1,411		1,411
		Soil Health Initiative	2,809		2,809
		State Public Employee Benefits Rate	302	563	865
		State Rep Employee Benefits Rate	8	8	16
		State Tax - Wellness Gift Card	5	2	7
		WSU Police Guild	83	87	170
	Eastern Wash Univers	Administrative Hearings	1	1	2
		Archives/Records Management	2	2	4
		Audit Services	4	4	8
		Career Connected Learning	278		278
		CTS Central Services	(394)	(364)	(758)
		DES Central Services	17	16	33
		Electric Vehicle Infrastructure	1	1	2
		Enhancements and Student Supports	2,176		2,176
		Foundational Support	2,500		2,500
		Four-year Higher Ed PSE	189	398	587
		Four-year Higher Ed WFSE	1,221	1,640	2,861
		Health Coalition FSA Fund Transfer	(62)	(110)	(172)
		Legal Services	57	53	110
		Lucy Covington Center Archive	250		250
		Non-Rep General Wage Increase	3,099	4,664	7,763
		OFM Central Services	600	554	1,154
		PERS & TRS Plan 1 Benefit Increase	62	14	76
		State Public Employee Benefits Rate	46	84	130
		State Rep Employee Benefits Rate	26	39	65
		State Tax - Wellness Gift Card	2		2
	Central Wash Univers	Archives/Records Management	2	2	4
		Audit Services	4	3	7
		Career Connected Learning	278		278
		CTS Central Services	(415)	(399)	(814)
		DES Central Services	18	17	35
		Electric Vehicle Infrastructure	1	1	2
		Enhancements and Student Supports	2,108		2,108
		Foundational Support	2,600		2,600
		Four-year Higher Ed PSE	297	407	704
		Four-year Higher Ed WFSE	644	621	1,265
		Health Coalition FSA Fund Transfer	(44)	(54)	(98)
		Legal Services	37	36	73
		Non-Rep General Wage Increase	3,885	4,532	8,417
		Non-Rep Minimum Starting Wage	1		1
		Non-Rep Salary Schedule Revision	259	249	508
		Non-Rep Targeted Pay Increases	20	56	76
		OFM Central Services	632	608	1,240
		PERS & TRS Plan 1 Benefit Increase	91	14	105
		Remove Minimum Wage Double Count		(2)	(2)
		State Public Employee Benefits Rate	83	107	190
		State Rep Employee Benefits Rate	17	21	38
		State Tax - Wellness Gift Card	2		2
	Evergreen State Coll	Archives/Records Management	1	1	2
		Audit Services	1	1	2
		Career Connected Learning	278		278
		Central Services - Attorney General	64	96	160
		CTS Central Services	(161)	(174)	(335)
		DES Central Services	20	23	43
		Enhancements and Student Supports	1,146		1,146
		Foundational Support	2,400		2,400
		Four-year Higher Ed WFSE	435	664	1,099

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Functional Area	Agency	Item Title	Fund Title		
			Near General F	Other Funds	Grand Total
	Evergreen State Coll	Health Coalition FSA Fund Transfer	(30)	(50)	(80)
		Legal Services	33	35	68
		Non-Rep General Wage Increase	1,320	2,185	3,505
		OFM Central Services	247	268	515
		PERS & TRS Plan 1 Benefit Increase	44	4	48
		Remove Minimum Wage Double Count	(11)	(18)	(29)
		Special Education Study	800		800
		State Public Employee Benefits Rate	26	43	69
		State Rep Employee Benefits Rate	13	22	35
		Support WSIPP Projects	209		209
	Western Wash Univers	Archives/Records Management	2	2	4
		Audit Services	3	3	6
		Career Connected Learning	278		278
		CTS Central Services	(479)	(460)	(939)
		DES Central Services	22	20	42
		Enhancements and Student Supports	3,126		3,126
		Foundational Support	2,400		2,400
		Four-year Higher Ed PSE	1,222	2,254	3,476
		Four-year Higher Ed WFSE	904	2,072	2,976
		Health Coalition FSA Fund Transfer	(54)	(84)	(138)
		Legal Services	60	57	117
		Non-Rep General Wage Increase	4,148	5,569	9,717
		OFM Central Services	731	702	1,433
		PERS & TRS Plan 1 Benefit Increase	85	18	103
		Remove Minimum Wage Double Count	(75)	(90)	(165)
		State Public Employee Benefits Rate	84	122	206
		State Rep Employee Benefits Rate	37	55	92
		State Tax - Wellness Gift Card	2		2
	Community/Tech Coll	Adjust Compensation Double Count	(24,901)	(12,345)	(37,246)
		Archives/Records Management	32	13	45
		Audit Services	32	12	44
		BH Workforce Credentialing	300		300
		Career Connected Learning	22,656		22,656
		CTS Central Services	(6,064)	(2,358)	(8,422)
		DES Central Services	289	113	402
		Enhancements and Student Supports	26,444		26,444
		Expand Worker Training	12,000		12,000
		Foundational Support	19,100		19,100
		Guided Pathways	8,000		8,000
		Health Coalition FSA Fund Transfer	(846)	(991)	(1,837)
		Highline CC WPEA	889	1,054	1,943
		Legal Services	378	147	525
		Non-Rep General Wage Increase	48,787	31,051	79,838
		Non-Rep Minimum Starting Wage	6	40	46
		Non-Rep Premium Pay	16,329	8,632	24,961
		Non-Rep Salary Schedule Revision	42	24	66
		Non-Rep Targeted Pay Increases	68	2	70
		OFM Central Services	9,239	3,592	12,831
		PERS & TRS Plan 1 Benefit Increase	765	202	967
		Remove Minimum Wage Double Count	(133)	(784)	(917)
		State Public Employee Benefits Rate	1,340	969	2,309
		State Rep Employee Benefits Rate	392	291	683
		State Tax - Wellness Gift Card	12	11	23
		Training Video Update	3		3
		WFSE Community College Coalition	9,528	10,294	19,822
		WPEA Community College Coalition	4,959	4,946	9,905
		Yakima Valley CC WPEA	591	613	1,204

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Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
Other Education	Blind, School for	Adjust Compensation Double Count	(109)	(87)	(196)
		CTS Central Services	(45)		(45)
		DES Central Services	2		2
		Electric Vehicle Infrastructure	5		5
		Health Coalition FSA Fund Transfer	(28)	(4)	(32)
		Legal Services	4		4
		Non-Rep General Wage Increase	179		179
		Non-Rep Salary Schedule Revision	20		20
		OFM Central Services	78		78
		PERS & TRS Plan 1 Benefit Increase	19	7	26
		State Data Center/Cloud Co-Location	392		392
		State Public Employee Benefits Rate	2		2
		State Rep Employee Benefits Rate	11	4	15
		Student Wellness and Safety	234		234
		WFSE General Government	331	28	359
		WPEA General Government	145	120	265
	WA St. CDHL	Adjust Compensation Double Count	(199)		(199)
		Audit Services	2		2
		CTS Central Services	(60)		(60)
		DES Central Services	3		3
		Electric Vehicle Infrastructure	3		3
		Fiscal & Financial Services	1,000		1,000
		Health Coalition FSA Fund Transfer	(48)		(48)
		Legal Services	15		15
		Non-Rep General Wage Increase	139		139
		OFM Central Services	101		101
		PERS & TRS Plan 1 Benefit Increase	29		29
		School Social Worker	268		268
		State Public Employee Benefits Rate	2		2
		State Rep Employee Benefits Rate	22		22
		Statewide Outreach Program	3,236		3,236
		WA Career Academy for the Deaf	221		221
		WFSE General Government	691		691
		WPEA General Government	277		277
	Workforce Trng Bd	Audit Services	1	1	2
		Career Connected Learning	290		290
		CTS Central Services	(4)	(4)	(8)
		DES Central Services	1		1
		Health Workforce Council	480		480
		Legal Services	2	2	4
		Non-Rep General Wage Increase	45	72	117
		OFM Central Services	10	9	19
		PERS & TRS Plan 1 Benefit Increase	2	4	6
		State Public Employee Benefits Rate		2	2
		State Rep Employee Benefits Rate	1	2	3
		WFSE General Government	70	93	163
	Arts Commission	Care of State-owned Public Art	330		330
		CTS Central Services	308		308
		DES Central Services	51		51
		Folk Arts Job Stimulation Program	350		350
		Legal Services	2		2
		Non-Rep General Wage Increase	66	21	87
		OFM Central Services	10		10
		PERS & TRS Plan 1 Benefit Increase	2		2
		State Public Employee Benefits Rate	2		2
		WFSE General Government	27	8	35

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Dollars in thousands

Functional Area	Agency	Item Title	Fund Title		Grand Total
			Near General F	Other Funds	
	Hist Society, WA St	Audit Services	3		3
		CTS Central Services	832		832
		DES Central Services	1		1
		Legal Services	7		7
		Non-Rep General Wage Increase	186	39	225
		Non-Rep Salary Schedule Revision	12		12
		Non-Rep Targeted Pay Increases	26		26
		OFM Central Services	31		31
		Orca Transit Pass - Outside CBAs	18	4	22
		Orca Transit Pass Funding Transfer	(18)	(4)	(22)
		PERS & TRS Plan 1 Benefit Increase	4		4
		Risk Management	191		191
		State Data Center Migration	94		94
		State History Collections Access	366		366
		State Public Employee Benefits Rate	4		4
		Statewide & Tribal Outreach	276		276
	Hist Society, E Wash	Audit Services	4		4
		Cloud-enabled Software	292		292
		CTS Central Services	(17)		(17)
		DES Central Services	122		122
		Legal Services	6		6
		Maintenance Staffing	842	(842)	0
		Non-Rep General Wage Increase	98	69	167
		Non-Rep Targeted Pay Increases	18		18
		OFM Central Services	25		25
		PERS & TRS Plan 1 Benefit Increase	2	2	4
		Security Personnel	142		142
		State Data Center Migration	97		97
		State Public Employee Benefits Rate	2	2	4
			3,557,419	1,928,746	5,486,165