

Department of Commerce

RCW 43.330

Current Law Budget

Request	\$545,827,000	
Net change from current biennium	\$60,992,528	Increase
Percent change from current biennium	12.6%	Increase

The Department of Commerce provides funding and technical assistance to local governments and community based organizations to advance the economic, social, and physical well being of Washington's citizens and businesses. Four divisions within Commerce (Business Services, Community Services and Housing, Energy and Innovation, and Local Government and Infrastructure) provide direct services in support of the agency's mission. Along with the Director's Office, the Administrative Services Division and the External Relations Division provide support to the four direct service divisions. Commerce provides administrative support to independent state policy councils such as the Public Works Board, the Community Economic Revitalization Board, and the Developmental Disabilities Council. The agency also has a statutory relationship with the Washington State Affordable Housing Advisory Board.

Agency Mission

The mission of the Department of Commerce is to grow and improve jobs in Washington state by championing thriving communities, a prosperous economy and a sustainable infrastructure.

Agency Level Summary

Operating Budget: Summary

2015-17 Appropriations	Appropriated Funds		Expenditures		
	Amount	Estimated Balance	2013-15 Actual	2015-17 Estimated	2017-19 Proposed
123,512,000	870,085	General Fund - Basic Account - State	125,557,202	122,641,915	128,037,000
276,487,000	49,646,344	General Fund - Basic Account - Federal	216,478,742	226,840,656	296,025,000
30,280,844		General Fund - Basic Account - Federal Unanticipated	276,771	30,280,844	
8,162,000	4,187,000	General Fund - Basic Account - Private/Local	2,331,367	3,975,000	8,667,000
149,000	149,000	General Fund - Basic Account - Federal Stimulus	55,004		
		Drinking Water Assistance Account - State			49,000
7,413,000		Public Works Assistance Account - State	3,001,474	7,413,000	7,900,000
490,000		Drinking Water Assistance Admin - State	210,981	490,000	513,000
181,000		Lead Paint Account - State	79,362	181,000	242,000
15,000		Building Code Council Account - State	13,000	15,000	15,000
2,150,000		Econ Dev Strategic Reserve Account - State		2,150,000	52,000
643,000		Liquor Excise Tax Account - State		643,000	671,000
35,023,000		Home Security Fund Account - State	20,036,976	35,023,000	38,926,000
472,000		Energy Freedom Account - State		472,000	32,000
13,860,000	690,156	Affordable Housing for All Account - State	8,610,602	13,169,844	13,873,000
1,776,000		Financial Fraud & Id Theft Crimes - State	754,302	1,776,000	1,975,000
2,148,000		Low-Income Weatherization Asst Acct - State	1,850,471	2,148,000	1,399,000
20,000		Recreation Access Pass Account - State		20,000	
3,193,000	406,464	Community/Economic Development Fee - State	2,484,974	2,786,536	4,636,000
468,000		Financial Services Regulation Acct - State		468,000	
5,607,000		Liquor Revolving Account - State	5,597,064	5,607,000	5,615,000
12,703,000		Washington Housing Trust Account - State	9,025,888	12,703,000	12,650,000

		Appropriated Funds			
45,000		Prostitution Prevent/Intervention - State	59,688	45,000	26,000
794,000		Public Facility Const Loan Revolv - State	736,984	794,000	852,000
<u>525,591,844</u>	<u>55,949,049</u>	Total Appropriated Funds	<u>397,160,852</u>	<u>469,642,795</u>	<u>522,155,000</u>
		Non-Appropriated Funds			
		Industrial Insurance Premium Refund - Non-Appropriated	9,809	232	
		Individual Development Account Prog - Non-Appropriated	64,303	29,000	
		Transitional Housing Oper & Rent - Non-Appropriated	8,548,055	7,500,000	
		Broadband Mapping Account - Nonapprop Fed Stimulus	2,923,499		
		Foreclosure Fairness Account - Non-Appropriated	7,888,908	4,102,800	10,410,000
		Investing In Innovation Account - Non-Appropriated	417,288	845,304	
		Shelter to Housing Project Account - Non-Appropriated	691,173		
		Energy Account - Non-Appropriated	131,385		
		Mobile Home Park Relocation Account - Non-Appropriated	189,688	795,000	806,000
		Washington Sexual Assault Kit Acct - Non-Appropriated		437,000	
		Hanford Area Economic Investment - Non-Appropriated	214,071	212,670	394,000
		Miscellaneous Program Account - Non-Appropriated	4,623,252	1,269,671	12,062,000
		Total Non-Appropriated Funds	<u>25,701,431</u>	<u>15,191,677</u>	<u>23,672,000</u>

Capital Budget: Summary*

2015-17 Appropriations		Appropriated Funds	Expenditures		
Amount	Estimated Balance		2013-15 Actual	2015-17 Estimated	2017-19 Proposed
398,808,638	333,725,000	Drinking Water Assistance Account - State	17,820,247	65,083,638	
410,606,995	260,511,983	State Building Construction Account - State	220,398,759	150,095,012	488,604,000
		State Building Construction Account - Private/Local Unanticipated	250,000		
194,104,019	140,806,000	Public Works Assistance Account - State	31,121,046	53,298,019	40,600,000
		Drinking Water Assistance Repayment - State	81,588,568		
6,500,000	6,450,000	Energy Recovery Act Account - State		50,000	6,450,000
		Energy Recovery Act Account - Unantic Fed Stimulus	1,017,675		
1,149,622	160,000	Local Toxics Control Account - State	336,534	989,622	160,000
303,070	24,000	Environ Legacy Stewardship Account - State	221,158	279,070	24,000
183,883,659	106,672,000	State Tax Bld Construction Account - State	253,633,465	77,211,659	176,072,000
5,998,420	5,987,000	Washington Housing Trust Account - State	2,684,015	11,420	9,168,000
2,656,487	840,000	Rural Washington Loan Account - State	1,852,372	1,816,487	7,590,000
28,411,417	25,506,000	Public Facility Const Loan Revolv - State	11,569,296	2,905,417	35,506,000
<u>1,232,422,327</u>	<u>880,681,983</u>	Total Appropriated Funds	<u>622,493,135</u>	<u>351,740,344</u>	<u>764,174,000</u>

*For detail projects, see 2017-19 Capital Plan.

Operating Budget: Change from Preceding Biennium

	2013-15 Actual		2015-17 Estimated		2017-19 Proposed	
	Amount	Percent	Amount	Percent	Amount	Percent
Total	(44,477,788)	(9.5)%	61,972,189	14.7%	60,992,528	12.6%

Employment Summary

	2014-15 Actual	2015-16 Estimated	2016-17 Estimated	2017-18 Proposed	2018-19 Proposed
FTE Staff Years	279.8	262.6	320.2	277.5	282.5

Agency Local Funds

Child Care Facility Revolving Account

This account was established in 1989 to provide grants and loans to assist persons, businesses, or organizations to start licensed child care facilities or to make capital improvements in existing child care facilities. Original funding was provided to this account through federal block money from the Department of Social and Health Services. The income stream is maintained by loan repayments and interest earnings.

Miscellaneous Program Account

This revenue comes from loan repayment or grant recovery directly related to the federal HOME Investment Partnership program income. Federal HOME requires any repayment or recovery must be used for additional HOME eligible activities. The Forest Products Loan Program and the Columbia Gorge Business Loan Program were established in the early 1990s as a result of grants from the US Forest Service; their purpose is to diversify the economics in the Columbia Gorge and the forest products industry statewide. There is no RCW dealing with any of the loan funds that these loan fees are charged on. The source of the revenue is charges allowed by the federal government on the issuance of HUD 108, Coastal and Brownfields loans for the purpose of covering issuance costs in the present and helping to manage the loans in the future (compliance checks, collection, record-keeping).

Developmental Disabilities Endowment Trust Account

This is a special needs trust program for people with developmental disabilities. The special needs trust allows money to be saved and invested without impacting eligibility for public benefits such as SSI and Medicaid and is then used for supplemental services and supports to further enhance the individuals' quality of Life. The funds in each trust are pooled together and are invested by the Washington State Investment Board. There are three main fees, determined by WAC 365-220-080 and the Governing Board, associated to this fund: 1) Enrollment fee: \$600.00 enrollment fee is collected at the time a trust is opened; 2) Annual Tax preparation fee: An annual tax preparation fee of \$75.00 is charged to each individual account and paid to the program's contracted CPA firm; and 3) Annual Management Fee: An annual management fee of 1% of the balance of each account, with a minimum fee of \$75.00 and a maximum fee of \$750.00, and is charged to each individual account on its annual anniversary date.

Statement of Local Fund Balances

	7/1/15 Fund Balance	6/30/17 Estimated Fund Balance	2017-19 Estimated Revenues	2017-19 Estimated Expenditures	6/30/19 Estimated Fund Balance
Non-Budgeted Funds					
Child Care Facility Revolving Account	1,470,897	1,505,188	163,080		1,668,268
Miscellaneous Program Account	105,832,346	107,892,050	2,416,534	12,062,000	98,246,584
Developmental Disabilities Endowment Trust Account	49,861,189	54,627,308	7,667,594	4,299,782	57,995,120
Total Non-Budgeted Funds	157,164,432	164,024,546	10,247,208	16,361,782	157,909,972