



STATE OF WASHINGTON
EMPLOYMENT SECURITY DEPARTMENT

PO Box 9046 • Olympia WA 98507-9046

November 15, 2024

Pat Sullivan, Director
Office of Financial Management
P.O. Box 43113
Olympia, WA 98504-3113

Dear Director Sullivan,

Please accept our response to your November 8, 2024 memo asking for potential reductions in the Employment Security Department's (ESDs) 2025 and 2025-2027 General Fund State (GFS) and near general fund accounts (Employment Services Account, Administrative Contingency Account, and the Workforce Education Investment accounts).

The majority of ESD's General Fund-State funding for the current biennium was provided to meet specific legislative directives and is likely to be needed to meet the proviso requirements. However, funding for the Work Integrated Advisory Committee (\$35,000) and for the Wage Replacement Workgroup (\$47,000) will not be spent. In addition, \$3.7 million of General Fund State funding for the Washington Service Corps stipend will not be utilized in FY 2025. For next biennium, ESD has a General Fund- State carryforward level funding of \$12.7 million per year, largely dedicated to the Economic Security for All program.

ESD has also identified \$47,000 in the Workforce Education Investment account received to cover cost of living adjustment increases, which will not be spent since base funding is expected to be underspent.

If you have any questions regarding this submittal, please contact Dr. Martin Ndicu, Interim Chief Financial Officer, at martin.ndicu@esd.wa.gov or 360-890-0073.

Sincerely,

Cami Feek
Commissioner