

GOVERNMENTAL OPERATIONS

Agency 195

**Washington State Liquor and Cannabis Board
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	361.3	765	94,719	95,484
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(78)	78	0
2. Updated PEBB Rate	0.0	(6)	(212)	(218)
3. Paid Family Leave--Employer Premium	0.0	0	5	5
Maintenance -- Comp Total	0.0	(84)	(129)	(213)
Maintenance Central Services Changes:				
4. Audit Services	0.0	0	10	10
5. Legal Services	0.0	0	(8)	(8)
6. CTS Central Services	0.0	0	(4)	(4)
7. OFM Central Services	0.0	0	9	9
8. Workers' Compensation	0.0	0	(199)	(199)
9. DES Rate Compensation Changes	0.0	0	4	4
Maintenance -- Central Svcs Total	0.0	0	(188)	(188)
Total Maintenance Changes	0.0	(84)	(317)	(401)
2017-19 Maintenance Level	361.3	681	94,402	95,083
Policy Comp Changes:				
10. PERS & TRS Plan 1 Benefit Increase	0.0	0	23	23
Policy -- Comp Total	0.0	0	23	23
Policy Central Services Changes:				
11. Legal Services	0.0	0	11	11
12. Administrative Hearings	0.0	0	6	6
13. CTS Central Services	0.0	0	25	25
14. DES Central Services	0.0	0	6	6
15. OFM Central Services	0.0	0	19	19
16. CTS Fee for Service Adjustment	0.0	0	13	13
Policy -- Central Svcs Total	0.0	0	80	80
Total Policy Changes	0.0	0	103	103
2017-19 Policy Level	361.3	681	94,505	95,186

Agency 195

Washington State Liquor and Cannabis Board (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Move Pension Fund Shift to Agencies				
<p>In the enacted 2017-19 budget, the legislature shifted a portion of General Fund pension costs to the Pension Funding Stabilization Account, and instructed the Office of Financial Management to allocate this change to agency budgets. This item implements that requirement. (General Fund-State; Pension Funding Stabilization Account-State)</p>				
2. Updated PEBB Rate				
<p>The funding rate for the Public Employees' Benefits Board (PEBB) insurance program is adjusted for fiscal year 2019 to reflect updated actuarial projections, administrative costs and payments to third-party administrators. The funding is sufficient for a new virtual diabetes prevention program and a change in the waiting period for dental crown replacements in the Uniform Dental Program (UDP) from seven to five years. The change would bring UDP into alignment with the current waiting period in the managed dental plans. This reduces the fiscal year 2019 funding rate from \$957 per month to \$906. (General Fund-State; General Fund-Federal; Dedicated Marijuana Account-State; other accounts)</p>				
3. Paid Family Leave--Employer Premium				
<p>A paid family and medical leave program was created by Chapter 5, Laws of 2017, 3rd Special Session. Beginning January 1, 2019, the state, as an employer, will be responsible for payment of employer premiums for employees not covered by a collective bargaining agreement. This item provides funding for this obligation. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)</p>				
4. Audit Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)</p>				
5. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)</p>				
6. CTS Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)</p>				

Agency 195

Washington State Liquor and Cannabis Board (cont.)**Recommendation Summary****7. OFM Central Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

8. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

9. DES Rate Compensation Changes

Funding is provided to cover compensation and central service cost increases that were included in the 2017-19 biennial budget in lines of business at the Department of Enterprise Services that have a fee for service structure. (Liquor Revolving Account-State)

10. PERS & TRS Plan 1 Benefit Increase

For eligible Public Employees' and Teachers' Retirement System Plan 1 members, this item provides a one-time ongoing increase of 3%, up to a maximum of \$62.50 per month. (General Fund-Federal; Dedicated Marijuana Account-State; Liquor Revolving Account-State)

11. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

12. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

13. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways and geospatial imaging services. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

14. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

Agency 195

Washington State Liquor and Cannabis Board (cont.)

Recommendation Summary

15. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)

16. CTS Fee for Service Adjustment

Rates for wireless, virtual private network, and server infrastructure services are increased effective January 1, 2018 to align revenues with WaTech's cost of providing services. Monthly rates per device or service will increase for wireless to \$50, Centrex services to \$45 and virtual private network to \$285 per tunnel per month with a \$500 setup fee. (Dedicated Marijuana Account-State; Liquor Revolving Account-State)