

GOVERNMENTAL OPERATIONS

Agency 075

**Office of the Governor
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	50.4	12,239	0	12,239
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(676)	676	0
2. Updated PEBB Rate	0.0	(35)	0	(35)
3. Paid Family Leave--Employer Premium	0.0	3	0	3
Maintenance -- Comp Total	0.0	(708)	676	(32)
Maintenance Central Services Changes:				
4. CTS Central Services	0.0	1	0	1
5. DES Central Services	0.0	2	0	2
6. OFM Central Services	0.0	1	0	1
7. Workers' Compensation	0.0	(3)	0	(3)
8. DES Rate Compensation Changes	0.0	10	0	10
Maintenance -- Central Svcs Total	0.0	11	0	11
Total Maintenance Changes	0.0	(697)	676	(21)
2017-19 Maintenance Level	50.4	11,542	676	12,218
Policy Other Changes:				
9. Oversight Board for DCYF	1.3	405	0	405
10. OEO Database Implementation	0.0	78	0	78
Policy -- Other Total	1.3	483	0	483
Policy Comp Changes:				
11. PERS & TRS Plan 1 Benefit Increase	0.0	4	0	4
Policy -- Comp Total	0.0	4	0	4
Policy Central Services Changes:				
12. CTS Central Services	0.0	3	0	3
13. DES Central Services	0.0	13	0	13
14. OFM Central Services	0.0	3	0	3
15. CTS Fee for Service Adjustment	0.0	8	0	8
Policy -- Central Svcs Total	0.0	27	0	27
Total Policy Changes	1.3	514	0	514
2017-19 Policy Level	51.6	12,056	676	12,732

Agency 075

Office of the Governor (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
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POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. Paid Family Leave--Employer Premium

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. (General Fund-State)

4. 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. (General Fund-State)

5. 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. (General Fund-State)

6. 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. (General Fund-State)

Agency 075

Office of the Governor (cont.)

Recommendation Summary

7. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

8. 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. (General Fund-State)

9. Oversight Board for DCYF

Funding for two FTE staff and Oversight Board expenses is provided to the Office of Family and Children's Ombuds (OFCO), which is tasked with monitoring and ensuring that the Department of Children, Youth, and Families (DCYF) achieves its stated outcomes. These staff will provide administration and support of the board. (General Fund-State)

10. OEO Database Implementation

Funding is provided for the Office of the Education Ombuds (OEO) to replace its database system with one that is compliant with state security standards, creates a mobile responsive and accessible experience for customers, streamlines business processes, increases OEO's ability to participate in the state's open data initiative, and receives ongoing technical support. (General Fund-State)

11. 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-State)

12. 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. (General Fund-State)

13. 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. (General Fund-State)

14. 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. (General Fund-State)

Agency 075

Office of the Governor (cont.)

Recommendation Summary

15. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 080

**Office of the Lieutenant Governor
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	6.8	1,692	95	1,787
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(54)	54	0
2. Updated PEBB Rate	0.0	(4)	0	(4)
Maintenance -- Comp Total	0.0	(58)	54	(4)
Maintenance Central Services Changes:				
3. DES Rate Compensation Changes	0.0	3	0	3
Maintenance -- Central Svcs Total	0.0	3	0	3
Total Maintenance Changes	0.0	(55)	54	(1)
2017-19 Maintenance Level	6.8	1,637	149	1,786
Policy Central Services Changes:				
4. DES Central Services	0.0	2	0	2
Policy -- Central Svcs Total	0.0	2	0	2
Total Policy Changes	0.0	2	0	2
2017-19 Policy Level	6.8	1,639	149	1,788

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

Agency 080

Office of the Lieutenant Governor (cont.)

Recommendation Summary

3. 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. (General Fund-State)

4. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 082

**Public Disclosure Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	20.6	5,698	0	5,698
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(260)	260	0
2. Updated PEBB Rate	0.0	(12)	0	(12)
3. Paid Family Leave--Employer Premium	0.0	1	0	1
Maintenance -- Comp Total	0.0	(271)	260	(11)
Maintenance Central Services Changes:				
4. Legal Services	0.0	(1)	0	(1)
5. OFM Central Services	0.0	2	0	2
6. Workers' Compensation	0.0	(2)	0	(2)
7. DES Rate Compensation Changes	0.0	3	0	3
Maintenance -- Central Svcs Total	0.0	2	0	2
Total Maintenance Changes	0.0	(269)	260	(9)
2017-19 Maintenance Level	20.6	5,429	260	5,689
Policy Other Changes:				
8. Electronic Filing Modernization	2.0	238	0	238
9. Filer Assistance	1.0	81	0	81
10. Centralize IT Systems and Security	0.0	37	0	37
Policy -- Other Total	3.0	356	0	356
Policy Comp Changes:				
11. PERS & TRS Plan 1 Benefit Increase	0.0	2	0	2
Policy -- Comp Total	0.0	2	0	2
Policy Central Services Changes:				
12. Legal Services	0.0	2	0	2
13. CTS Central Services	0.0	1	0	1
14. OFM Central Services	0.0	1	0	1
Policy -- Central Svcs Total	0.0	4	0	4
Total Policy Changes	3.0	362	0	362
2017-19 Policy Level	23.6	5,791	260	6,051

Agency 082

Public Disclosure Commission (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
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POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. Paid Family Leave--Employer Premium

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. (General Fund-State)

4. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

5. 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. (General Fund-State)

6. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

7. 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. (General Fund-State)

Agency 082

Public Disclosure Commission (cont.)

Recommendation Summary

8. Electronic Filing Modernization

The addition of two nonpermanent FTE staff during fiscal years 2019 and 2020 will allow the agency to replace the campaign finance, personal financial affairs, and public agency lobbying electronic filing systems, and to significantly improve several other filing systems. (General Fund-State)

9. Filer Assistance

Funding is provided for one Filer Assistant FTE staff to increase service to the regulated community and the public. Additional filer support will allow the agency to respond to the growing demand for education and assistance with electronic filing systems. (General Fund-State)

10. Centralize IT Systems and Security

Funding is provided for the agency to eliminate its on-premises data center, transfer all data to the Consolidated Technology Service (WaTech) private cloud and obtain wireless and active directory services. Centralizing the agency's data will substantially reduce the risk of information technology system failures and incidents which would prevent access to campaign finance and disclosure information. (General Fund-State)

11. 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-State)

12. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-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. (General Fund-State)

14. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 085

**Office of the Secretary of State
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	281.0	28,596	61,361	89,957
Maintenance Other Changes:				
1. Increased Voters' Pamphlet Costs	0.0	600	0	600
2. Increased Election Costs	0.0	500	0	500
3. Election Reconciliation	0.3	45	0	45
Maintenance -- Other Total	0.3	1,145	0	1,145
Maintenance Comp Changes:				
4. Move Pension Fund Shift to Agencies	0.0	(959)	959	0
5. Updated PEBB Rate	0.0	(48)	(116)	(164)
6. Paid Family Leave--Employer Premium	0.0	3	6	9
Maintenance -- Comp Total	0.0	(1,004)	849	(155)
Maintenance Central Services Changes:				
7. Audit Services	0.0	4	8	12
8. Legal Services	0.0	(1)	0	(1)
9. CTS Central Services	0.0	2	2	4
10. DES Central Services	0.0	2	4	6
11. OFM Central Services	0.0	2	4	6
12. Workers' Compensation	0.0	(16)	(31)	(47)
13. DES Rate Compensation Changes	0.0	11	18	29
Maintenance -- Central Svcs Total	0.0	4	5	9
Total Maintenance Changes	0.3	145	854	999
2017-19 Maintenance Level	281.3	28,741	62,215	90,956
Policy Other Changes:				
14. Increase Access to State Library	0.0	0	250	250
15. Humanities Washington	0.0	74	0	74
16. TVW Equipment Investment	0.0	225	0	225
Policy -- Other Total	0.0	299	250	549

GOVERNMENTAL OPERATIONS

Agency 085

Office of the Secretary of State (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
17. PERS & TRS Plan 1 Benefit Increase	0.0	6	10	16
Policy -- Comp Total	0.0	6	10	16
Policy Central Services Changes:				
18. Legal Services	0.0	1	1	2
19. CTS Central Services	0.0	7	13	20
20. DES Central Services	0.0	15	27	42
21. OFM Central Services	0.0	7	13	20
22. CTS Fee for Service Adjustment	0.0	6	13	19
Policy -- Central Svcs Total	0.0	36	67	103
Total Policy Changes	0.0	341	327	668
2017-19 Policy Level	281.3	29,082	62,542	91,624

POLICY CHANGES

1. Increased Voters' Pamphlet Costs

Funding is provided for production and distribution costs of the 2017 general election voters' pamphlet, which exceeded base funding levels. (General Fund-State)

2. Increased Election Costs

The agency's budget is adjusted to address a shortfall in the state's prorated share of the costs of the primary and general elections in odd-numbered years. (General Fund-State)

3. Election Reconciliation

Funding is provided for 0.3 Data Compiler FTE staff to gather and compile elections-related data for analysis and reporting to implement Chapter 300, Laws of 2017. (General Fund-State)

4. Move Pension Fund Shift to Agencies

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)

Agency 085

Office of the Secretary of State (cont.)**Recommendation Summary****5. Updated PEBB Rate**

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; Public Records Efficiency, Preserv & Access Account-State; other accounts)

6. Paid Family Leave--Employer Premium

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. (General Fund-State; General Fund-Federal; Washington State Heritage Center Account-State; other accounts)

7. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

8. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

9. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State)

10. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

Agency 085

Office of the Secretary of State (cont.)**Recommendation Summary****11. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

12. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

13. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

14. Increase Access to State Library

Increased expenditure authority is provided to improve access to, and awareness of, the State Library collection. (Washington State Heritage Center Account-State)

15. Humanities Washington

Funding is provided to enhance community engagement in local and state issues by expanding the Humanities Washington Speaker's Bureau Community Conversations programming in underserved areas of the state. Funds will be passed through to Humanities Washington, a 501(c)(3) nonprofit organization, and will be matched on a 1:1 basis with federal and private dollars. (General Fund-State)

16. TVW Equipment Investment

Funding is provided to outfit the 106 11th Avenue building on the corner of Capitol Way South with the necessary equipment and infrastructure to provide broadcast-quality programming from the meeting spaces in the building. This equipment investment will be used for a variety of activities including regular live broadcasts of Results Washington meetings, press conferences, statewide staff meetings and other events of statewide significance. (General Fund-State)

17. 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-State; General Fund-Federal; Public Records Efficiency, Preserv & Access Account-State; other accounts)

18. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; Secretary of State's Revolving Account-Non-Appr)

Agency 085

Office of the Secretary of State (cont.)

Recommendation Summary

19. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

20. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

21. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

22. 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. (General Fund-State; Public Records Efficiency, Preserv & Access Account-State; Washington State Heritage Center Account-State; other accounts)

Agency 086

**Governor's Office of Indian Affairs
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	2.0	565	0	565
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(28)	28	0
2. Updated PEBB Rate	0.0	(1)	0	(1)
Maintenance -- Comp Total	0.0	(29)	28	(1)
Maintenance Central Services Changes:				
3. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	1	0	1
Total Maintenance Changes	0.0	(28)	28	0
2017-19 Maintenance Level	2.0	537	28	565
2017-19 Policy Level	2.0	537	28	565

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. 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. (General Fund-State)

Agency 087

**Comm on Asian-Pacific-American Affairs
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	2.0	516	0	516
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(26)	26	0
2. Updated PEBB Rate	0.0	(1)	0	(1)
Maintenance -- Comp Total	0.0	(27)	26	(1)
Total Maintenance Changes	0.0	(27)	26	(1)
2017-19 Maintenance Level	2.0	489	26	515
2017-19 Policy Level	2.0	489	26	515

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

GOVERNMENTAL OPERATIONS

Agency 090

**Office of the State Treasurer
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	67.0	0	18,918	18,918
Maintenance Other Changes:				
1. Internal Audit Function	0.5	0	165	165
Maintenance -- Other Total	0.5	0	165	165
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(41)	(41)
3. Paid Family Leave--Employer Premium	0.0	0	4	4
Maintenance -- Comp Total	0.0	0	(37)	(37)
Maintenance Central Services Changes:				
4. Audit Services	0.0	0	(7)	(7)
5. Legal Services	0.0	0	(1)	(1)
6. CTS Central Services	0.0	0	1	1
7. DES Central Services	0.0	0	1	1
8. OFM Central Services	0.0	0	2	2
9. Workers' Compensation	0.0	0	(2)	(2)
10. DES Rate Compensation Changes	0.0	0	5	5
Maintenance -- Central Svcs Total	0.0	0	(1)	(1)
Total Maintenance Changes	0.5	0	127	127
2017-19 Maintenance Level	67.5	0	19,045	19,045
Policy Comp Changes:				
11. PERS & TRS Plan 1 Benefit Increase	0.0	0	6	6
Policy -- Comp Total	0.0	0	6	6
Policy Central Services Changes:				
12. Legal Services	0.0	0	2	2
13. CTS Central Services	0.0	0	5	5
14. DES Central Services	0.0	0	8	8
15. OFM Central Services	0.0	0	5	5
16. CTS Fee for Service Adjustment	0.0	0	4	4
Policy -- Central Svcs Total	0.0	0	24	24
Total Policy Changes	0.0	0	30	30
2017-19 Policy Level	67.5	0	19,075	19,075

Agency 090

Office of the State Treasurer (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Internal Audit Function				
Funding will allow for an additional FTE staff and expenditure authority for an internal audit function. (State Treasurer's Service Account-State)				
2. Updated PEBB Rate				
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. (State Treasurer's Service Account-State)				
3. Paid Family Leave--Employer Premium				
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. (State Treasurer's Service Account-State)				
4. Audit Services				
Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (State Treasurer's Service Account-State)				
5. Legal Services				
Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (State Treasurer's Service Account-State)				
6. 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. (State Treasurer's Service Account-State)				
7. 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. (State Treasurer's Service Account-State)				

Agency 090

Office of the State Treasurer (cont.)**Recommendation Summary**

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- 8. 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. (State Treasurer's Service Account-State)
- 9. Workers' Compensation**
Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (State Treasurer's Service Account-State)
- 10. 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. (State Treasurer's Service Account-State)
- 11. 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. (State Treasurer's Service Account-State)
- 12. Legal Services**
Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (State Treasurer's Service 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. (State Treasurer's Service 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. (State Treasurer's Service Account-State)
- 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. (State Treasurer's Service 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. (State Treasurer's Service Account-State)

GOVERNMENTAL OPERATIONS

Agency 095

**Office of the State Auditor
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	336.3	60	85,283	85,343
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(244)	(244)
2. Paid Family Leave--Employer Premium	0.0	0	22	22
Maintenance -- Comp Total	0.0	0	(222)	(222)
Maintenance Central Services Changes:				
3. Legal Services	0.0	0	(1)	(1)
4. CTS Central Services	0.0	0	(3)	(3)
5. OFM Central Services	0.0	0	8	8
6. Workers' Compensation	0.0	0	(20)	(20)
7. DES Rate Compensation Changes	0.0	0	3	3
Maintenance -- Central Svcs Total	0.0	0	(13)	(13)
Total Maintenance Changes	0.0	0	(235)	(235)
2017-19 Maintenance Level	336.3	60	85,048	85,108
Policy Other Changes:				
8. State Audit Increase	0.0	0	700	700
Policy -- Other Total	0.0	0	700	700
Policy Comp Changes:				
9. PERS & TRS Plan 1 Benefit Increase	0.0	0	31	31
Policy -- Comp Total	0.0	0	31	31
Policy Central Services Changes:				
10. Legal Services	0.0	0	1	1
11. CTS Central Services	0.0	0	23	23
12. DES Central Services	0.0	0	8	8
13. OFM Central Services	0.0	0	22	22
14. CTS Fee for Service Adjustment	0.0	0	29	29
Policy -- Central Svcs Total	0.0	0	83	83
Total Policy Changes	0.0	0	814	814
2017-19 Policy Level	336.3	60	85,862	85,922

Agency 095

Office of the State Auditor (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
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POLICY CHANGES

1. Updated PEBB Rate

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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-State; other accounts)

2. Paid Family Leave--Employer Premium

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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

3. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Municipal Revolving Account-Non-Appr)

4. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

5. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

6. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

Agency 095

Office of the State Auditor (cont.)**Recommendation Summary****7. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

8. State Audit Increase

Funding will allow the State Auditor's Office to hire 6.4 FTE staff to conduct ten additional program or agency audits. (Performance Audits of Government Account-State)

9. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

10. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Municipal Revolving Account-Non-Appr)

11. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

12. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

13. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-Non-Appr)

Agency 095

Office of the State Auditor (cont.)

Recommendation Summary

14. 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. (Municipal Revolving Account-Non-Appr; Auditing Services Revolving Account-State; Performance Audits of Government Account-State; other accounts)

Agency 099

**Commission on Salaries for Elected Officials
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	1.6	409	0	409
Maintenance Other Changes:				
1. Office Relocation	0.0	52	0	52
Maintenance -- Other Total	0.0	52	0	52
Maintenance Comp Changes:				
2. Move Pension Fund Shift to Agencies	0.0	(30)	30	0
3. Updated PEBB Rate	0.0	(1)	0	(1)
Maintenance -- Comp Total	0.0	(31)	30	(1)
Total Maintenance Changes	0.0	21	30	51
2017-19 Maintenance Level	1.6	430	30	460
2017-19 Policy Level	1.6	430	30	460

POLICY CHANGES

1. Office Relocation

Funding is provided to address one-time tenant improvement costs and ongoing lease costs associated with the agency's move into the Capitol Court Building. (General Fund-State)

2. Move Pension Fund Shift to Agencies

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)

3. Updated PEBB Rate

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)

GOVERNMENTAL OPERATIONS

Agency 100

**Office of the Attorney General
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	1,162.3	17,592	275,291	292,883
Maintenance Other Changes:				
1. Adult Protective Services-Everett	1.8	0	470	470
2. EWU Legal Services	1.8	0	470	470
3. Boldt Litigation	1.3	0	405	405
4. School Employees' Benefits Board	4.5	0	1,159	1,159
5. Skagit River Bridge Litigation	4.3	0	1,113	1,113
6. Medicaid Fraud Technical Correction	1.0	0	1,976	1,976
7. Mental Health Services/Trueblood	3.5	0	940	940
8. Madison v. OSPI Litigation	1.8	0	582	582
9. Reduce Child Rescue Fund Authority	0.0	0	(50)	(50)
Maintenance -- Other Total	19.9	0	7,065	7,065
Maintenance Comp Changes:				
10. Move Pension Fund Shift to Agencies	0.0	(1,606)	1,606	0
11. Updated PEBB Rate	0.0	(70)	(727)	(797)
12. Paid Family Leave--Employer Premium	0.0	7	69	76
Maintenance -- Comp Total	0.0	(1,669)	948	(721)
Maintenance Central Services Changes:				
13. Archives/Records Management	0.0	0	(1)	(1)
14. Audit Services	0.0	0	3	3
15. CTS Central Services	0.0	(1)	(15)	(16)
16. DES Central Services	0.0	1	9	10
17. OFM Central Services	0.0	2	24	26
18. Workers' Compensation	0.0	8	86	94
19. OFM Human Resource Services	0.0	0	1	1
20. DES Rate Compensation Changes	0.0	3	41	44
Maintenance -- Central Svcs Total	0.0	13	148	161
Total Maintenance Changes	19.9	(1,656)	8,161	6,505
2017-19 Maintenance Level	1,182.2	15,936	283,452	299,388

GOVERNMENTAL OPERATIONS

Agency 100

Office of the Attorney General (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Other Changes:				
21. Ratepayer Advocacy	4.8	0	350	350
22. Bellingham Office Relocation	0.0	29	421	450
Policy -- Other Total	4.8	29	771	800
Policy Comp Changes:				
23. PERS & TRS Plan 1 Benefit Increase	0.0	9	100	109
Policy -- Comp Total	0.0	9	100	109
Policy Central Services Changes:				
24. CTS Central Services	0.0	7	73	80
25. DES Central Services	0.0	5	57	62
26. OFM Central Services	0.0	6	67	73
27. CTS Fee for Service Adjustment	0.0	4	37	41
Policy -- Central Svcs Total	0.0	22	234	256
Total Policy Changes	4.8	60	1,105	1,165
2017-19 Policy Level	1,187.0	15,996	284,557	300,553

POLICY CHANGES

1. Adult Protective Services-Everett

Litigation and legal services required by the DSHS Aging and Long-Term Support Administration have increased due to expanded Adult Protective Services staffing. Additional funding will ensure adequate legal support and avoid delays in the protection of a vulnerable population. (Legal Services Revolving Account-State)

2. EWU Legal Services

Funding is provided for legal assistance at Eastern Washington University (EWU) in response to a shift from in-house counsel to the utilization of the Attorney General's Office for legal services. (Legal Services Revolving Account-State)

3. Boldt Litigation

One-time funding is provided to address litigation costs related to Phase II of U.S. v. Washington (Boldt decision), also known as the culverts case. (Legal Services Revolving Account-State)

Agency 100

Office of the Attorney General (cont.)**Recommendation Summary**

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- 4. School Employees' Benefits Board**
The agency's expenditure authority is increased to provide legal services for the newly created School Employees' Benefits Board (SEBB). (Legal Services Revolving Account-State)
 - 5. Skagit River Bridge Litigation**
Increased expenditure authority is provided to continue efforts to recover dollars expended by the Washington State Department of Transportation (WSDOT) and the federal government to replace a span of the Skagit River bridge that collapsed after being struck by an over-height commercial truck in 2013. (Legal Services Revolving Account-State)
 - 6. Medicaid Fraud Technical Correction**
General Fund-Federal expenditure authority is increased to align with grant revenue available from the Office of the Inspector General at the U.S. Department of Health and Human Services. (General Fund-Federal)
 - 7. Mental Health Services/Trueblood**
The agency's expenditure authority is increased to address significant mental health-related litigation and workload increases which require the Attorney General's Office to devote substantial time to provide legal advice, post-trial motions, appeals, and settlement and injunction implementation. (Legal Services Revolving Account-State)
 - 8. Madison v. OSPI Litigation**
Funding is provided to address a workload increase associated with a class action complaint against the Office of the Superintendent of Public Instruction. (Legal Services Revolving Account-State)
 - 9. Reduce Child Rescue Fund Authority**
Expenditure authority for the Child Rescue Fund is reduced to reflect lower than anticipated revenue. (Child Rescue Fund-State)
 - 10. Move Pension Fund Shift to Agencies**
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)
 - 11. Updated PEBB Rate**
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; Public Service Revolving Account-State; Manufactured/Mobile Home Dispute Resolut Pgm Account-Non-Appr; other accounts)

Agency 100

Office of the Attorney General (cont.)

Recommendation Summary

12. Paid Family Leave--Employer Premium

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. (General Fund-State; Medicaid Fraud Penalty Account-State; Legal Services Revolving Account-State; other accounts)

13. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center. (Legal Services Revolving Account-State)

14. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; Legal Services Revolving Account-State)

15. 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. (General Fund-State; Legal Services Revolving Account-State)

16. 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. (General Fund-State; Legal Services Revolving Account-State)

17. 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. (General Fund-State; Legal Services Revolving Account-State)

18. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; Public Service Revolving Account-State; Legal Services Revolving Account-State; other accounts)

19. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (Legal Services Revolving Account-State)

Agency 100

Office of the Attorney General (cont.)**Recommendation Summary****20. 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. (General Fund-State; Legal Services Revolving Account-State)

21. Ratepayer Advocacy

Funding is provided to allow for additional expert witness assistance for the Public Counsel Unit (PCU). Increased funding will enable the PCU to more effectively represent utility ratepayers by widening the range of issues it can address in cases before the Utilities and Transportation Commission. Ratepayers will benefit from added expert analysis and testimony in matters addressing rate increases, service delivery, environmental initiatives and other regulatory issues. (Public Service Revolving Account-State)

22. Bellingham Office Relocation

Funding is provided to relocate the agency's Bellingham office to a safer, more desirable location. (General Fund-State; Legal Services Revolving Account-State)

23. 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-State; Public Service Revolving Account-State; Medicaid Fraud Penalty Account-State; other accounts)

24. 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. (General Fund-State; Public Service Revolving Account-State; Legal Services Revolving Account-State; other accounts)

25. 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. (General Fund-State; Public Service Revolving Account-State; Legal Services Revolving Account-State; other accounts)

26. 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. (General Fund-State; Public Service Revolving Account-State; Legal Services Revolving Account-State; other accounts)

Agency 100

Office of the Attorney General (cont.)

Recommendation Summary

27. 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. (General Fund-State; Legal Services Revolving Account-State)

GOVERNMENTAL OPERATIONS

Agency 101

**Caseload Forecast Council
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	13.0	3,182	0	3,182
Maintenance Other Changes:				
1. Essential Human Resource Services	0.0	22	0	22
2. Legal Services Adjustment	0.0	20	0	20
Maintenance -- Other Total	0.0	42	0	42
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(169)	169	0
4. Updated PEBB Rate	0.0	(6)	0	(6)
5. Paid Family Leave--Employer Premium	0.0	1	0	1
Maintenance -- Comp Total	0.0	(174)	169	(5)
Maintenance Central Services Changes:				
6. DES Rate Compensation Changes	0.0	2	0	2
Maintenance -- Central Svcs Total	0.0	2	0	2
Total Maintenance Changes	0.0	(130)	169	39
2017-19 Maintenance Level	13.0	3,052	169	3,221
Policy Other Changes:				
7. Professional Development & Training	0.0	41	0	41
Policy -- Other Total	0.0	41	0	41
Policy Comp Changes:				
8. PERS & TRS Plan 1 Benefit Increase	0.0	1	0	1
Policy -- Comp Total	0.0	1	0	1
Policy Central Services Changes:				
9. CTS Central Services	0.0	1	0	1
10. OFM Central Services	0.0	1	0	1
11. CTS Fee for Service Adjustment	0.0	1	0	1
Policy -- Central Svcs Total	0.0	3	0	3
Total Policy Changes	0.0	45	0	45
2017-19 Policy Level	13.0	3,097	169	3,266

Agency 101

Caseload Forecast Council (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Essential Human Resource Services				
Funding is provided to augment basic human resource services provided by the Department of Enterprise Services to include consultation and support for labor relations, performance management, classification, workforce management and recruitment. (General Fund-State)				
2. Legal Services Adjustment				
Ongoing funding is provided for anticipated legal services costs. This amount was determined in consultation with the Attorney General's Office. (General Fund-State)				
3. Move Pension Fund Shift to Agencies				
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)				
4. Updated PEBB Rate				
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)				
5. Paid Family Leave--Employer Premium				
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. (General Fund-State)				
6. 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. (General Fund-State)				
7. Professional Development & Training				
Funding is provided to maintain employee professional development, training and associated travel necessary for staff to remain current in complex statistical and database management skills. (General Fund-State)				

Agency 101

Caseload Forecast Council (cont.)

Recommendation Summary

8. 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-State)

9. 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. (General Fund-State)

10. 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. (General Fund-State)

11. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 102

**Department of Financial Institutions
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	198.8	0	53,651	53,651
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(124)	(124)
2. Paid Family Leave--Employer Premium	0.0	0	12	12
Maintenance -- Comp Total	0.0	0	(112)	(112)
Maintenance Central Services Changes:				
3. Legal Services	0.0	0	(3)	(3)
4. CTS Central Services	0.0	0	2	2
5. OFM Central Services	0.0	0	5	5
6. Workers' Compensation	0.0	0	(17)	(17)
7. DES Rate Compensation Changes	0.0	0	1	1
Maintenance -- Central Svcs Total	0.0	0	(12)	(12)
Total Maintenance Changes	0.0	0	(124)	(124)
2017-19 Maintenance Level	198.8	0	53,527	53,527
Policy Comp Changes:				
8. PERS & TRS Plan 1 Benefit Increase	0.0	0	18	18
Policy -- Comp Total	0.0	0	18	18
Policy Central Services Changes:				
9. Legal Services	0.0	0	4	4
10. Administrative Hearings	0.0	0	2	2
11. CTS Central Services	0.0	0	14	14
12. DES Central Services	0.0	0	4	4
13. OFM Central Services	0.0	0	14	14
14. CTS Fee for Service Adjustment	0.0	0	13	13
Policy -- Central Svcs Total	0.0	0	51	51
Total Policy Changes	0.0	0	69	69
2017-19 Policy Level	198.8	0	53,596	53,596

Agency 102

Department of Financial Institutions (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (Financial Services Regulation Account-Non-Appr)</p>				
2. 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. (Financial Services Regulation Account-Non-Appr)</p>				
3. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Financial Services Regulation Account-Non-Appr)</p>				
4. 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. (Financial Services Regulation Account-Non-Appr)</p>				
5. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Financial Services Regulation Account-Non-Appr)</p>				
6. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Financial Services Regulation Account-Non-Appr)</p>				
7. DES Rate Compensation Changes				
<p>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. (Financial Services Regulation Account-Non-Appr)</p>				

Agency 102

Department of Financial Institutions (cont.)

Recommendation Summary

8. 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. (Financial Services Regulation Account-Non-Appr)

9. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Financial Services Regulation Account-Non-Appr)

10. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (Financial Services Regulation Account-Non-Appr)

11. 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. (Financial Services Regulation Account-Non-Appr)

12. 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. (Financial Services Regulation Account-Non-Appr)

13. 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. (Financial Services Regulation Account-Non-Appr)

14. 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. (Financial Services Regulation Account-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 103

**Department of Commerce
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	284.3	130,623	433,156	563,779
Maintenance Other Changes:				
1. Other Fund Adjustments	0.0	0	989	989
2. Reduce Expenditure Authority	0.0	0	(179)	(179)
Maintenance -- Other Total	0.0	0	810	810
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(1,618)	1,618	0
4. Updated PEBB Rate	0.0	(75)	(118)	(193)
5. Paid Family Leave--Employer Premium	0.0	5	1	6
Maintenance -- Comp Total	0.0	(1,688)	1,501	(187)
Maintenance Central Services Changes:				
6. Audit Services	0.0	(11)	(20)	(31)
7. Legal Services	0.0	(1)	0	(1)
8. CTS Central Services	0.0	4	6	10
9. OFM Central Services	0.0	3	4	7
10. Workers' Compensation	0.0	17	30	47
11. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	13	20	33
Total Maintenance Changes	0.0	(1,675)	2,331	656
2017-19 Maintenance Level	284.3	128,948	435,487	564,435
Policy Other Changes:				
12. Rural & Small Business Assistance	2.5	1,840	0	1,840
13. Industry Sector Development Program	2.5	736	0	736
14. Buildable Lands	0.3	1,576	0	1,576
15. Lead Based Paint Enforcement	0.8	0	193	193
16. Local Government Study	0.5	0	151	151
17. Carbon Rule Adoption	0.0	1,100	0	1,100
18. Families in Crisis Study	0.0	500	0	500
19. Gang Prevention Pilot	0.0	150	0	150

GOVERNMENTAL OPERATIONS

Agency 103

Department of Commerce (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
20. Employment Contract Study	0.0	500	0	500
21. Rural Broadband Office	3.0	387	0	387
22. Snohomish County Diversion	0.0	500	0	500
23. Affordable Housing Navigator	1.0	0	250	250
24. ADO Fund Shift	0.0	2,801	(2,801)	0
Policy -- Other Total	10.5	10,090	(2,207)	7,883
Policy Comp Changes:				
25. PERS & TRS Plan 1 Benefit Increase	0.0	10	11	21
Policy -- Comp Total	0.0	10	11	21
Policy Central Services Changes:				
26. Legal Services	0.0	1	1	2
27. CTS Central Services	0.0	8	12	20
28. DES Central Services	0.0	2	4	6
29. OFM Central Services	0.0	7	10	17
30. CTS Fee for Service Adjustment	0.0	4	7	11
Policy -- Central Svcs Total	0.0	22	34	56
Total Policy Changes	10.5	10,122	(2,162)	7,960
2017-19 Policy Level	294.8	139,070	433,325	572,395

POLICY CHANGES

1. Other Fund Adjustments

The agency's expenditure authority from the Mobile Home Park Relocation, Sexual Assault Kit and Skilled Worker Awareness Grant Program accounts are adjusted to reflect available revenue. (Mobile Home Park Relocation Account-Non-Appr; Sexual Assault Kit Account-Non-Appr; Skilled Worker Outreach, Recruitment, and Career A-Non-Appr)

2. Reduce Expenditure Authority

Expenditure authority for the Hanford Area Economic Investment Fund is reduced to reflect available revenue. (Hanford Area Economic Investment-Non-Appr)

Agency 103

Department of Commerce (cont.)**Recommendation Summary****3. Move Pension Fund Shift to Agencies**

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)

4. Updated PEBB Rate

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; General Fund-Local; other accounts)

5. Paid Family Leave--Employer Premium

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. (General Fund-State; General Fund-Federal)

6. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

7. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

8. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

9. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 103

Department of Commerce (cont.)**Recommendation Summary****10. Workers' Compensation**

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

11. 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. (General Fund-State; General Fund-Federal)

12. Rural & Small Business Assistance

Funding is provided to assist small and underserved businesses and the communities in which they are located. Export assistance will target very small and early stage businesses, which represent 90 percent of the companies that export from Washington, by providing the resources necessary to develop and launch export strategies. Economic gardening grants will assist small companies to advance to the next stage of business development, remain in their community and hire local workers. (General Fund-State)

13. Industry Sector Development Program

Base funding for the Industry Sector Economic Development program is increased to maintain industry liaisons in the sectors of aerospace, clean energy, information and communication technology, life sciences and maritime. (General Fund-State)

14. Buildable Lands

Pass-through funding is provided to assist seven counties (Whatcom, Snohomish, King, Pierce, Kitsap, Thurston and Clark) with the implementation of Chapter 16, Laws of 2017, 3rd Special Session (buildable lands). Funding will allow all seven counties, and the 105 cities and towns within them, to better address affordable housing challenges through a more effective buildable lands program and analysis of land capacity. (General Fund-State)

15. Lead Based Paint Enforcement

Adjusted expenditure authority reflects an increase in available revenue pursuant to the passage of legislation, which increases the lead-based paint (LBP) renovation and abatement certification fee from \$25 to \$30. Additional funds will be used to expand the state's capacity to adequately enforce the LBP abatement and renovation with the addition of two FTE staff. (Lead Paint Account-State)

16. Local Government Study

Funding is provided to conduct a study that will analyze the constitutional and statutory revenue capacity of local governments in relation to their obligations. (Liquor Revolving Account-State)

17. Carbon Rule Adoption

Funding is provided to adopt rules for a newly created clean energy investment fund. (General Fund-State)

Agency 103

Department of Commerce (cont.)

Recommendation Summary

18. Families in Crisis Study

Funding is provided to conduct a study on the public system response for families in crisis, absent evidence of abuse or neglect, who desire services for effective intervention strategies to address family conflict. The department will work with the Department of Children, Youth and Families; the Washington Administrative Office of the Courts; and local jurisdictions to determine what structural changes to the at-risk youth and child in need of services petition processes, as well as family reconciliation services, may be necessary to improve the delivery of services. (General Fund-State)

19. Gang Prevention Pilot

Funding is provided for the city of Yakima to establish a gang prevention pilot program. The pilot program shall be modeled after the Denver Gang Reduction Initiative program, with the goal of creating a sustainable and organized response to gang activity utilizing evidence-based principles. (General Fund-State)

20. Employment Contract Study

Funding is provided for a contract to study and report on independent contractor employment in Washington state. The report will include information on the needs of workers earning income as independent contractors including sources of income, the amount of income derived from independent work and a discussion of benefits provided to such workers. (General Fund-State)

21. Rural Broadband Office

Funding is provided for creation of the Governor's Rural Broadband Office within the Department of Commerce. The office will serve as a coordinating body to ensure statewide broadband access and deployment, annually identify unserved and underserved areas in rural parts of the state, and conduct planning to prioritize and sequence the delivery of quality high-speed broadband to these areas. The agency will work with the Utilities and Transportation Commission, Consolidated Technology Services, the Office of Privacy and Data Protection, the Governor's Office for Regulatory Innovation and Assistance, and all other executive and small cabinet agencies with pertinent regulatory jurisdiction in the implementation and operation of the Governor's Rural Broadband Office. (General Fund-State)

22. Snohomish County Diversion

Funding is provided for Snohomish County to administer a 40-bed residential criminal justice diversion center pilot program. The objectives of the pilot project are reduced recidivism, reduced use of crisis and emergency resources, decreased behaviors associated with untreated mental health and substance use disorders, increased effective engagement with treatment providers, increased housing stability, and increased rates of employment and financial self-sufficiency. (General Fund-State)

Agency 103

Department of Commerce (cont.)**Recommendation Summary****23. Affordable Housing Navigator**

Additional funding is provided to establish an innovation and technology in affordable housing navigator (IT Housing Navigator) position for outreach and collaboration with the housing development community regarding affordable housing issues. The IT Housing Navigator will provide technical assistance in planning, pre-design and design, permitting and construction of innovative affordable housing technology that reduces overall housing costs as it relates to pre-construction, construction and operations, maintenance and sustainment. (Washington Housing Trust Account-State)

24. ADO Fund Shift

Funding for the Associate Development Organization (ADO) program is transferred from the Economic Strategic Reserve Account (ESRA) to the state General Fund. This fund shift will re-capitalize the ESRA, allowing for the continuation of business recruitment and retention activities within the Office of Economic Development and Competitiveness. (General Fund-State; Economic Development Strategic Reserve Account-State)

25. 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-State; General Fund-Federal; General Fund-Local; other accounts)

26. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; General Fund-Federal)

27. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

28. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

29. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 103

Department of Commerce (cont.)

Recommendation Summary

30. 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. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

Agency 104

**Economic & Revenue Forecast Council
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	6.1	1,755	50	1,805
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(102)	102	0
2. Updated PEBB Rate	0.0	(4)	0	(4)
Maintenance -- Comp Total	0.0	(106)	102	(4)
Maintenance Central Services Changes:				
3. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	1	0	1
Total Maintenance Changes	0.0	(105)	102	(3)
2017-19 Maintenance Level	6.1	1,650	152	1,802
Policy Comp Changes:				
4. PERS & TRS Plan 1 Benefit Increase	0.0	1	0	1
Policy -- Comp Total	0.0	1	0	1
Total Policy Changes	0.0	1	0	1
2017-19 Policy Level	6.1	1,651	152	1,803

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

Agency 104

Economic & Revenue Forecast Council (cont.)

Recommendation Summary

3. 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. (General Fund-State)

4. 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-State)

GOVERNMENTAL OPERATIONS

Agency 105

**Office of Financial Management
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	266.1	23,667	115,572	139,239
Maintenance Other Changes:				
1. Transfer Capital Staffing Costs	13.0	3,679	0	3,679
2. Technical Correction	0.0	0	(1)	(1)
Maintenance -- Other Total	13.0	3,679	(1)	3,678
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(2,448)	2,448	0
4. State Public Employee Benefits Rate	0.0	0	3	3
5. Non-Rep General Wage Increase	0.0	0	26	26
6. Updated PEBB Rate	0.0	(94)	(28)	(122)
7. Paid Family Leave--Employer Premium	0.0	10	2	12
Maintenance -- Comp Total	0.0	(2,532)	2,451	(81)
Maintenance Central Services Changes:				
8. Audit Services	0.0	7	2	9
9. Legal Services	0.0	(1)	0	(1)
10. CTS Central Services	0.0	10	3	13
11. DES Central Services	0.0	3	1	4
12. OFM Central Services	0.0	4	2	6
13. Workers' Compensation	0.0	26	9	35
14. DES Rate Compensation Changes	0.0	19	5	24
Maintenance -- Central Svcs Total	0.0	68	22	90
Total Maintenance Changes	13.0	1,215	2,472	3,687
2017-19 Maintenance Level	279.1	24,882	118,044	142,926
Policy Other Changes:				
15. Critical Staffing Resources	0.0	0	12	12
16. Software Purchase - Workiva	0.0	0	55	55
17. GovDelivery Communications	0.0	28	0	28
18. Staffing Resources	5.8	56	1,854	1,910
19. One Washington Program	4.5	0	3,519	3,519

GOVERNMENTAL OPERATIONS

Agency 105

Office of Financial Management (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
20. One Washington Prgrm Transpo	0.0	0	2,270	2,270
21. Sentencing Reform Commission	0.0	600	0	600
22. Census Planning and Coordination	1.9	464	0	464
23. OFM Enterprise Content Management	0.0	622	0	622
24. Recreational Fee Study (Phase II)	0.0	0	75	75
25. Gates Foundation Grant	0.0	0	343	343
Policy -- Other Total	12.2	1,770	8,128	9,898
Policy Comp Changes:				
26. PERS & TRS Plan 1 Benefit Increase	0.0	15	4	19
Policy -- Comp Total	0.0	15	4	19
Policy Central Services Changes:				
27. Legal Services	0.0	1	0	1
28. CTS Central Services	0.0	12	4	16
29. DES Central Services	0.0	24	8	32
30. OFM Central Services	0.0	12	3	15
31. CTS Fee for Service Adjustment	0.0	13	4	17
Policy -- Central Svcs Total	0.0	62	19	81
Total Policy Changes	12.2	1,847	8,151	9,998
2017-19 Policy Level	291.2	26,729	126,195	152,924

POLICY CHANGES

1. Transfer Capital Staffing Costs

A transfer of 13 FTE staff and associated funding is made from the capital budget to the operating budget to support capital budget staff and the facilities oversight program at the Office of Financial Management. (General Fund-State)

2. Technical Correction

Funding is adjusted to align private/local expenditures to match revenues. (General Fund-Local)

Agency 105

Office of Financial Management (cont.)**Recommendation Summary****3. Move Pension Fund Shift to Agencies**

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)

6. Updated PEBB Rate

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; Motor Vehicle Account-State; other accounts)

7. Paid Family Leave--Employer Premium

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. (General Fund-State; Personnel Service Account-State)

8. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

9. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

10. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

Agency 105

Office of Financial Management (cont.)

Recommendation Summary

11. 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. (General Fund-State; Personnel Service Account-State)

12. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

13. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

14. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

15. Critical Staffing Resources

Funding is provided to support staff necessary to allow the Office of Financial Management (OFM) to continue to meet increasing workload and customer demands and fulfill the priorities outlined in the OFM strategic plan. (Motor Vehicle Account-State)

16. Software Purchase - Workiva

Funding is provided to purchase a Workiva software product that will produce the Comprehensive Annual Financial Report (CAFR) and other complex fiscal reports with minimal errors and delays. (OFM Central Services-State)

17. GovDelivery Communications

Funding is provided to procure a Software as a Service (SaaS) solution that enables government organizations to connect with citizens. The GovDelivery communications cloud replaces ListServ, which is the Consolidated Technology Solutions' email communication service that is decommissioning at the end of 2017. (General Fund-State)

Agency 105

Office of Financial Management (cont.)

Recommendation Summary

18. Staffing Resources

Funding is provided to support staff necessary to allow the Office of Financial Management (OFM) to continue to meet increasing workload and customer demands and fulfill the priorities outlined in the OFM strategic plan. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr; other accounts)

19. One Washington Program

Funding is provided for the One Washington program to purchase finance and procurement software, and to assess procurement/finance organization strategy and readiness. (Statewide IT System Development Revolving Account-State)

20. One Washington Prgrm Transpo

Funding is provided for staffing and contracts for preparation and readiness activities for the Department of Transportation (DOT) to utilize One Washington. A detailed understanding of existing business processes and system functionality and the impact to the business to identify future resource needs will ensure successful implementation. (Motor Vehicle Account-State)

21. Sentencing Reform Commission

Funding is provided for a blue ribbon commission to evaluate the adult sentencing grid. The commission will review sentencing practices across the state and make recommendations on reforms that reduce sentencing complexity, increase consistency and fairness, and reduce recidivism. (General Fund-State)

22. Census Planning and Coordination

Funding is provided for staffing and supports to prepare for the 2020 Census. Duties include, but are not limited to, creation of a comprehensive outreach campaign and public website, media outreach, assistance to local jurisdictions with Local Update of Census Address efforts, and support of other Census-related demographic services. (General Fund-State)

23. OFM Enterprise Content Management

Funding is provided to implement a Laserfiche enterprise content management system (ECMS) to provide a modern, comprehensive solution for managing the lifecycle of electronic records, from creation to eventual deletion or removal to archival storage. Primary business drivers for acquisition and implementation of an ECMS are the expensive manual processes around litigation holds, public disclosure, and records retention that are outdated and inefficient, and expose the agency to increased risk and liability. (General Fund-State)

Agency 105

Office of Financial Management (cont.)**Recommendation Summary****24. Recreational Fee Study (Phase II)**

In the 2017-19 budget, the State Parks and Recreation Commission completed a report on ways to improve recreational access fee systems, including opportunities to coordinate fees for federal and state lands, specific users, as well as user fee discounts and exemptions. The report includes three options to improve the recreational fee system. One-time funding is provided to hire a consultant to analyze and estimate the fiscal impacts and revenue potential of the three options developed in the report. (Recreation Access Pass Account-State)

25. Gates Foundation Grant

Funding is provided through a grant from the Bill and Melinda Gates Foundation to increase access to longitudinal education data to help facilitate discussions around program success. The first emphasis is to load early learning data into the operational data store in the data warehouse. The second emphasis is to collect data needs and build an analytical data file. (General Fund-Local)

26. 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-State; General Fund-Federal; Personnel Service Account-State)

27. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

28. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

29. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

30. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

Agency 105

Office of Financial Management (cont.)

Recommendation Summary

31. 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. (General Fund-State; Personnel Service Account-State; OFM's Labor Relations Service Account-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 110

**Office of Administrative Hearings
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	161.8	0	38,948	38,948
Maintenance Other Changes:				
1. Lease Adjustments < 20,000 sq. ft.	0.0	0	62	62
Maintenance -- Other Total	0.0	0	62	62
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(102)	(102)
3. Paid Family Leave--Employer Premium	0.0	0	9	9
Maintenance -- Comp Total	0.0	0	(93)	(93)
Maintenance Central Services Changes:				
4. Audit Services	0.0	0	15	15
5. CTS Central Services	0.0	0	(1)	(1)
6. OFM Central Services	0.0	0	6	6
7. Workers' Compensation	0.0	0	(7)	(7)
8. DES Rate Compensation Changes	0.0	0	5	5
Maintenance -- Central Svcs Total	0.0	0	18	18
Total Maintenance Changes	0.0	0	(13)	(13)
2017-19 Maintenance Level	161.8	0	38,935	38,935
Policy Other Changes:				
9. Fee Structure/Billing Method Study	0.0	0	250	250
10. Lease Adjustments < 20,000 sq. ft.	0.0	0	(17)	(17)
11. Appeals Workload Increases	1.7	0	417	417
12. One-Time Relocation	0.0	0	78	78
Policy -- Other Total	1.7	0	728	728
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	0	13	13
Policy -- Comp Total	0.0	0	13	13
Policy Central Services Changes:				
14. Legal Services	0.0	0	1	1

Agency 110

Office of Administrative Hearings (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
15. CTS Central Services	0.0	0	12	12
16. DES Central Services	0.0	0	2	2
17. OFM Central Services	0.0	0	12	12
18. CTS Fee for Service Adjustment	0.0	0	6	6
Policy -- Central Svcs Total	0.0	0	33	33
Total Policy Changes	1.7	0	774	774
2017-19 Policy Level	163.4	0	39,709	39,709

POLICY CHANGES

1. Lease Adjustments < 20,000 sq. ft.

Funding is provided for increased costs due to the renewal of the Olympia office lease. (Administrative Hearings Revolving Account-State)

2. Updated PEBB Rate

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. (Administrative Hearings Revolving Account-State)

3. Paid Family Leave--Employer Premium

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. (Administrative Hearings Revolving Account-State)

4. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Administrative Hearings Revolving Account-State)

5. 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. (Administrative Hearings Revolving Account-State)

Agency 110

Office of Administrative Hearings (cont.)**Recommendation Summary****6. 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. (Administrative Hearings Revolving Account-State)

7. Workers' Compensation

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

8. 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. (Administrative Hearings Revolving Account-State)

9. Fee Structure/Billing Method Study

Funding is provided through the central services model for the Office of Administrative Hearings (OAH), in conjunction with the Office of Financial Management, to perform a review of the fee structure, billing methodology and employee productivity assumptions used for the cost allocation and billing of services. (Administrative Hearings Revolving Account-State)

10. Lease Adjustments < 20,000 sq. ft.

Funding is reduced for cost savings related to the relocation of the Yakima office. These savings are effective October 2018. (Administrative Hearings Revolving Account-State)

11. Appeals Workload Increases

Funding is provided for new or increased appeals workload for the Department of Social and Health Services, Department of Labor and Industries and Washington State University. (Administrative Hearings Revolving Account-State) (Administrative Hearings Revolving Account-State)

12. One-Time Relocation

One-time funding is required to support the relocation of Office of Administrative Hearings staff at the Yakima office. This relocation will save approximately \$26,000 per year in lease costs. (Administrative Hearings Revolving Account-State)

13. 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. (Administrative Hearings Revolving Account-State)

14. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Administrative Hearings Revolving Account-State)

Agency 110

Office of Administrative Hearings (cont.)

Recommendation Summary

15. 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. (Administrative Hearings Revolving Account-State)

16. 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. (Administrative Hearings Revolving Account-State)

17. 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. (Administrative Hearings Revolving Account-State)

18. 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. (Administrative Hearings Revolving Account-State)

GOVERNMENTAL OPERATIONS

Agency 116

**State Lottery Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	143.9	0	1,052,124	1,052,124
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(82)	(82)
2. Paid Family Leave--Employer Premium	0.0	0	5	5
Maintenance -- Comp Total	0.0	0	(77)	(77)
Maintenance Central Services Changes:				
3. Audit Services	0.0	0	(3)	(3)
4. CTS Central Services	0.0	0	(1)	(1)
5. OFM Central Services	0.0	0	4	4
6. Workers' Compensation	0.0	0	27	27
7. DES Rate Compensation Changes	0.0	0	4	4
Maintenance -- Central Svcs Total	0.0	0	31	31
Total Maintenance Changes	0.0	0	(46)	(46)
2017-19 Maintenance Level	143.9	0	1,052,078	1,052,078
Policy Comp Changes:				
8. PERS & TRS Plan 1 Benefit Increase	0.0	0	9	9
Policy -- Comp Total	0.0	0	9	9
Policy Central Services Changes:				
9. CTS Central Services	0.0	0	10	10
10. DES Central Services	0.0	0	2	2
11. OFM Central Services	0.0	0	9	9
12. CTS Fee for Service Adjustment	0.0	0	14	14
Policy -- Central Svcs Total	0.0	0	35	35
Total Policy Changes	0.0	0	44	44
2017-19 Policy Level	143.9	0	1,052,122	1,052,122

Agency 116

State Lottery Commission (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (Lottery Administrative Account-State)</p>				
2. 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. (Lottery Administrative Account-State)</p>				
3. Audit Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Lottery Administrative Account-State)</p>				
4. 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. (Lottery Administrative Account-State)</p>				
5. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Lottery Administrative Account-State)</p>				
6. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Lottery Administrative Account-State)</p>				
7. DES Rate Compensation Changes				
<p>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. (Lottery Administrative Account-State)</p>				

Agency 116

State Lottery Commission (cont.)

Recommendation Summary

8. 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. (Lottery Administrative Account-State)

9. 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. (Lottery Administrative Account-State)

10. 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. (Lottery Administrative Account-State)

11. 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. (Lottery Administrative Account-State)

12. 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. (Lottery Administrative Account-State)

GOVERNMENTAL OPERATIONS

Agency 117

**Washington State Gambling Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	114.0	0	28,734	28,734
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(70)	(70)
2. Paid Family Leave--Employer Premium	0.0	0	6	6
Maintenance -- Comp Total	0.0	0	(64)	(64)
Maintenance Central Services Changes:				
3. Legal Services	0.0	0	(1)	(1)
4. OFM Central Services	0.0	0	3	3
5. Workers' Compensation	0.0	0	(25)	(25)
Maintenance -- Central Svcs Total	0.0	0	(23)	(23)
Total Maintenance Changes	0.0	0	(87)	(87)
2017-19 Maintenance Level	114.0	0	28,647	28,647
Policy Comp Changes:				
6. PERS & TRS Plan 1 Benefit Increase	0.0	0	8	8
Policy -- Comp Total	0.0	0	8	8
Policy Central Services Changes:				
7. Legal Services	0.0	0	1	1
8. CTS Central Services	0.0	0	8	8
9. DES Central Services	0.0	0	1	1
10. OFM Central Services	0.0	0	9	9
11. CTS Fee for Service Adjustment	0.0	0	17	17
Policy -- Central Svcs Total	0.0	0	36	36
Total Policy Changes	0.0	0	44	44
2017-19 Policy Level	114.0	0	28,691	28,691

Agency 117

Washington State Gambling Commission (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (Gambling Revolving Account-Non-Appr)</p>				
2. 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. (Gambling Revolving Account-Non-Appr)</p>				
3. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Gambling Revolving Account-Non-Appr)</p>				
4. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Gambling Revolving Account-Non-Appr)</p>				
5. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Gambling Revolving Account-Non-Appr)</p>				
6. PERS & TRS Plan 1 Benefit Increase				
<p>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. (Gambling Revolving Account-Non-Appr)</p>				
7. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Gambling Revolving Account-Non-Appr)</p>				

Agency 117

Washington State Gambling Commission (cont.)

Recommendation Summary

8. 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. (Gambling Revolving Account-Non-Appr)

9. 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. (Gambling Revolving Account-Non-Appr)

10. 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. (Gambling Revolving Account-Non-Appr)

11. 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. (Gambling Revolving Account-Non-Appr)

Agency 118

**Washington State Commission on Hispanic Affairs
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	2.0	526	0	526
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(26)	26	0
2. Updated PEBB Rate	0.0	(1)	0	(1)
3. Vacation Leave Buyout	0.0	4	0	4
Maintenance -- Comp Total	0.0	(23)	26	3
Maintenance Central Services Changes:				
4. Workers' Compensation	0.0	(1)	0	(1)
5. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	0	0	0
Total Maintenance Changes	0.0	(23)	26	3
2017-19 Maintenance Level	2.0	503	26	529
2017-19 Policy Level	2.0	503	26	529

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. Vacation Leave Buyout

Funding is provided for a one-time vacation leave buyout for an employee who separated from the state in August 2017. (General Fund-State)

Agency 118

Washington State Commission on Hispanic Affairs (cont.)

Recommendation Summary

4. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

5. 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. (General Fund-State)

Agency 119

**WA State Comm on African-American Affairs
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	2.0	522	0	522
Maintenance Other Changes:				
1. Attorney General Services	0.0	6	0	6
Maintenance -- Other Total	0.0	6	0	6
Maintenance Comp Changes:				
2. Move Pension Fund Shift to Agencies	0.0	(26)	26	0
3. Updated PEBB Rate	0.0	(1)	0	(1)
Maintenance -- Comp Total	0.0	(27)	26	(1)
Maintenance Central Services Changes:				
4. Audit Services	0.0	9	0	9
Maintenance -- Central Svcs Total	0.0	9	0	9
Total Maintenance Changes	0.0	(12)	26	14
2017-19 Maintenance Level	2.0	510	26	536
2017-19 Policy Level	2.0	510	26	536

POLICY CHANGES

1. Attorney General Services

One-time funding is provided to pay for unexpected Attorney General expenditures related to a public disclosure litigation. (General Fund-State)

2. Move Pension Fund Shift to Agencies

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)

3. Updated PEBB Rate

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)

Agency 119

WA State Comm on African-American Affairs (cont.)

Recommendation Summary

4. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits.
(General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 124

**Department of Retirement Systems
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	252.2	0	68,223	68,223
Maintenance Other Changes:				
1. LEOFF Plan 2 EMTs	0.3	0	107	107
Maintenance -- Other Total	0.3	0	107	107
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(155)	(155)
3. Paid Family Leave--Employer Premium	0.0	0	12	12
Maintenance -- Comp Total	0.0	0	(143)	(143)
Maintenance Central Services Changes:				
4. Audit Services	0.0	0	(6)	(6)
5. Legal Services	0.0	0	(1)	(1)
6. CTS Central Services	0.0	0	3	3
7. OFM Central Services	0.0	0	5	5
8. Workers' Compensation	0.0	0	9	9
9. DES Rate Compensation Changes	0.0	0	2	2
Maintenance -- Central Svcs Total	0.0	0	12	12
Total Maintenance Changes	0.3	0	(24)	(24)
2017-19 Maintenance Level	252.5	0	68,199	68,199
Policy Other Changes:				
10. Complete Employer Reporting System	2.2	0	783	783
11. Internal Audit Resource	0.5	0	119	119
12. Remove Money Purchase Spending	0.0	0	(154)	(154)
Policy -- Other Total	2.7	0	748	748
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	0	17	17
Policy -- Comp Total	0.0	0	17	17
Policy Central Services Changes:				
14. Legal Services	0.0	0	1	1

Agency 124

Department of Retirement Systems (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
15. CTS Central Services	0.0	0	18	18
16. DES Central Services	0.0	0	6	6
17. OFM Central Services	0.0	0	17	17
18. CTS Fee for Service Adjustment	0.0	0	12	12
Policy -- Central Svcs Total	0.0	0	54	54
Total Policy Changes	2.7	0	819	819
2017-19 Policy Level	255.2	0	69,018	69,018

POLICY CHANGES

1. LEOFF Plan 2 EMTs

Chapter 309, Laws of 2017 revised eligibility criteria for Emergency Medical Technicians' (EMT) membership in the Law Enforcement Officers' and Firefighters' (LEOFF) Retirement System Plan 2. The implementation cost could not be determined at the time the bill passed the Legislature in April 2017. That cost is now known and this item funds the implementation work. (Dept of Retirement Systems Expense Account-State)

2. Updated PEBB Rate

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. (Dept of Retirement Systems Expense Account-State; OASI Revolving Account-Non-Appr; Deferred Compensation Administrative Account-Non-Appr)

3. Paid Family Leave--Employer Premium

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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

4. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Dept of Retirement Systems Expense Account-State)

5. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Dept of Retirement Systems Expense Account-State)

Agency 124

Department of Retirement Systems (cont.)**Recommendation Summary****6. 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

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. (Dept of Retirement Systems Expense 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

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. (Dept of Retirement Systems Expense Account-State)

10. Complete Employer Reporting System

Some funding for the Employer Reporting Application project provided in the 2015-17 budget was unspent. This item allows the funding to be used in the current biennium to complete the project. The implementation date shifted into this biennium, so the agency needs this change to finish the project. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

11. Internal Audit Resource

A second internal auditor position is funded to help the Department of Retirement Systems comply with the professional auditing standards of the Institute of Internal Auditors, which is required by statute (RCW 43.88.160). The size and complexity of the pension systems and the associated audit requirements have increased significantly since the agency was created in the late 1970s with only one internal auditor. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

12. Remove Money Purchase Spending

Expenditure authority is removed for the Money Purchase Retirement Administrative Account. This proposed activity was not approved by the federal Internal Revenue Service, so the authority is no longer needed. (Money-Purchase Retirement Savings Admin Account-Non-Appr)

13. 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

Agency 124

Department of Retirement Systems (cont.)

Recommendation Summary

14. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Dept of Retirement Systems Expense Account-State)

15. 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

16. 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. (Dept of Retirement Systems Expense Account-State)

17. 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

18. 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. (Dept of Retirement Systems Expense Account-State; Deferred Compensation Administrative Account-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 126

**State Investment Board
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	103.1	0	48,916	48,916
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(60)	(60)
2. Paid Family Leave--Employer Premium	0.0	0	11	11
Maintenance -- Comp Total	0.0	0	(49)	(49)
Maintenance Central Services Changes:				
3. Audit Services	0.0	0	(6)	(6)
4. Legal Services	0.0	0	(2)	(2)
5. CTS Central Services	0.0	0	1	1
6. OFM Central Services	0.0	0	2	2
7. Workers' Compensation	0.0	0	(1)	(1)
8. DES Rate Compensation Changes	0.0	0	1	1
Maintenance -- Central Svcs Total	0.0	0	(5)	(5)
Total Maintenance Changes	0.0	0	(54)	(54)
2017-19 Maintenance Level	103.1	0	48,862	48,862
Policy Comp Changes:				
9. PERS & TRS Plan 1 Benefit Increase	0.0	0	15	15
Policy -- Comp Total	0.0	0	15	15
Policy Central Services Changes:				
10. Legal Services	0.0	0	3	3
11. CTS Central Services	0.0	0	7	7
12. DES Central Services	0.0	0	2	2
13. OFM Central Services	0.0	0	6	6
14. CTS Fee for Service Adjustment	0.0	0	12	12
Policy -- Central Svcs Total	0.0	0	30	30
Total Policy Changes	0.0	0	45	45
2017-19 Policy Level	103.1	0	48,907	48,907

Agency 126

State Investment Board (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (State Investment Board Expense Account-State)</p>				
2. 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. (State Investment Board Expense Account-State)</p>				
3. Audit Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (State Investment Board Expense Account-State)</p>				
4. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (State Investment Board Expense Account-State)</p>				
5. 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. (State Investment Board Expense Account-State)</p>				
6. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (State Investment Board Expense Account-State)</p>				
7. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (State Investment Board Expense Account-State)</p>				

Agency 126

State Investment Board (cont.)**Recommendation Summary****8. 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. (State Investment Board Expense Account-State)

9. 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. (State Investment Board Expense Account-State)

10. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (State Investment Board Expense Account-State)

11. 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. (State Investment Board Expense Account-State)

12. 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. (State Investment Board Expense Account-State)

13. 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. (State Investment Board Expense Account-State)

14. 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. (State Investment Board Expense Account-State)

GOVERNMENTAL OPERATIONS

Agency 140

Department of Revenue
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	1,311.8	279,450	54,313	333,763
Maintenance Other Changes:				
1. AGO Litigation Expenses	0.0	1,235	0	1,235
2. Carryforward level adjustment	0.0	(13,803)	0	(13,803)
Maintenance -- Other Total	0.0	(12,568)	0	(12,568)
Maintenance Comp Changes:				
3. Move Pension Fund Shift to Agencies	0.0	(13,488)	13,488	0
4. Updated PEBB Rate	0.0	(672)	(75)	(747)
5. Wellness \$25 Gift Card	0.0	4	0	4
6. Paid Family Leave--Employer Premium	0.0	15	1	16
Maintenance -- Comp Total	0.0	(14,141)	13,414	(727)
Maintenance Central Services Changes:				
7. Audit Services	0.0	(4)	0	(4)
8. Legal Services	0.0	(12)	(1)	(13)
9. CTS Central Services	0.0	(20)	(3)	(23)
10. DES Central Services	0.0	2	0	2
11. OFM Central Services	0.0	26	3	29
12. Workers' Compensation	0.0	39	5	44
13. OFM Human Resource Services	0.0	1	0	1
14. DES Rate Compensation Changes	0.0	13	0	13
Maintenance -- Central Svcs Total	0.0	45	4	49
Total Maintenance Changes	0.0	(26,664)	13,418	(13,246)
2017-19 Maintenance Level	1,311.8	252,786	67,731	320,517
Policy Other Changes:				
15. Business Licensing Account	0.0	13,634	(13,634)	0
16. Carbon Reduction	0.0	628	0	628
Policy -- Other Total	0.0	14,262	(13,634)	628

GOVERNMENTAL OPERATIONS

Agency 140

Department of Revenue (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
17. PERS & TRS Plan 1 Benefit Increase	0.0	81	8	89
Policy -- Comp Total	0.0	81	8	89
Policy Central Services Changes:				
18. Legal Services	0.0	17	2	19
19. CTS Central Services	0.0	78	9	87
20. DES Central Services	0.0	18	3	21
21. OFM Central Services	0.0	72	7	79
22. CTS Fee for Service Adjustment	0.0	36	4	40
Policy -- Central Svcs Total	0.0	221	25	246
Total Policy Changes	0.0	14,564	(13,601)	963
2017-19 Policy Level	1,311.8	267,350	54,130	321,480

POLICY CHANGES

1. AGO Litigation Expenses

Funding is provided for extraordinary legal costs for services provided by the Attorney General's Office (AGO) associated with ongoing tax litigation. (General Fund-State)

2. Carryforward level adjustment

General Fund-State funding is reduced to reflect a technical adjustment from the 2016 supplemental budget. (General Fund-State)

3. Move Pension Fund Shift to Agencies

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)

Agency 140

Department of Revenue (cont.)**Recommendation Summary****4. Updated PEBB Rate**

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; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

5. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (General Fund-State)

6. Paid Family Leave--Employer Premium

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. (General Fund-State; Business License Account-State)

7. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

8. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; Business License Account-State)

9. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

10. 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. (General Fund-State)

Agency 140

Department of Revenue (cont.)**Recommendation Summary****11. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

12. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

13. OFM Human Resource Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for personnel service rates. (General Fund-State)

14. 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. (General Fund-State)

15. Business Licensing Account

One-time funding is provided for administering Chapter 209, Laws of 2017 (Municipal General Business Licenses) and to support the business licensing account through the transition of the Secretary of State's Office migrating to its new business licensing and annual reporting system. (General Fund-State; Business License Account-State)

16. Carbon Reduction

Funding is provided for administering the carbon reduction tax. (General Fund-State)

17. 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-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

18. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State; Business License Account-State; Unclaimed Personal Property Account-Non-Appr)

19. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

Agency 140

Department of Revenue (cont.)

Recommendation Summary

20. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

21. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

22. 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. (General Fund-State; Timber Tax Distribution Account-State; Business License Account-State; other accounts)

GOVERNMENTAL OPERATIONS

Agency 142

**Board of Tax Appeals
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	11.2	2,847	0	2,847
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(162)	162	0
2. Updated PEBB Rate	0.0	(7)	0	(7)
3. Paid Family Leave--Employer Premium	0.0	1	0	1
Maintenance -- Comp Total	0.0	(168)	162	(6)
Maintenance Central Services Changes:				
4. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	1	0	1
Total Maintenance Changes	0.0	(167)	162	(5)
2017-19 Maintenance Level	11.2	2,680	162	2,842
Policy Other Changes:				
5. Office Relocation	0.0	344	0	344
6. Administrative Costs	1.3	381	0	381
Policy -- Other Total	1.3	725	0	725
Policy Comp Changes:				
7. PERS & TRS Plan 1 Benefit Increase	0.0	1	0	1
8. Board Member Salary Increases	0.0	179	0	179
Policy -- Comp Total	0.0	180	0	180
Policy Central Services Changes:				
9. CTS Central Services	0.0	1	0	1
10. OFM Central Services	0.0	1	0	1
11. CTS Fee for Service Adjustment	0.0	3	0	3
Policy -- Central Svcs Total	0.0	5	0	5
Total Policy Changes	1.3	910	0	910
2017-19 Policy Level	12.5	3,590	162	3,752

Agency 142

Board of Tax Appeals (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
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POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. Paid Family Leave--Employer Premium

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. (General Fund-State)

4. 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. (General Fund-State)

5. Office Relocation

Funding is provided for the Board of Tax Appeals for the one-time and ongoing costs of the agency's move to the Capitol Court Building. (General Fund-State)

6. Administrative Costs

Funding is provided for the Board of Tax Appeals to purchase office equipment, provide Board members and tax referees with training opportunities, and hire a hearings officer and administrative assistant to support the Director. (General Fund-State)

7. 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-State)

Agency 142

Board of Tax Appeals (cont.)

Recommendation Summary

8. Board Member Salary Increases

Funds are provided for the Board of Tax Appeals to increase the salaries of Board members appointed on or before June 30, 2017. (General Fund-State)

9. 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. (General Fund-State)

10. 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. (General Fund-State)

11. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 147

**Office of Minority & Women's Business Enterprises
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	24.0	0	4,887	4,887
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(13)	(13)
Maintenance -- Comp Total	0.0	0	(13)	(13)
Maintenance Central Services Changes:				
2. Legal Services	0.0	0	(1)	(1)
3. OFM Central Services	0.0	0	2	2
4. Workers' Compensation	0.0	0	2	2
5. DES Rate Compensation Changes	0.0	0	4	4
Maintenance -- Central Svcs Total	0.0	0	7	7
Total Maintenance Changes	0.0	0	(6)	(6)
2017-19 Maintenance Level	24.0	0	4,881	4,881
Policy Comp Changes:				
6. PERS & TRS Plan 1 Benefit Increase	0.0	0	2	2
Policy -- Comp Total	0.0	0	2	2
Policy Central Services Changes:				
7. Legal Services	0.0	0	1	1
8. Administrative Hearings	0.0	0	1	1
9. CTS Central Services	0.0	0	2	2
10. OFM Central Services	0.0	0	1	1
11. CTS Fee for Service Adjustment	0.0	0	1	1
Policy -- Central Svcs Total	0.0	0	6	6
Total Policy Changes	0.0	0	8	8
2017-19 Policy Level	24.0	0	4,889	4,889

Agency 147

Office of Minority & Women's Business Enterprises (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (OMWBE Enterprises Account-State)</p>				
2. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (OMWBE Enterprises Account-State)</p>				
3. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (OMWBE Enterprises Account-State)</p>				
4. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (OMWBE Enterprises Account-State)</p>				
5. DES Rate Compensation Changes				
<p>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. (OMWBE Enterprises Account-State)</p>				
6. PERS & TRS Plan 1 Benefit Increase				
<p>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. (OMWBE Enterprises Account-State)</p>				
7. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (OMWBE Enterprises Account-State)</p>				
8. Administrative Hearings				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (OMWBE Enterprises Account-State)</p>				

Agency 147

Office of Minority & Women's Business Enterprises (cont.)

Recommendation Summary

9. 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. (OMWBE Enterprises Account-State)

10. 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. (OMWBE Enterprises Account-State)

11. 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. (OMWBE Enterprises Account-State)

GOVERNMENTAL OPERATIONS

Agency 160

**Office of Insurance Commissioner
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	245.0	0	64,163	64,163
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(151)	(151)
2. Paid Family Leave--Employer Premium	0.0	0	5	5
Maintenance -- Comp Total	0.0	0	(146)	(146)
Maintenance Central Services Changes:				
3. Audit Services	0.0	0	(3)	(3)
4. Legal Services	0.0	0	(2)	(2)
5. CTS Central Services	0.0	0	3	3
6. DES Central Services	0.0	0	1	1
7. OFM Central Services	0.0	0	6	6
8. Workers' Compensation	0.0	0	21	21
9. DES Rate Compensation Changes	0.0	0	5	5
Maintenance -- Central Svcs Total	0.0	0	31	31
Total Maintenance Changes	0.0	0	(115)	(115)
2017-19 Maintenance Level	245.0	0	64,048	64,048
Policy Other Changes:				
10. Health Insurance Market	0.0	0	390	390
Policy -- Other Total	0.0	0	390	390
Policy Comp Changes:				
11. PERS & TRS Plan 1 Benefit Increase	0.0	0	20	20
Policy -- Comp Total	0.0	0	20	20
Policy Central Services Changes:				
12. Legal Services	0.0	0	3	3
13. Administrative Hearings	0.0	0	1	1
14. CTS Central Services	0.0	0	17	17
15. DES Central Services	0.0	0	9	9
16. OFM Central Services	0.0	0	16	16

Agency 160

Office of Insurance Commissioner (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
17. CTS Fee for Service Adjustment	0.0	0	25	25
Policy -- Central Svcs Total	0.0	0	71	71
Total Policy Changes	0.0	0	481	481
2017-19 Policy Level	245.0	0	64,529	64,529

POLICY CHANGES

1. Updated PEBB Rate

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-Federal; Insurance Commissioner's Regulatory Account-State)

2. Paid Family Leave--Employer Premium

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. (Insurance Commissioner's Regulatory Account-State)

3. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Insurance Commissioner's Regulatory Account-State)

4. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Insurance Commissioner's Regulatory Account-State)

5. 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. (Insurance Commissioner's Regulatory Account-State)

Agency 160

Office of Insurance Commissioner (cont.)

Recommendation Summary

6. 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. (Insurance Commissioner's Regulatory Account-State)

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. (Insurance Commissioner's Regulatory 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. (Insurance Commissioner's Regulatory 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. (Insurance Commissioner's Regulatory Account-State)

10. Health Insurance Market

Federal actions, such as the announcement that the Affordable Care Act individual mandate will not be enforced and the suspension of reimbursements to health insurance carriers for federally required cost-sharing reduction subsidies, have significantly impacted health insurance carrier confidence in the Washington state individual health insurance market. Funding is provided for the Office of Insurance Commissioner (OIC) to take steps to stabilize Washington's individual health insurance market for plan year 2019 and beyond. Funding will allow market stabilization approaches that include actuarial and economic studies for potential state-based reinsurance programs and publicly offered options to reduce future premium increases. (Insurance Commissioner's Regulatory Account-State)

11. 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. (Insurance Commissioner's Regulatory Account-State)

12. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Insurance Commissioner's Regulatory Account-State)

13. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (Insurance Commissioner's Regulatory Account-State)

Agency 160

Office of Insurance Commissioner (cont.)

Recommendation Summary

14. 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. (Insurance Commissioner's Regulatory Account-State)

15. 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. (Insurance Commissioner's Regulatory Account-State)

16. 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. (Insurance Commissioner's Regulatory Account-State)

17. 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. (Insurance Commissioner's Regulatory Account-State)

GOVERNMENTAL OPERATIONS

Agency 163

**Consolidated Technology Services
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	559.5	375	303,678	304,053
Maintenance Other Changes:				
1. SecureAccess Washington Workload	1.5	0	648	648
Maintenance -- Other Total	1.5	0	648	648
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(347)	(347)
3. Paid Family Leave--Employer Premium	0.0	0	27	27
Maintenance -- Comp Total	0.0	0	(320)	(320)
Maintenance Central Services Changes:				
4. Audit Services	0.0	0	10	10
5. CTS Central Services	0.0	0	1	1
6. DES Central Services	0.0	0	2	2
7. OFM Central Services	0.0	0	14	14
8. Workers' Compensation	0.0	0	(75)	(75)
9. DES Rate Compensation Changes	0.0	0	6	6
Maintenance -- Central Svcs Total	0.0	0	(42)	(42)
Total Maintenance Changes	1.5	0	286	286
2017-19 Maintenance Level	561.0	375	303,964	304,339
Policy Other Changes:				
10. Enterprise Systems Fee Adjustment	0.0	0	3,360	3,360
11. Cyber Defense Tools and Training	0.0	0	1,225	1,225
12. Fee for Service Rate Increase	0.0	0	2,101	2,101
13. Internet Speed Test	0.0	50	0	50
Policy -- Other Total	0.0	50	6,686	6,736
Policy Comp Changes:				
14. PERS & TRS Plan 1 Benefit Increase	0.0	0	53	53
Policy -- Comp Total	0.0	0	53	53

Agency 163

Consolidated Technology Services (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Central Services Changes:				
15. CTS Central Services	0.0	0	41	41
16. DES Central Services	0.0	0	14	14
17. OFM Central Services	0.0	0	22	22
18. CTS Fee for Service Adjustment	0.0	0	44	44
Policy -- Central Svcs Total	0.0	0	121	121
Total Policy Changes	0.0	50	6,860	6,910
2017-19 Policy Level	561.0	425	310,824	311,249

POLICY CHANGES

1. SecureAccess Washington Workload

Funding is provided for three developer FTE staff to address increases in the workload to support SecureAccess Washington and for renewal of the contract for multi-factor authentication services. (Consolidated Technology Services Revolving Account-Non-Appr)

2. Updated PEBB Rate

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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr; Shared Information Technology Systems Revolv Account-Non-Appr; other accounts)

3. Paid Family Leave--Employer Premium

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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr; Shared Information Technology Systems Revolv Account-Non-Appr; other accounts)

Agency 163

Consolidated Technology Services (cont.)**Recommendation Summary****4. Audit Services**

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

5. 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. (Consolidated Technology Services Revolving Account-Non-Appr)

6. 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. (Consolidated Technology Services Revolving Account-Non-Appr)

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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

8. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

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. (Consolidated Technology Services Revolving Account-Non-Appr)

10. Enterprise Systems Fee Adjustment

Funding is provided through the central service model to cover the cost of enterprise systems that calculate, track, model, project and maintain employee salary and benefits, personnel, budget, and financial data. (Consolidated Technology Services Revolving Account-Non-Appr)

Agency 163

Consolidated Technology Services (cont.)

Recommendation Summary

11. Cyber Defense Tools and Training

Funding is provided to improve the security of the state network from cyber threats. This includes an expansion of services that provide real-time threat monitoring hardware and software that can detect and disarm malicious attacks before they enter the network, along with a secure coding tool to improve security practices for agency web applications. (Consolidated Technology Services Revolving Account-State)

12. Fee for Service Rate Increase

Funding is provided to Consolidated Technology Services through rate increases for wireless, virtual private network, and service infrastructure services to align revenues with WaTech's cost of providing services. The rate increases take effect on January 1, 2018. (Consolidated Technology Services Revolving Account-Non-Appr)

13. Internet Speed Test

Funding is provided for the creation of a statewide internet speed test. This will allow Washingtonians to test their own broadband speed at home, and submit the test to appropriate state agencies to determine consumer internet speeds. (General Fund-State)

14. 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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr; Shared Information Technology Systems Revolv Account-Non-Appr; other accounts)

15. 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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

16. 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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

17. 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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

Agency 163

Consolidated Technology Services (cont.)

Recommendation Summary

18. 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. (Consolidated Technology Services Revolving Account-State; Consolidated Technology Services Revolving Account-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 165

State Board of Accountancy
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	11.3	0	2,907	2,907
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(6)	(6)
2. Paid Family Leave--Employer Premium	0.0	0	1	1
Maintenance -- Comp Total	0.0	0	(5)	(5)
Maintenance Central Services Changes:				
3. Workers' Compensation	0.0	0	(1)	(1)
4. DES Rate Compensation Changes	0.0	0	2	2
Maintenance -- Central Svcs Total	0.0	0	1	1
Total Maintenance Changes	0.0	0	(4)	(4)
2017-19 Maintenance Level	11.3	0	2,903	2,903
Policy Other Changes:				
5. Electronic Content Management	0.8	0	338	338
Policy -- Other Total	0.8	0	338	338
Policy Comp Changes:				
6. PERS & TRS Plan 1 Benefit Increase	0.0	0	1	1
Policy -- Comp Total	0.0	0	1	1
Policy Central Services Changes:				
7. CTS Central Services	0.0	0	1	1
8. OFM Central Services	0.0	0	1	1
Policy -- Central Svcs Total	0.0	0	2	2
Total Policy Changes	0.8	0	341	341
2017-19 Policy Level	12.1	0	3,244	3,244

Agency 165

State Board of Accountancy (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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. (Certified Public Accountants' Account-State)</p>				
2. 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. (Certified Public Accountants' Account-State)</p>				
3. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Certified Public Accountants' Account-State)</p>				
4. DES Rate Compensation Changes				
<p>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. (Certified Public Accountants' Account-State)</p>				
5. Electronic Content Management				
<p>Funding is provided for the Electronic Content Management (ECM) project to move essential paper records to a digital format. The digitization of essential documents supports the agency's continuity of operations plan to ensure content is available anytime and anywhere. The agency also will develop processes to support a mobile workforce. (Certified Public Accountants' Account-State)</p>				
6. PERS & TRS Plan 1 Benefit Increase				
<p>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. (Certified Public Accountants' Account-State)</p>				
7. 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. (Certified Public Accountants' Account-State)</p>				

Agency 165

State Board of Accountancy (cont.)

Recommendation Summary

8. 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. (Certified Public Accountants' Account-State)

GOVERNMENTAL OPERATIONS

Agency 179

**Department of Enterprise Services
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	752.6	8,773	323,758	332,531
Maintenance Other Changes:				
1. SBCC Technical Correction	0.0	0	76	76
2. DES Rate Compensation Changes	0.0	0	1,204	1,204
3. ESA Technical Correction	0.0	0	40,000	40,000
Maintenance -- Other Total	0.0	0	41,280	41,280
Maintenance Comp Changes:				
4. Updated PEBB Rate	0.0	0	(450)	(450)
5. Wellness \$25 Gift Card	0.0	0	2	2
6. Paid Family Leave--Employer Premium	0.0	0	18	18
Maintenance -- Comp Total	0.0	0	(430)	(430)
Maintenance Central Services Changes:				
7. Audit Services	0.0	0	(3)	(3)
8. Legal Services	0.0	0	(3)	(3)
9. CTS Central Services	0.0	0	7	7
10. DES Central Services	0.0	0	5	5
11. OFM Central Services	0.0	0	19	19
12. Workers' Compensation	0.0	0	(178)	(178)
13. DES Rate Compensation Changes	0.0	0	27	27
Maintenance -- Central Svcs Total	0.0	0	(126)	(126)
Total Maintenance Changes	0.0	0	40,724	40,724
2017-19 Maintenance Level	752.6	8,773	364,482	373,255
Policy Other Changes:				
14. Campus Physical Security and Safety	0.0	0	1,557	1,557
15. Engineering and Architectural Staff	0.0	15,000	0	15,000
16. State Building Code Council	1.0	347	0	347
Policy -- Other Total	1.0	15,347	1,557	16,904

GOVERNMENTAL OPERATIONS

Agency 179

Department of Enterprise Services (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Comp Changes:				
17. PERS & TRS Plan 1 Benefit Increase	0.0	0	47	47
Policy -- Comp Total	0.0	0	47	47
Policy Central Services Changes:				
18. Legal Services	0.0	0	3	3
19. CTS Central Services	0.0	0	58	58
20. DES Central Services	0.0	0	40	40
21. OFM Central Services	0.0	0	72	72
22. CTS Fee for Service Adjustment	0.0	0	124	124
Policy -- Central Svcs Total	0.0	0	297	297
Total Policy Changes	1.0	15,347	1,901	17,248
2017-19 Policy Level	753.6	24,120	366,383	390,503

POLICY CHANGES

1. SBCC Technical Correction

Expenditure authority is increased to match existing revenues generated from the collections of building permit fees for the State Building Code Council (SBCC). No corresponding revenue adjustment is required. (Building Code Council Account-State)

2. 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 billing structure. (Enterprise Services Account-Non-Appr)

3. ESA Technical Correction

Expenditure authority is increased to match existing revenues generated from collections in the Enterprise Services Account (ESA). No corresponding revenue adjustment is required. (Enterprise Services Account-Non-Appr)

Agency 179

Department of Enterprise Services (cont.)**Recommendation Summary****4. Updated PEBB Rate**

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. (Building Code Council Account-State; Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

5. Wellness \$25 Gift Card

Some employees are eligible, under the terms of their collective bargaining agreements, to earn a \$25 gift card after completing a health risk assessment. This item provides funding for agencies to pay the employer's share of Social Security and Medicare taxes on the gift cards. (Enterprise Services Account-Non-Appr)

6. Paid Family Leave--Employer Premium

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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

7. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Enterprise Services Account-Non-Appr)

8. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Enterprise Services Account-Non-Appr)

9. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

10. 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. (Enterprise Services Account-Non-Appr)

Agency 179

Department of Enterprise Services (cont.)

Recommendation Summary

11. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

12. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

13. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

14. Campus Physical Security and Safety

Funding is provided to contract with the Washington State Patrol to improve the safety and security of the 468-acre Capitol campus. This item is one piece of a comprehensive security package that will be phased in over time. (Enterprise Services Account-Non-Appr)

15. Engineering and Architectural Staff

Funding is provided for staffing costs for the Engineering and Architectural Services program at the Department of Enterprise Services, which is responsible for capital project management and the administration of public works contracting for most state facilities. (General Fund-State)

16. State Building Code Council

Funding is provided to the State Building Code Council to fully staff its operations and meet the existing demand from localities, agencies and other stakeholders for cost benefit and economic analyses of proposed code changes. (General Fund-State)

17. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

18. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Enterprise Services Account-Non-Appr)

Agency 179

Department of Enterprise Services (cont.)

Recommendation Summary

19. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

20. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

21. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

22. 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. (Enterprise Services Account-Non-Appr; Risk Management Administration Account-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 185

**Washington Horse Racing Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	28.5	0	6,021	6,021
Maintenance Other Changes:				
1. Nonappropriated Fund FTE Adjustment	(12.5)	0	0	0
Maintenance -- Other Total	(12.5)	0	0	0
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(6)	(6)
Maintenance -- Comp Total	0.0	0	(6)	(6)
Maintenance Central Services Changes:				
3. CTS Central Services	0.0	0	(1)	(1)
4. OFM Central Services	0.0	0	2	2
5. Workers' Compensation	0.0	0	12	12
6. DES Rate Compensation Changes	0.0	0	3	3
Maintenance -- Central Svcs Total	0.0	0	16	16
Total Maintenance Changes	(12.5)	0	10	10
2017-19 Maintenance Level	16.0	0	6,031	6,031
Policy Comp Changes:				
7. PERS & TRS Plan 1 Benefit Increase	0.0	0	1	1
Policy -- Comp Total	0.0	0	1	1
Policy Central Services Changes:				
8. CTS Central Services	0.0	0	2	2
9. OFM Central Services	0.0	0	1	1
Policy -- Central Svcs Total	0.0	0	3	3
Total Policy Changes	0.0	0	4	4
2017-19 Policy Level	16.0	0	6,035	6,035

POLICY CHANGES

1. Nonappropriated Fund FTE Adjustment

FTE staff are adjusted to reflect current levels.

Agency 185

Washington Horse Racing Commission (cont.)**Recommendation Summary****2. Updated PEBB Rate**

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. (Horse Racing Commission Operating Account-Non-Appr)

3. 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. (Horse Racing Commission Operating Account-Non-Appr)

4. 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. (Horse Racing Commission Operating Account-Non-Appr)

5. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Horse Racing Commission Operating Account-Non-Appr)

6. 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. (Horse Racing Commission Operating Account-Non-Appr)

7. 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. (Horse Racing Commission Operating Account-Non-Appr)

8. 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. (Horse Racing Commission Operating Account-Non-Appr)

9. 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. (Horse Racing Commission Operating Account-Non-Appr)

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
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POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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)

3. Paid Family Leave--Employer Premium

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)

4. Audit Services

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)

5. 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)

6. 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)

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)

GOVERNMENTAL OPERATIONS

Agency 215

**Utilities and Transportation Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	175.7	0	74,706	74,706
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(106)	(106)
2. Paid Family Leave--Employer Premium	0.0	0	4	4
Maintenance -- Comp Total	0.0	0	(102)	(102)
Maintenance Central Services Changes:				
3. Legal Services	0.0	0	(8)	(8)
4. CTS Central Services	0.0	0	2	2
5. OFM Central Services	0.0	0	4	4
6. Workers' Compensation	0.0	0	(2)	(2)
7. DES Rate Compensation Changes	0.0	0	2	2
Maintenance -- Central Svcs Total	0.0	0	(2)	(2)
Total Maintenance Changes	0.0	0	(104)	(104)
2017-19 Maintenance Level	175.7	0	74,602	74,602
Policy Other Changes:				
8. Carbon Reduction	0.0	0	500	500
Policy -- Other Total	0.0	0	500	500
Policy Comp Changes:				
9. PERS & TRS Plan 1 Benefit Increase	0.0	0	15	15
Policy -- Comp Total	0.0	0	15	15
Policy Central Services Changes:				
10. Legal Services	0.0	0	11	11
11. CTS Central Services	0.0	0	13	13
12. DES Central Services	0.0	0	3	3
13. OFM Central Services	0.0	0	12	12
14. CTS Fee for Service Adjustment	0.0	0	27	27
Policy -- Central Svcs Total	0.0	0	66	66
Total Policy Changes	0.0	0	581	581
2017-19 Policy Level	175.7	0	75,183	75,183

Agency 215

Utilities and Transportation Commission (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. 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-Local; Public Service Revolving Account-State; Pipeline Safety Account-State; other accounts)</p>				
2. 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. (Public Service Revolving Account-State)</p>				
3. Legal Services				
<p>Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (Public Service Revolving Account-State; Pipeline Safety Account-State)</p>				
4. 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. (Public Service Revolving Account-State)</p>				
5. OFM Central Services				
<p>Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management for the One Washington project. (Public Service Revolving Account-State)</p>				
6. Workers' Compensation				
<p>Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (Public Service Revolving Account-State)</p>				
7. DES Rate Compensation Changes				
<p>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. (Public Service Revolving Account-State)</p>				

Agency 215

Utilities and Transportation Commission (cont.)**Recommendation Summary****8. Carbon Reduction**

Funding is provided for rulemaking and annual review of filings. (Public Service Revolving Account-State)

9. 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-Local; Public Service Revolving Account-State; Pipeline Safety Account-State; other accounts)

10. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-Local; Public Service Revolving Account-State; Pipeline Safety Account-State)

11. 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. (General Fund-Local; Public Service Revolving Account-State; Pipeline Safety Account-State)

12. 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. (Public Service Revolving Account-State)

13. 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. (General Fund-Local; Public Service Revolving Account-State; Pipeline Safety Account-State)

14. 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. (General Fund-Local; Public Service Revolving Account-State; Pipeline Safety Account-State)

Agency 220

**Board for Volunteer Firefighters
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	4.0	0	1,216	1,216
Maintenance Comp Changes:				
1. Updated PEBB Rate	0.0	0	(2)	(2)
Maintenance -- Comp Total	0.0	0	(2)	(2)
Total Maintenance Changes	0.0	0	(2)	(2)
2017-19 Maintenance Level	4.0	0	1,214	1,214
Policy Central Services Changes:				
2. CTS Fee for Service Adjustment	0.0	0	2	2
Policy -- Central Svcs Total	0.0	0	2	2
Total Policy Changes	0.0	0	2	2
2017-19 Policy Level	4.0	0	1,216	1,216

POLICY CHANGES

1. Updated PEBB Rate

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. (Vol Firefighters' & Reserve Officers' Admin Account-State)

2. 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. (Vol Firefighters' & Reserve Officers' Admin Account-State)

GOVERNMENTAL OPERATIONS

Agency 245

**Military Department
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	328.0	15,586	285,353	300,939
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(1,243)	1,243	0
2. Updated PEBB Rate	0.0	(65)	(146)	(211)
3. Paid Family Leave--Employer Premium	0.0	3	2	5
Maintenance -- Comp Total	0.0	(1,305)	1,099	(206)
Maintenance Central Services Changes:				
4. Audit Services	0.0	(9)	0	(9)
5. Legal Services	0.0	(1)	0	(1)
6. CTS Central Services	0.0	4	0	4
7. OFM Central Services	0.0	8	0	8
8. Workers' Compensation	0.0	(76)	0	(76)
9. DES Rate Compensation Changes	0.0	1	0	1
Maintenance -- Central Svcs Total	0.0	(73)	0	(73)
Total Maintenance Changes	0.0	(1,378)	1,099	(279)
2017-19 Maintenance Level	328.0	14,208	286,452	300,660
Policy Other Changes:				
10. Carlton Complex Fire Relief	0.0	0	(761)	(761)
11. Next Generation 911	0.0	0	4,200	4,200
12. Disaster Recovery	0.0	0	27,616	27,616
Policy -- Other Total	0.0	0	31,055	31,055
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	7	15	22
Policy -- Comp Total	0.0	7	15	22
Policy Central Services Changes:				
14. Legal Services	0.0	2	0	2
15. CTS Central Services	0.0	24	0	24
16. OFM Central Services	0.0	23	0	23

Agency 245

Military Department (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
17. CTS Fee for Service Adjustment	0.0	38	0	38
Policy -- Central Svcs Total	0.0	87	0	87
Total Policy Changes	0.0	94	31,070	31,164
2017-19 Policy Level	328.0	14,302	317,522	331,824

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

2. Updated PEBB Rate

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; Enhanced 911 Account-State; other accounts)

3. Paid Family Leave--Employer Premium

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. (General Fund-State; General Fund-Federal)

4. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State)

5. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

Agency 245

Military Department (cont.)**Recommendation Summary****6. 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. (General Fund-State)

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. (General Fund-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. (General Fund-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. (General Fund-State)

10. Carlton Complex Fire Relief

Funding is reduced from the Disaster Response Account to reflect the correct amount of carryover funding available from the previous biennium for Okanogan and Ferry counties to address deficiencies within their communications infrastructure for 911 dispatch. (Disaster Response Account-State)

11. Next Generation 911

Funding is provided to continue implementation of Next Generation 911. Costs incurred have been higher than initially anticipated due to technical and contractual issues. This enhancement allows the public to send images, text messages and video to public safety answering points. (General Fund-Federal)

12. Disaster Recovery

Funding is provided for changes related to disaster recovery efforts for 13 presidentially-declared state disasters specific to the Public Assistance and Hazard Mitigation programs. (Disaster Response Account-State; Disaster Response Account-Federal)

13. 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-State; General Fund-Federal; Enhanced 911 Account-State; other accounts)

14. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. (General Fund-State)

Agency 245

Military Department (cont.)

Recommendation Summary

15. 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. (General Fund-State)

16. 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. (General Fund-State)

17. 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. (General Fund-State)

GOVERNMENTAL OPERATIONS

Agency 275

**Public Employment Relations Commission
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	41.3	4,327	5,359	9,686
Maintenance Comp Changes:				
1. Move Pension Fund Shift to Agencies	0.0	(228)	228	0
2. Updated PEBB Rate	0.0	(9)	(11)	(20)
3. Paid Family Leave--Employer Premium	0.0	1	1	2
Maintenance -- Comp Total	0.0	(236)	218	(18)
Maintenance Central Services Changes:				
4. CTS Central Services	0.0	(1)	0	(1)
5. OFM Central Services	0.0	1	1	2
6. DES Rate Compensation Changes	0.0	3	3	6
Maintenance -- Central Svcs Total	0.0	3	4	7
Total Maintenance Changes	0.0	(233)	222	(11)
2017-19 Maintenance Level	41.3	4,094	5,581	9,675
Policy Comp Changes:				
7. PERS & TRS Plan 1 Benefit Increase	0.0	1	1	2
Policy -- Comp Total	0.0	1	1	2
Policy Central Services Changes:				
8. CTS Central Services	0.0	2	1	3
9. OFM Central Services	0.0	1	1	2
Policy -- Central Svcs Total	0.0	3	2	5
Total Policy Changes	0.0	4	3	7
2017-19 Policy Level	41.3	4,098	5,584	9,682

POLICY CHANGES

1. Move Pension Fund Shift to Agencies

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)

Agency 275

Public Employment Relations Commission (cont.)**Recommendation Summary****2. Updated PEBB Rate**

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; Personnel Service Account-State; Higher Education Personnel Services Account-State)

3. Paid Family Leave--Employer Premium

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. (General Fund-State; Personnel Service Account-State)

4. 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. (General Fund-State)

5. 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. (General Fund-State; Personnel Service Account-State)

6. 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. (General Fund-State; Personnel Service Account-State)

7. 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-State; Personnel Service Account-State)

8. 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. (General Fund-State; Personnel Service Account-State)

Agency 275

Public Employment Relations Commission (cont.)

Recommendation Summary

9. 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. (General Fund-State; Personnel Service Account-State)

GOVERNMENTAL OPERATIONS

Agency 341

**LEOFF 2 Retirement Board
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	7.0	0	2,447	2,447
Maintenance Other Changes:				
1. Update Funding for OSA Agreement	0.0	0	10	10
Maintenance -- Other Total	0.0	0	10	10
Maintenance Comp Changes:				
2. Updated PEBB Rate	0.0	0	(4)	(4)
Maintenance -- Comp Total	0.0	0	(4)	(4)
Maintenance Central Services Changes:				
3. DES Rate Compensation Changes	0.0	0	1	1
Maintenance -- Central Svcs Total	0.0	0	1	1
Total Maintenance Changes	0.0	0	7	7
2017-19 Maintenance Level	7.0	0	2,454	2,454
Policy Comp Changes:				
4. PERS & TRS Plan 1 Benefit Increase	0.0	0	1	1
Policy -- Comp Total	0.0	0	1	1
Policy Central Services Changes:				
5. CTS Fee for Service Adjustment	0.0	0	4	4
Policy -- Central Svcs Total	0.0	0	4	4
Total Policy Changes	0.0	0	5	5
2017-19 Policy Level	7.0	0	2,459	2,459

POLICY CHANGES

1. Update Funding for OSA Agreement

The Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF) enters into an interagency agreement with the Office of the State Actuary (OSA) to provide actuarial assistance to the Board. The rates set forth in the agreement increased in the 2017-19 biennium. This item updates non-appropriated funding for LEOFF to cover the increased costs. (LEOFF Plan 2 Expense Fund-Non-Appr)

Agency 341

LEOFF 2 Retirement Board (cont.)

Recommendation Summary

2. Updated PEBB Rate

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. (LEOFF Plan 2 Expense Fund-Non-Appr)

3. 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. (LEOFF Plan 2 Expense Fund-Non-Appr)

4. 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. (LEOFF Plan 2 Expense Fund-Non-Appr)

5. 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. (LEOFF Plan 2 Expense Fund-Non-Appr)

GOVERNMENTAL OPERATIONS

Agency 355

Department of Archaeology & Historic Preservation
Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2017-19 Original Appropriations	19.8	3,240	3,128	6,368
Maintenance Other Changes:				
1. Personnel Investigation	0.0	20	0	20
Maintenance -- Other Total	0.0	20	0	20
Maintenance Comp Changes:				
2. Retirement Buyout Costs	0.0	12	0	12
3. Salary Technical Correction	0.0	26	0	26
4. Move Pension Fund Shift to Agencies	0.0	(136)	136	0
5. State Public Employee Benefits Rate	0.0	0	3	3
6. Non-Rep General Wage Increase	0.0	0	14	14
7. Updated PEBB Rate	0.0	(7)	(4)	(11)
8. Paid Family Leave--Employer Premium	0.0	1	0	1
Maintenance -- Comp Total	0.0	(104)	149	45
Maintenance Central Services Changes:				
9. CTS Central Services	0.0	1	0	1
10. OFM Central Services	0.0	1	0	1
11. Workers' Compensation	0.0	(2)	0	(2)
12. DES Rate Compensation Changes	0.0	4	0	4
Maintenance -- Central Svcs Total	0.0	4	0	4
Total Maintenance Changes	0.0	(80)	149	69
2017-19 Maintenance Level	19.8	3,160	3,277	6,437
Policy Comp Changes:				
13. PERS & TRS Plan 1 Benefit Increase	0.0	1	0	1
Policy -- Comp Total	0.0	1	0	1
Policy Central Services Changes:				
14. CTS Central Services	0.0	1	0	1
15. OFM Central Services	0.0	1	0	1
16. CTS Fee for Service Adjustment	0.0	1	0	1
Policy -- Central Svcs Total	0.0	3	0	3
Total Policy Changes	0.0	4	0	4
2017-19 Policy Level	19.8	3,164	3,277	6,441

Agency 355

Department of Archaeology & Historic Preservation (cont.)

Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
POLICY CHANGES				
1. Personnel Investigation				
Funding is provided to the Department of Archaeology and Historic Preservation for a personnel investigation. (General Fund-State)				
2. Retirement Buyout Costs				
This item funds a one-time retirement buyout for an employee who will retire in March 2018. (General Fund-State)				
3. Salary Technical Correction				
Funding is provided to adjust a technical correction for a salary adjustment that reallocated Forensic Scientist 3 positions from Range 62 to 66. (General Fund-State)				
4. Move Pension Fund Shift to Agencies				
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)				
7. Updated PEBB Rate				
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; Motor Vehicle Account-State)				
8. Paid Family Leave--Employer Premium				
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. (General Fund-State)				
9. 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. (General Fund-State)				

Agency 355

Department of Archaeology & Historic Preservation (cont.)

Recommendation Summary

10. 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. (General Fund-State)

11. Workers' Compensation

Agency budgets are adjusted to reflect each agency's estimated charges from the Department of Labor and Industries for workers' compensation. (General Fund-State)

12. 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. (General Fund-State)

13. 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-State)

14. 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. (General Fund-State)

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. (General Fund-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. (General Fund-State)