

**Department of Ecology  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2015-17 Estimated Expenditures</b>	<b>1,612.3</b>	<b>49,160</b>	<b>418,948</b>	<b>468,108</b>
<b>2017-19 Maintenance Level</b>	<b>1,603.4</b>	<b>50,216</b>	<b>438,903</b>	<b>489,119</b>
Difference from 2015-17	-8.9	1,056	19,955	21,011
% Change from 2015-17	-0.5%	2.1%	4.8%	4.5%
<b>Policy Other Changes:</b>				
1. State Revolving Fund Administration	0.0	0	540	540
2. Increased Operating Permit Activity	2.1	0	406	406
3. Field Office Lease Adjustments	0.0	8	38	46
4. Low-Impact Development Training	-1.4	0	-1,981	-1,981
5. Low-Level Radioactive Waste	-1.2	0	-734	-734
6. Hanford Compliance Inspections	1.2	0	214	214
7. Hanford Dangerous Waste Permitting	3.9	0	872	872
8. Integrated Revenue Management	2.2	458	2,367	2,825
9. Clean Air Rule	20.5	4,567	0	4,567
10. WSU Stormwater Center	0.0	0	500	500
11. Balance to Available Revenue	0.0	0	-150	-150
12. Flood Plan Grant Reduction	0.0	0	-2,000	-2,000
13. Litter Account Reduction	0.0	0	-5,500	-5,500
14. MTCA Staff Level Reduction	-20.0	0	-5,000	-5,000
15. Stormwater Grant Reduction	0.0	0	-1,100	-1,100
16. Shoreline Grant Reduction	0.0	0	-1,800	-1,800
<b>Policy -- Other Total</b>	<b>7.3</b>	<b>5,033</b>	<b>-13,328</b>	<b>-8,295</b>
<b>Policy Comp Changes:</b>				
17. State Public Employee Benefits Rate	0.0	112	747	859
18. WFSE General Government	0.0	1,256	7,357	8,613
19. Corps Minimum Wage Increase	0.0	0	1,856	1,856
20. State Represented Emp Benefits Rate	0.0	527	2,973	3,500
21. Non-Rep General Wage Increase	0.0	287	1,773	2,060
22. Non-Rep Targeted Pay Increases	0.0	2	304	306

**Department of Ecology  
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
23. WFSE Orca Transit Pass	0.0	20	144	164
24. Orca Transit Pass-Not WFSE	0.0	4	34	38
25. Vacation Leave Chng-Non-represented	0.0	0	1	1
<b>Policy -- Comp Total</b>	<b>0.0</b>	<b>2,208</b>	<b>15,189</b>	<b>17,397</b>
<b>Policy Central Services Changes:</b>				
26. Archives/Records Management	0.0	1	4	5
27. Audit Services	0.0	0	1	1
28. Legal Services	0.0	29	130	159
29. CTS Central Services	0.0	26	119	145
30. DES Central Services	0.0	35	153	188
<b>Policy -- Central Svcs Total</b>	<b>0.0</b>	<b>91</b>	<b>407</b>	<b>498</b>
<b>Total Policy Changes</b>	<b>7.3</b>	<b>7,332</b>	<b>2,268</b>	<b>9,600</b>
<b>2017-19 Policy Level</b>	<b>1,610.7</b>	<b>57,548</b>	<b>441,171</b>	<b>498,719</b>
Difference from 2015-17	-1.6	8,388	22,223	30,611
% Change from 2015-17	-0.1%	17.1%	5.3%	6.5%

**POLICY CHANGES**

**1. State Revolving Fund Administration**

The Department of Ecology manages a water pollution facility loan program that provides low-interest financing to local governments for infrastructure projects designed to protect and restore water quality in local communities. Administrative oversight of the loan program has historically been funded through federal grants; however, Chapter 96, Laws of 2013 established a new loan administration charge for the loan program, allowing funding to be shifted to a new, dedicated account. The last phase of this shift will take place during the 2017-19 biennium. A total of \$1.25 million is shifted permanently from the Water Pollution Control Revolving Account to the new Water Pollution Control Revolving Administration Account. In addition, funding in the latter account is increased \$540,000 to correct a technical error in computing the 2017-19 base funding level for this program. (Water Pollution Control Revol Administration Account-State; Water Pollution Control Revolving Account-State; Water Pollution Control Revolving Account-Federal)

## Department of Ecology Recommendation Summary

---

### **2. Increased Operating Permit Activity**

Federal and state laws define the scope and content of the Department of Ecology's Air Operating Permit (AOP) program that sets air pollution limits, conditions and other requirements for large industrial facilities. Under both laws, regulated entities are required to pay the full costs of the program. Each biennium, Ecology prepares a workload model to determine the budget necessary to operate the program, based on current costs and workload projections. Ongoing funding and FTE staff are provided to match the projected workload for 2017-19. (Air Operating Permit Account-State)

### **3. Field Office Lease Adjustments**

Ongoing funding is provided for increased lease costs due to relocation of the Department of Ecology's field office in Vancouver and closure of the agency's Wenatchee office. (General Fund-State; Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State; other accounts)

### **4. Low-Impact Development Training**

Since fiscal year 2013, the Department of Ecology has provided a low-impact development (LID) technical training program at no cost to local governments, private businesses, and stormwater permittees. This training prepares these entities to meet future LID requirements in municipal stormwater permits. The original appropriation was envisioned to be made available for five years, from July 1, 2012, through June 30, 2017. Based on that intent, funding and FTE staff are eliminated permanently. (State Toxics Control Account-State)

### **5. Low-Level Radioactive Waste**

Pending enactment of agency request legislation to shift management of the Northwest Interstate Compact on Low-Level Radioactive Waste Management, management of a land lease, and fund administration of the Site Closure and the Perpetual Surveillance Maintenance accounts from the Department of Ecology (Ecology) to the Department of Health (Health), funding and FTE staff are permanently eliminated from Ecology's budget. Moving the funding to Health, along with program responsibility, will improve oversight consistency and reduce the duplication of having Ecology manage budgets and accounts for Health activities. (General Fund-Local; Site Closure Account-State)

### **6. Hanford Compliance Inspections**

Ongoing funding and FTE staff are provided for an additional compliance inspector in Ecology's Richland field office. At the current staffing level, Ecology is unable to complete all required U.S. Environmental Protection Agency (EPA) statewide mixed waste compliance oversight inspections, follow-up, and enforcement. This new position will complete the staffing needed to fully implement the compliance oversight program, thereby protecting the environment and public health. Costs will be covered by fee payers. (Radioactive Mixed Waste Account-State)

## Department of Ecology Recommendation Summary

---

### **7. Hanford Dangerous Waste Permitting**

In 2012, Ecology issued a draft Hanford Sitewide Dangerous Waste Permit for public comment. Based on comments from the Environmental Protection Agency (EPA), Ecology has developed a revised approach to permit development, implementation and administration. At the direction of EPA, Ecology took over administration of the current permit from the U.S. Department of Energy, consistent with the way other permits are managed. Ongoing funding and FTE staff are provided for information technology, regulatory, and engineering support to administer the permit electronically, and to properly develop and issue current and future permits. This fee-funded work supports appropriate management of radioactive waste to protect the environment and public health. Costs will be covered by fees paid by the U.S. Department of Energy. (Radioactive Mixed Waste Account-State)

### **8. Integrated Revenue Management**

The Department of Ecology receives loan repayments, fees and other revenue, managing a \$1.4 billion clean water loan portfolio and \$366 million in biennial revenue. Some of Ecology's revenue-related systems are outdated, prone to failure, and lack the flexibility to meet business needs. One-time funding and FTE staff are provided to identify a technology solution and begin replacing and integrating these aging systems to meet current and future business needs. This system will reduce the risk of audit findings; reduce the use of workarounds and shadow systems, while increasing the quality and security of revenue data; and gain efficiencies through process standardization. It is anticipated that funding to complete the replacement project will be requested in the 2019-21 biennium once a solution has been selected and total project costs are identified. (General Fund-State; Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State; other accounts)

### **9. Clean Air Rule**

Ongoing funding and FTE staff are provided for implementation of the Department of Ecology's 2016 clean air rule. This rule caps and gradually reduces greenhouse gas emissions for about 24 stationary sources and, starting in 2020, about 15-18 energy-intensive/trade-dependent emitters and petroleum fuel suppliers. Regulated entities must meet their emission caps or purchase "emission reduction units" (ERUs, representing carbon reductions achieved through the actions of others). Ecology's rule-related activities include operating an on-line greenhouse gas emissions-reduction registry, establishing baseline emission levels for most regulated entities, issuing regulatory orders for compliance, establishing greenhouse gas emission baselines and compliance pathways for energy-intensive and trade-exposed entities, implementing and auditing products from a third-party verification program, providing technical assistance to regulated entities, managing and tracking reserve ERUs, developing protocols and verifying projects used to generate ERUs, updating policy, and coordinating with other established carbon markets and affected state agencies. (General Fund-State)

### **10. WSU Stormwater Center**

One-time funding is provided for the Washington State University Stormwater Center to study the relationship between urban stormwater runoff and mortality in salmon returning to spawn in urban creeks. (Environmental Legacy Stewardship Account-State)

## Department of Ecology Recommendation Summary

---

### 11. Balance to Available Revenue

Funding is reduced ongoing to match anticipated revenue in the Underground Storage Tank Account. This will result in fewer inspections and a lower level of technical assistance to owners and operators of underground storage tanks. (Underground Storage Tank Account-State)

### 12. Flood Plan Grant Reduction

The Flood Control Assistance Account program provides grants and technical assistance to local governments for flood damage reduction projects and flood hazard management plans. The Flood Control Assistance Account that funds this work receives its revenue from transfers from the state general fund. Continuing a temporary reduction that began during the 2009-11 biennium, funding is reduced on a one-time basis for competitive grants to local governments for flood hazard reduction projects. (Flood Control Assistance Account-State)

### 13. Litter Account Reduction

Extending a reduction began in 2009, funding is reduced on a one-time basis in the Litter Account. At this level of funding, the Department of Ecology will continue to provide a lower level of litter pickup by youth crews, state agencies and local governments, and will limit its waste reduction and recycling work. (Waste Reduction/Recycling/Litter Control-State)

### 14. MTCA Staff Level Reduction

The 2016 supplemental budget reduced Ecology's appropriation by \$5.0 million in the Model Toxics Control Act (MTCA) accounts, one-time, to capture savings from continued staff level reductions to MTCA-funded positions to help address the MTCA shortfall. This shortfall is continuing; therefore, the staffing reductions are extended, one-time, through the 2017-19 biennium at roughly the same rate of annual savings achieved in 2015-17. (State Toxics Control Account-State; Environmental Legacy Stewardship Account-State)

### 15. Stormwater Grant Reduction

In the 2016 supplemental budget, stormwater capacity grants to local governments were reduced \$2.9 million to help address the Model Toxics Control Act account (MTCA) shortfall. The shortfall is continuing past the 2015-17 biennium; therefore, \$1.1 million of stormwater capacity grant reductions will continue, one-time, through the 2017-19 biennium. (Environmental Legacy Stewardship Account-State)

### 16. Shoreline Grant Reduction

The Department of Ecology provides financial assistance to local governments required by statute to periodically update their shoreline master plans. In the 2016 supplemental budget, Ecology's funding for shoreline grants to local governments was reduced to help address the Model Toxics Control Act (MTCA) account shortfall. The shortfall is projected to continue beyond 2015-17; therefore, the shoreline grant reduction is biennialized and extended, one-time, through the 2017-19 biennium. (Environmental Legacy Stewardship Account-State)

## Department of Ecology Recommendation Summary

---

### 17. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### 18. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### 19. Corps Minimum Wage Increase

The Department of Ecology's Washington Conservation Corps (WCC) program provides environmental work experience to young adults and returning veterans in exchange for a living allowance equal to minimum wage, health insurance, and an educational award upon completion of service. Project sponsors contract with WCC crews for such work as tree planting, habitat restoration, trail building, and disaster response. Ecology also provides summer work experience to youth ages 14-17 engaged in highway litter pickup through the Ecology Youth Corps; most participants receive the minimum wage. With passage of Initiative 1433 in November 2016, the minimum wage is scheduled to increase gradually from \$9.53 per hour in January 2017 to \$12.00 per hour by January 2019. Ongoing funding is provided for the increased cost of providing minimum wage increases accruing through the duration of current contracts with participants in the Washington Conservation Corps and for minimum wage increases through January 2019 for Ecology Youth Corps participants. (Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State)

### 20. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

## Department of Ecology Recommendation Summary

---

### **21. Non-Rep General Wage Increase**

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### **22. Non-Rep Targeted Pay Increases**

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### **23. WFSE Orca Transit Pass**

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### **24. Orca Transit Pass-Not WFSE**

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

### **25. Vacation Leave Chng-Non-represented**

This item funds the cost of additional overtime or other replacement staff for positions in 24/7 institutions as a result of changes in vacation leave accruals for non-higher education employees who are non-represented. (State Toxics Control Account-State)

### **26. Archives/Records Management**

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (General Fund-State; State Toxics Control Account-State; Water Quality Permit Account-State; other accounts)

### **27. Audit Services**

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

## Department of Ecology Recommendation Summary

---

### **28. Legal Services**

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. The Attorney General's Office will work with client agencies to implement stricter policies and best practices regarding usage of legal services to achieve lower bills. (General Fund-State; Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State; other accounts)

### **29. 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; Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State; other accounts)

### **30. 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; Waste Reduction/Recycling/Litter Control-State; State Toxics Control Account-State; other accounts)