

Agency 107

Washington State Health Care Authority Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	1,178.4	4,016,072	12,537,433	16,553,505
2017-19 Maintenance Level	1,131.2	4,448,058	13,121,620	17,569,678
Difference from 2015-17	-47.3	431,986	584,187	1,016,173
% Change from 2015-17	-4.0%	10.8%	4.7%	6.1%
Policy Other Changes:				
1. Healthier WA Savings Restoration	0.0	61,028	75,894	136,922
2. Hepatitis C Treatment Costs	0.0	41,069	131,768	172,837
3. Medicaid Transformation Waiver	23.0	0	447,717	447,717
4. ACA Employer Shared Responsibility	2.0	0	472	472
5. GASB 75 Requirement Compliance	0.0	0	550	550
6. Administrative Cost Adjustment	0.0	0	-6,122	-6,122
7. Pain Management Call Center	0.0	676	678	1,354
8. Nurse Case Managers	0.0	900	1,058	1,958
9. PEBB Pay 1 System	0.0	0	540	540
10. UMP Third Party Admin Procurement	0.0	0	5,947	5,947
11. BH: Financial Risk Model	0.5	140	140	280
12. BH: Inpatient Psychiatric Increase	0.0	9,898	18,652	28,550
13. Community Health Centers I-502	0.0	-10,606	10,606	0
14. Substance Abuse Treatment I-502	0.0	1,400	-1,400	0
15. HBE Infrastructure Replacement	0.0	0	4,254	4,254
16. HPF Operational Improvements	0.0	0	4,012	4,012
17. HBE Outreach and Marketing Funding	0.0	0	3,000	3,000
18. Managed Care Staff Reduction	-10.0	-804	-804	-1,608
19. Hospital-Based Clinic Rate	0.0	-20,833	-21,478	-42,311
Policy -- Other Total	15.5	82,868	675,484	758,352
Policy Comp Changes:				
20. PEBB Rate Update	0.0	0	912	912
21. State Public Employee Benefits Rate	0.0	503	1,025	1,528
22. WFSE General Government	0.0	1,029	1,909	2,938

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Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
23. State Represented Emp Benefits Rate	0.0	553	1,026	1,579
24. Interpreter Collective Bargaining	0.0	722	1,090	1,812
25. Non-Rep General Wage Increase	0.0	1,135	2,319	3,454
26. Non-Rep Targeted Pay Increases	0.0	289	990	1,279
Policy -- Comp Total	0.0	4,231	9,271	13,502
Policy Transfer Changes:				
27. BH: Integration Transfer	106.9	954,317	1,669,774	2,624,091
Policy -- Transfer Total	106.9	954,317	1,669,774	2,624,091
Policy Central Services Changes:				
28. Archives/Records Management	0.0	2	2	4
29. Audit Services	0.0	8	11	19
30. Legal Services	0.0	19	41	60
31. Administrative Hearings	0.0	34	31	65
32. CTS Central Services	0.0	29	41	70
33. DES Central Services	0.0	55	76	131
Policy -- Central Svcs Total	0.0	147	202	349
Total Policy Changes	122.4	1,041,563	2,354,731	3,396,294
2017-19 Policy Level	1,253.6	5,489,621	15,476,351	20,965,972
Difference from 2015-17	75.2	1,473,549	2,938,918	4,412,467
% Change from 2015-17	6.4%	36.7%	23.4%	26.7%

POLICY CHANGES

1. Healthier WA Savings Restoration

Healthier Washington is a project that allows the Health Care Authority and the Department of Social and Health Services to establish integrated clinical models of physical and behavioral health care, thereby improving the effectiveness of health care purchasing and transforming the health care delivery system. As a result of delayed efforts to integrate clinical models of physical and behavioral health care, savings assumed in the current budget will not be realized this biennium. (General Fund-State; General Fund-Medicaid)

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2. Hepatitis C Treatment Costs

Funding is provided to expand treatment for Hepatitis C virus (HCV) to Medicaid clients with less severe liver disease whose coverage has been mandated by court order. This will extend HCV treatment to approximately 6,000 additional Medicaid patients with less severe liver disease. (General Fund-State; General Fund-Medicaid)

3. Medicaid Transformation Waiver

Funding is provided to align with projected expenditures under the Medicaid Transformation Waiver expected to be approved by the federal Centers for Medicare and Medicaid Services (CMS). The waiver's three initiatives fund (1) incentive-based payments for transformation projects designed to achieve sustainable goals of better care, better health and lower cost for the state's Medicaid population; (2) new services and supports for family caregivers that help people stay at home and avoid the need for more intensive services; and (3) supportive housing and supported employment services for those who are most vulnerable and have complex care needs. (General Fund-Federal; General Fund-Local)

4. ACA Employer Shared Responsibility

The federal Affordable Care Act requires reports on the Employer Shared Responsibility provision of Internal Revenue Code (IRC) §6056. The Health Care Authority (HCA) is the designated reporting entity for state agencies, commodity commissions, community and technical colleges, and state universities, as well as for self-funded group health plan reporting under IRC §6055 for the Uniform Medical Plans. Initial reporting has been accomplished on an ad-hoc basis using existing systems and resources, in order to meet immediate needs. The information technology (IT) systems that provide the data to HCA were not designed to provide the information required by the federal government. The temporary solution is labor intensive and provides opportunities for errors. This funding provides for IT staff to stabilize and improve the collection of data required for reports to the Internal Revenue Service. (St Health Care Authority Admin Account-State)

5. GASB 75 Requirement Compliance

HCA will comply with a new financial reporting requirement by contracting for testing and auditing. The census reporting and auditing is mandated by the Governmental Accounting Standards Board (GASB) Statement 75- Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). This requires the HCA, in cooperation with the Office of the State Actuary, to annually calculate and disseminate to all Public Employee Benefits Board (PEBB) employer groups their OPEB liability. (St Health Care Authority Admin Account-State)

6. Administrative Cost Adjustment

Funding for administrative costs of the PEBB program is reduced to the level of fiscal year 2015, adjusted for subsequent budget actions and policy initiatives. (St Health Care Authority Admin Account-State)

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7. Pain Management Call Center

Funding is provided for a telephonic clinical consultation line for supporting primary care providers regarding pain medication management and medication-assisted treatment for Medicaid clients. (General Fund-State; General Fund-Medicaid)

8. Nurse Case Managers

Funding is provided to hire nurse case managers to coordinate medically assisted treatment and movement to health homes for those being treated for opioid use disorder. (General Fund-State; General Fund-Medicaid)

9. PEBB Pay 1 System

HCA, in consultation with One Washington in the Office of Financial Management, the Office of the Chief Information Officer, and other state agencies with statewide payroll or benefit systems, will prepare a report on options for the replacement of the Pay1 IT system, to be completed by September 30, 2018. The report is to evaluate the potential costs, benefits and feasibility of integrating the functions currently performed by Pay 1 into an existing or new statewide system, as well for a stand-alone system. The report is also to update the business and system requirements documents previously developed for a Pay 1 replacement system. (St Health Care Authority Admin Account-State)

10. UMP Third Party Admin Procurement

This item provides resources for projected costs to procure and implement a new Uniform Medical Plan (UMP) third party administrator (TPA) vendor. The effective date of the contract will be January 1, 2018, and administrative services will begin on January 1, 2020. (Uniform Medical Plan Benefits Administration Account-Non-Appr)

11. BH: Financial Risk Model

Funding is provided for the department to create a financial risk model for managed care covering full financial risk of inpatient psychiatric commitments. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

12. BH: Inpatient Psychiatric Increase

Funding is adjusted to provide a 50 percent rate increase for inpatient psychiatry treatment. This item is part of the Governor's statewide behavioral health reform package. (General Fund-State; General Fund-Medicaid)

13. Community Health Centers I-502

Funding is adjusted to comply with expenditure requirements in RCW 69.50.540. (General Fund-State; Dedicated Marijuana Account-State)

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14. Substance Abuse Treatment I-502

Funding is adjusted to comply with expenditure requirements in RCW 69.50.540. (General Fund-State; Dedicated Marijuana Account-State)

15. HBE Infrastructure Replacement

Funding is provided to replace the original servers and data storage hardware that host Healthplanfinder (HPF), as well as a security upgrade in anticipation of the new servers. HPF processes eligibility and enrollment data for more than 1.7 million Washington residents each year. (General Fund-Federal; General Fund-Medicaid; Health Benefit Exchange Account-State)

16. HPF Operational Improvements

The Health Benefit Exchange operates the Washington Healthplanfinder (HPF), an online portal that will be used to obtain qualified health plans (QHPs) and Medicaid coverage by more than 1.8 million Washington residents in the 2017-19 biennium. Funding is provided to maintain twice yearly updates to HPF that maintain state and federal eligibility rules, as well as to improve customer experience for QHP and Medicaid enrollees. (General Fund-Federal; General Fund-Medicaid; Health Benefit Exchange Account-State)

17. HBE Outreach and Marketing Funding

Funding is provided for outreach and marketing to potential qualified health plan (QHP) enrollees in order to retain and grow the number of QHP enrollees while reducing uninsured rates. (General Fund-Federal; General Fund-Medicaid; Health Benefit Exchange Account-State)

18. Managed Care Staff Reduction

Third party liability has been handled by HCA staff who recapture funds that should have been covered by Medicaid patients' other insurance coverage. This program will be handled through managed care beginning in January 2017. Funding is reduced to reflect a decreased staffing need related to this transition to managed care. (General Fund-State; General Fund-Medicaid)

19. Hospital-Based Clinic Rate

The Center for Medicare and Medicaid Services (CMS) has announced that it will no longer pay facility fees for Medicare clients who are treated in hospital-based clinics. This change, effective January 2017, does not affect clinics which existed before November 2015. Funding is adjusted to adopt this rule for Medicaid clients treated in all hospital-based clinics, regardless of when the clinic was established. (General Fund-State; General Fund-Medicaid)

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20. PEBB Rate Update

While Health Benefit Exchange (HBE) employees are not public employees, they receive public employee benefits through the Public Employees Benefits Board (PEBB). Funding is provided to continue coverage at the new benefit rates for fiscal year 2018 and fiscal year 2019. (General Fund-Medicaid; Health Benefit Exchange Account-State)

21. 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-Medicaid; Flexible Spending Administrative Account-Non-Appr; other accounts)

22. 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-Medicaid; Medicaid Fraud Penalty Account-State; other accounts)

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

24. Interpreter Collective Bargaining

Funding is adjusted for interpreter services based upon the interpreter collective bargaining agreement for the 2017-19 biennium. (General Fund-State; General Fund-Medicaid)

25. 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; Flexible Spending Administrative Account-Non-Appr; other accounts)

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26. 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-Medicaid; Medicaid Fraud Penalty Account-State; other accounts)

27. BH: Integration Transfer

Chapter 225, Laws of 2014 requires the Health Care Authority (HCA) and Department of Social and Health Services (DSHS) to fully integrate physical health care and behavioral health care services to Medicaid clients by January 1, 2020. As part of the second phase of behavioral health integration, all community mental health and substance use disorder programs are transferred from DSHS to HCA, with the exception of the Licensing and Certification Program which will transfer to the Department of Health (DOH). In total, 161 staff and \$2.6 billion total funds (\$956 million General Fund-State) will move out of DSHS to HCA and DOH. This whole-person approach to managed care offers better coordinated care and consolidates the payment and delivery of physical and behavioral health services for individuals enrolled in Medicaid. (General Fund-State; General Fund-Federal; General Fund-Local; other accounts)

28. 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; General Fund-Medicaid)

29. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (General Fund-State; General Fund-Medicaid; St Health Care Authority Admin Account-State)

30. 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; General Fund-Medicaid; St Health Care Authority Admin Account-State)

31. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; General Fund-Medicaid; St Health Care Authority Admin Account-State)

32. 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-Medicaid; St Health Care Authority Admin Account-State)

33. 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-Medicaid; St Health Care Authority Admin Account-State)

Agency 120

Human Rights Commission Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	34.2	4,183	2,307	6,490
2017-19 Maintenance Level	34.2	4,538	2,354	6,892
Difference from 2015-17	0.0	355	47	402
% Change from 2015-17	0.0%	8.5%	2.0%	6.2%
Policy Comp Changes:				
1. State Public Employee Benefits Rate	0.0	16	6	22
2. WFSE General Government	0.0	51	49	100
3. State Represented Emp Benefits Rate	0.0	29	27	56
4. Non-Rep General Wage Increase	0.0	36	18	54
5. WFSE Orca Transit Pass	0.0	2	2	4
Policy -- Comp Total	0.0	134	102	236
Policy Central Services Changes:				
6. Legal Services	0.0	6	0	6
7. CTS Central Services	0.0	15	0	15
8. DES Central Services	0.0	11	0	11
9. Human Resource Services	0.0	64	0	64
Policy -- Central Svcs Total	0.0	96	0	96
Total Policy Changes	0.0	230	102	332
2017-19 Policy Level	34.2	4,768	2,456	7,224
Difference from 2015-17	0.0	585	149	734
% Change from 2015-17	0.0%	14.0%	6.5%	11.3%

Agency 120

Human Rights Commission Recommendation Summary

POLICY CHANGES

1. 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)

2. 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)

3. 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)

4. 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)

5. 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)

6. 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)

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Human Rights Commission Recommendation Summary

7. 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)

8. 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)

9. Human Resource Services

The Human Rights Commission will purchase essential human resource services from the Department of Enterprise Services. Services include consultation and support for labor relations, performance management, classification, workforce management and recruitment. (General Fund-State)

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Board of Industrial Insurance Appeals Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	161.0	0	41,738	41,738
2017-19 Maintenance Level	164.0	0	43,284	43,284
Difference from 2015-17	3.0	0	1,546	1,546
% Change from 2015-17	1.9%		3.7%	3.7%
Policy Other Changes:				
1. Court Reporter Rate Increase	0.0	0	136	136
Policy -- Other Total	0.0	0	136	136
Policy Comp Changes:				
2. State Public Employee Benefits Rate	0.0	0	64	64
3. WFSE General Government	0.0	0	308	308
4. State Represented Emp Benefits Rate	0.0	0	366	366
5. The Coalition of Unions Agreement	0.0	0	1,184	1,184
6. Non-Rep General Wage Increase	0.0	0	198	198
7. WFSE Orca Transit Pass	0.0	0	8	8
8. Orca Transit Pass-Not WFSE	0.0	0	24	24
Policy -- Comp Total	0.0	0	2,152	2,152
Policy Central Services Changes:				
9. Archives/Records Management	0.0	0	2	2
10. Legal Services	0.0	0	2	2
11. CTS Central Services	0.0	0	48	48
12. DES Central Services	0.0	0	22	22
Policy -- Central Svcs Total	0.0	0	74	74
Total Policy Changes	0.0	0	2,362	2,362
2017-19 Policy Level	164.0	0	45,646	45,646
Difference from 2015-17	3.0	0	3,908	3,908
% Change from 2015-17	1.9%		9.4%	9.4%

Agency 190

Board of Industrial Insurance Appeals Recommendation Summary

POLICY CHANGES

1. Court Reporter Rate Increase

Hearings before the Board of Industrial Insurance Appeals (BIIA) are required by law to be reported verbatim and transcribed. The BIIA record forms the basis for all subsequent levels of appellate review. The BIIA has a court reporting contract which was competitively bid and awarded for a five-year term ending June 30, 2020. During the 2017-19 biennium, the terms of the contract include a rate increase of approximately 5 percent. The BIIA currently spends approximately \$1.35 million per year through this contract. This item provides additional funding in the amount of \$68,000 annually for the contractual rate increase. (Accident Account-State; Medical Aid Account-State)

2. 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. (Accident Account-State; Medical Aid Account-State)

3. 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. (Accident Account-State; Medical Aid Account-State)

4. 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. (Accident Account-State; Medical Aid Account-State)

5. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) 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; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (Accident Account-State; Medical Aid Account-State)

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Board of Industrial Insurance Appeals Recommendation Summary

6. 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. (Accident Account-State; Medical Aid Account-State)

7. 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. (Accident Account-State; Medical Aid Account-State)

8. 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. (Accident Account-State; Medical Aid Account-State)

9. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (Accident Account-State; Medical Aid Account-State)

10. 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. (Accident Account-State; Medical Aid 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. (Accident Account-State; Medical Aid 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. (Accident Account-State; Medical Aid Account-State)

Agency 227

WA State Criminal Justice Training Commission Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	40.4	36,539	13,051	49,590
2017-19 Maintenance Level	47.0	35,232	12,866	48,098
Difference from 2015-17	6.6	-1,307	-185	-1,492
% Change from 2015-17	16.3%	-3.6%	-1.4%	-3.0%
Policy Other Changes:				
1. Basic Law Enforcement Academy FTEs	2.0	0	0	0
2. Basic Law Enforcement Academy	0.0	1,712	3,224	4,936
3. Prosecutor Training	0.0	90	0	90
Policy -- Other Total	2.0	1,802	3,224	5,026
Policy Comp Changes:				
4. State Public Employee Benefits Rate	0.0	48	3	51
5. WFSE General Government	0.0	124	0	124
6. State Represented Emp Benefits Rate	0.0	75	0	75
7. Non-Rep General Wage Increase	0.0	130	6	136
8. WFSE Orca Transit Pass	0.0	26	0	26
9. Orca Transit Pass-Not WFSE	0.0	16	0	16
Policy -- Comp Total	0.0	419	9	428
Policy Central Services Changes:				
10. Legal Services	0.0	6	0	6
11. CTS Central Services	0.0	22	0	22
12. DES Central Services	0.0	18	0	18
Policy -- Central Svcs Total	0.0	46	0	46
Total Policy Changes	2.0	2,267	3,233	5,500
2017-19 Policy Level	49.0	37,499	16,099	53,598
Difference from 2015-17	8.6	960	3,048	4,008
% Change from 2015-17	21.3%	2.6%	23.4%	8.1%

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WA State Criminal Justice Training Commission Recommendation Summary

POLICY CHANGES

1. Basic Law Enforcement Academy FTEs

Authority is provided to shift two contracted Basic Law Enforcement Academy (BLEA) staff to state FTEs to create savings.

2. Basic Law Enforcement Academy

Funding is provided for four additional BLEA classes each fiscal year. Additional local authority is provided for up to four additional classes if reimbursed by local law enforcement. (General Fund-State; General Fund-Local)

3. Prosecutor Training

Additional funding is provided for mandatory continuing legal education training for prosecuting attorneys statewide provided by the Washington Association of Prosecuting Attorneys. (General Fund-State)

4. 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-Local)

5. 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)

6. 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)

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WA State Criminal Justice Training Commission Recommendation Summary

7. 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-Local)

8. 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)

9. 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)

10. 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)

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-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. (General Fund-State)

Agency 235

Department of Labor and Industries Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	2,890.9	33,918	681,016	714,934
2017-19 Maintenance Level	2,938.3	34,552	698,867	733,419
Difference from 2015-17	47.4	634	17,851	18,485
% Change from 2015-17	1.6%	1.9%	2.6%	2.6%
Policy Other Changes:				
1. Business Transformation	23.3	0	16,663	16,663
2. Enhancing Claims Management	11.1	0	3,809	3,809
3. Conveyance Management System	1.9	1,074	71	1,145
4. Improving Language Access	4.8	0	2,173	2,173
5. Self-Insurance Program	4.2	0	1,057	1,057
6. Dedicated Account	0.0	-19,128	19,128	0
7. Apprenticeship Expansion Grant	0.0	0	1,670	1,670
8. Facility Debt Service	0.0	0	1,750	1,750
9. Technology Apprenticeships	0.0	0	4,000	4,000
10. Network Infrastructure	2.1	0	4,036	4,036
11. Relocate Field Offices	2.1	0	1,121	1,121
12. Apprenticeship Premium	0.0	0	272	272
13. Workplace Safety and Health	11.2	0	2,747	2,747
Policy -- Other Total	60.5	-18,054	58,497	40,443
Policy Comp Changes:				
14. State Public Employee Benefits Rate	0.0	14	511	525
15. WFSE General Government	0.0	639	21,650	22,289
16. State Represented Emp Benefits Rate	0.0	318	6,988	7,306
17. The Coalition of Unions Agreement	0.0	203	981	1,184
18. Non-Rep General Wage Increase	0.0	43	1,503	1,546
19. WFSE Orca Transit Pass	0.0	12	170	182
20. Orca Transit Pass-Not WFSE	0.0	6	30	36
Policy -- Comp Total	0.0	1,235	31,833	33,068

Agency 235

Department of Labor and Industries Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Central Services Changes:				
21. Archives/Records Management	0.0	0	17	17
22. Audit Services	0.0	0	4	4
23. Legal Services	0.0	9	694	703
24. Administrative Hearings	0.0	3	11	14
25. CTS Central Services	0.0	3	280	283
26. DES Central Services	0.0	3	358	361
27. OFM Central Services	0.0	0	-1	-1
Policy -- Central Svcs Total	0.0	18	1,363	1,381
Total Policy Changes	60.5	-16,801	91,693	74,892
2017-19 Policy Level	2,998.8	17,751	790,560	808,311
Difference from 2015-17	107.9	-16,167	109,544	93,377
% Change from 2015-17	3.7%	-47.7%	16.1%	13.1%

POLICY CHANGES

1. Business Transformation

The Department of Labor & Industries' (L&I) efforts to streamline and modernize operations and to deliver responsive customer service are being hamstrung by inflexible, outdated technology. Despite numerous process improvements that will help save hundreds of millions of dollars, the agency's aging technology systems often pose a roadblock to further progress, and it is getting harder to find job candidates trained in the programming languages that support these applications. L&I is proposing to replace its website and provider credentialing system, and to take the next steps toward creating a modern, integrated technology infrastructure to flexibly support customer needs far into the future. (Accident Account-State; Medical Aid Account-State)

2. Enhancing Claims Management

Funding is provided to fully implement the recommendations of the Joint Legislative Audit & Review Committee aimed at improving outcomes for injured workers while also reducing workers' compensation costs. L&I must reduce claim managers' caseloads and improve the current training program to better enable them to strategically recognize, triage and resolve claims that have a high risk of long-term disability. (Accident Account-State; Medical Aid Account-State)

Agency 235

Department of Labor and Industries

Recommendation Summary

3. Conveyance Management System

Funding to replace the Elevator Program's failing Conveyance Management System is provided. This computer system is used for managing customer accounts, issuing invoices and permits, storing inspection and violation records and scheduling inspections. Without a replacement, the instability of the existing system will increasingly result in delays for building owners and contractors. (General Fund-State; Accident Account-State; Medical Aid Account-State)

4. Improving Language Access

Washington is home to many workers with limited English proficiency. L&I is currently seeking approval for its language access plan from the U.S. Department of Justice and the U.S. Department of Labor. Failure to comply with the plan once approved could jeopardize L&I's federal funding. To improve access to services for customers with limited English proficiency, L&I will hire 4.8 FTE staff to improve multilingual services and support through language-access specialists and worker advocates. (Accident Account-State; Medical Aid Account-State)

5. Self-Insurance Program

Chapter 177, Laws of 2015 allows L&I to use non-appropriated funds for administrative costs on one-time projects requested by self-insured employers. As part of this process, L&I has been approved to fund the Self-Insurance Risk Analysis System (SIRAS). The project is estimated to cost \$2.35 million in the 2015-17 biennium. Ongoing funds are provided to cover ongoing administrative maintenance costs for future biennia. Funding is also provided to expand community outreach and respond to increased volume in the Ombuds Office. (Accident Account-State; Medical Aid Account-State)

6. Dedicated Account

Funding for the Elevator, Contractor Registration, and Factory Assembled Structure programs within L&I are transferred to a newly created dedicated account (Construction Registration Inspection Account). Transferring these programs from the General Fund-State to their own dedicated account provides greater stability for the services provided. (General Fund-State; Construction Registration Inspection Account-State)

7. Apprenticeship Expansion Grant

Federal expenditure authority is granted in fiscal years 2017 and 2018 for the ApprenticeshipUSA State Expansion Grant. L&I is expected to register new apprentices in the areas of health care, education, construction industries and advanced manufacturing. The effort is intended to target women, veterans, youth, low-income individuals, people with disabilities and people of color. (Accident Account-Federal; Medical Aid Account-Federal)

8. Facility Debt Service

Debt service funding is provided for the capital construction of the L&I laboratory and training facility in the amount of \$12.7 million over 20 years. (Accident Account-State; Medical Aid Account-State)

Agency 235

Department of Labor and Industries

Recommendation Summary

9. Technology Apprenticeships

L&I is currently the recipient of multiple federal grants aimed at expanding technology apprenticeships. These federal grants fund the administration of the apprenticeship programs but do not cover apprenticeship classroom training. L&I will work with the Washington Technology Industry Association to pay for the required supplemental instruction that is not currently covered by the federal grant. (Accident Account-State; Medical Aid Account-State)

10. Network Infrastructure

L&I's network systems are used daily to support every aspect of the agency's business. Typically, equipment has a "life cycle" and is replaced every 4-5 years. When a component currently reaches the end of its life, L&I must re-prioritize spending to replace the item. Often, funds are not available, resulting in equipment staying in service long past its useful or designed life. L&I will place the agency's network infrastructure on a "life cycle" replacement schedule. Funding is also provided to cover the cost of the agency's disaster recovery service. (Accident Account-State; Medical Aid Account-State)

11. Relocate Field Offices

Funding is provided to close one field office and relocate three others. The Seattle office would close in response to safety issues, high lease costs, parking limitations and declining customer traffic, among other concerns. The Bremerton, Port Angeles and Yakima facilities would be relocated due to poor maintenance, safety concerns and other problems the landlords are unwilling to address. (Accident Account-State; Medical Aid Account-State)

12. Apprenticeship Premium

L&I covers the cost of industrial insurance premiums for apprentices while they are participating in unpaid, supervised classroom instruction. Employers cover the cost of industrial insurance premiums during the time that apprentices are in on-the-job training. L&I estimates that it will incur \$715,000 in expenditures for the 2017-19 biennium based on the current trends. The agency currently sets aside \$443,000 for this activity. Funding is provided for the anticipated shortfall of \$272,000 in the next biennium. (Accident Account-State; Medical Aid Account-State)

13. Workplace Safety and Health

Employers that receive inspections or voluntary consultations by the Division of Occupational Safety & Health (DOSH) have lower incidence of workers' compensation claims which suggests those workplaces are safer. The number of DOSH inspectors and consultants began to decline before the recession and has not increased even though the economy has largely rebounded. To meet inspection demand and increase the number of voluntary consultations, L&I will phase in the hiring of 16 FTE staff over the 2017-19 biennium. With increased staff, L&I expects to complete 540 more preventative inspections and 144 more voluntary consultations per year. (Accident Account-State; Medical Aid Account-State)

Agency 235

Department of Labor and Industries

Recommendation Summary

14. 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; Electrical License Account-State; Public Works Administration Account-State; other accounts)

15. 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; Asbestos Account-State; Electrical License Account-State; other accounts)

16. 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; Asbestos Account-State; Electrical License Account-State; other accounts)

17. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) 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; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; Electrical License Account-State; Public Works Administration Account-State; other accounts)

18. 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; Electrical License Account-State; Public Works Administration Account-State; other accounts)

Agency 235

Department of Labor and Industries Recommendation Summary

19. 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; Electrical License Account-State; Public Works Administration Account-State; other accounts)

20. 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; Electrical License Account-State; Accident Account-State; other accounts)

21. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (Accident Account-State; Medical Aid Account-State)

22. Audit Services

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

23. 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; Electrical License Account-State; Public Works Administration Account-State; other accounts)

24. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-State; Electrical License Account-State; Accident Account-State; other accounts)

25. 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; Electrical License Account-State; Accident Account-State; other accounts)

Agency 235

Department of Labor and Industries Recommendation Summary

26. 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; Electrical License Account-State; Accident Account-State; other accounts)

27. OFM Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Office of Financial Management (OFM) for the One Washington project and support for OFM's enterprise applications. (Accident Account-State)

Agency 303

Department of Health Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	1,716.9	118,107	1,057,374	1,175,481
2017-19 Maintenance Level	1,729.1	125,731	1,050,413	1,176,144
Difference from 2015-17	12.2	7,624	-6,961	663
% Change from 2015-17	0.7%	6.5%	-0.7%	0.1%
Policy Other Changes:				
1. FPHS Funding for Locals	0.0	20,000	0	20,000
2. FPHS DOH Funding	0.0	3,898	0	3,898
3. Move to State Data Center	2.0	492	0	492
4. Increase Newborn Screening Fee	4.5	0	1,880	1,880
5. Expand HIV Program Eligibility	0.6	0	8,096	8,096
6. Low-Level Radioactive Waste Program	2.4	0	734	734
7. Address Pharmacy Staff Shortages	4.2	0	896	896
8. BH: Integration Transfer	0.0	3,791	3,240	7,031
9. Lead Directive - Community Exposure	4.2	2,397	0	2,397
10. Lead Directive - School Exposure	0.9	3,490	0	3,490
11. Neurodevelopmental Center Reduction	0.0	-1,301	0	-1,301
Policy -- Other Total	18.8	32,767	14,846	47,613
Policy Comp Changes:				
12. State Public Employee Benefits Rate	0.0	204	724	928
13. WFSE General Government	0.0	1,164	6,548	7,712
14. State Represented Emp Benefits Rate	0.0	566	3,140	3,706
15. Non-Rep General Wage Increase	0.0	557	1,926	2,483
16. Non-Rep Targeted Pay Increases	0.0	10	146	156
17. WFSE Orca Transit Pass	0.0	48	106	154
18. Gen Govt SEIU 1199 Agreement	0.0	216	2,463	2,679
19. Orca Transit Pass-Not WFSE	0.0	14	18	32
Policy -- Comp Total	0.0	2,779	15,071	17,850

Agency 303

Department of Health Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Central Services Changes:				
20. Archives/Records Management	0.0	3	18	21
21. Audit Services	0.0	1	2	3
22. Legal Services	0.0	13	143	156
23. CTS Central Services	0.0	17	88	105
24. DES Central Services	0.0	32	172	204
Policy -- Central Svcs Total	0.0	66	423	489
Total Policy Changes	18.8	35,612	30,340	65,952
2017-19 Policy Level	1,747.8	161,343	1,080,753	1,242,096
Difference from 2015-17	30.9	43,236	23,379	66,615
% Change from 2015-17	1.8%	36.6%	2.2%	5.7%

POLICY CHANGES

1. FPHS Funding for Locals

Funding is provided to the Department of Health (DOH) to distribute to local health jurisdictions to improve public health's ability to respond to the threat of communicable diseases. (General Fund-State)

2. FPHS DOH Funding

Funding is provided to address shortfalls at the public health laboratory and improve DOH's data collection and analysis capabilities. (General Fund-State)

3. Move to State Data Center

Funding is provided for two staff to help plan and coordinate DOH's 400+ server move into the state data center, which is anticipated to begin in the 2019-21 biennium. (General Fund-State)

4. Increase Newborn Screening Fee

DOH will increase the newborn screening fee by \$10 per baby screened in order to add X-linked adrenoleukodystrophy (X-ALD) to the mandatory newborn screening panel. X-ALD is a deadly genetic disease that affects one in 18,000 boys. Early diagnosis of X-ALD, through newborn screening, is the key to saving lives. Without treatment, most boys with the severe form of X-ALD will die before the age of ten. (General Fund-Local)

Agency 303

Department of Health Recommendation Summary

5. Expand HIV Program Eligibility

DOH will increase financial eligibility requirements and target efforts toward populations with health disparities in the HIV eligibility program. Attracting and retaining more clients in care significantly increases their quality of life and reduces the capacity to transmit the virus. This is a central goal of the End AIDS Washington initiative. (General Fund-Local)

6. Low-Level Radioactive Waste Program

The Department of Health and the Department of Ecology currently share regulatory oversight of the Low-Level Radioactive Waste Disposal Facility at the Hanford Nuclear Reservation. Chapter 19, Laws of 2012 began the process of consolidating regulatory oversight from the Department of Ecology to the Department of Health. This step completes the full transfer of the program. (Site Closure Account-State)

7. Address Pharmacy Staff Shortages

Funding is provided to the Pharmacy Commission for improved research and communication to individual pharmacies regarding the development and implementation of new and changing rules. (Health Professions Account-State)

8. BH: Integration Transfer

As part of behavioral health integration, the Licensing and Certification Program at the Department of Social and Health Services is transferred to the Department of Health (DOH). DOH must license and certify behavioral health treatment programs and regulate treatment agencies providing services for chemical dependency, community mental health and problem and pathological gambling. This item is part of the Governor's statewide behavioral health (BH) reform package. (General Fund-State; General Fund-Federal; General Fund-Local)

9. Lead Directive - Community Exposure

Funding is provided to identify and track children who are at the highest risk of having elevated levels of lead in their blood. (General Fund-State)

10. Lead Directive - School Exposure

Funding is provided to test water fixtures in schools across the state over a three-year period, with an emphasis on testing older schools first. (General Fund-State)

11. Neurodevelopmental Center Reduction

This reduction cuts on average \$40,000 per year in infrastructure funding to 16 neurodevelopmental centers located throughout the state. (General Fund-State)

Agency 303

Department of Health Recommendation Summary

12. 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)

13. 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)

14. 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)

15. 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)

16. 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; Health Professions Account-State; Safe Drinking Water Account-State)

17. 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)

Agency 303

Department of Health Recommendation Summary

18. Gen Govt SEIU 1199 Agreement

Funding is provided for a collective bargaining agreement with Service Employees International Union – Healthcare (SEIU), which includes salary adjustments for targeted classifications 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. 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)

20. 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; General Fund-Federal; General Fund-Local; other accounts)

21. 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; Health Professions Account-State)

22. 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; General Fund-Federal; General Fund-Local; other accounts)

23. 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)

24. 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)

Agency 305

Department of Veterans' Affairs Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	771.8	16,956	119,315	136,271
2017-19 Maintenance Level	860.2	17,382	129,223	146,605
Difference from 2015-17	88.4	426	9,908	10,334
% Change from 2015-17	11.5%	2.5%	8.3%	7.6%
Policy Other Changes:				
1. Veterans Conservation Corps	7.8	374	0	374
Policy -- Other Total	7.8	374	0	374
Policy Comp Changes:				
2. State Public Employee Benefits Rate	0.0	185	255	440
3. WFSE General Government	0.0	1,114	4,261	5,375
4. State Represented Emp Benefits Rate	0.0	363	1,246	1,609
5. The Coalition of Unions Agreement	0.0	872	3,821	4,693
6. Non-Rep General Wage Increase	0.0	393	552	945
7. Non-Rep Targeted Pay Increases	0.0	160	680	840
8. Orca Transit Pass-Not WFSE	0.0	2	10	12
Policy -- Comp Total	0.0	3,089	10,825	13,914
Policy Central Services Changes:				
9. Archives/Records Management	0.0	0	3	3
10. Audit Services	0.0	0	1	1
11. Legal Services	0.0	0	1	1
12. CTS Central Services	0.0	20	67	87
13. DES Central Services	0.0	20	67	87
Policy -- Central Svcs Total	0.0	40	139	179
Total Policy Changes	7.8	3,503	10,964	14,467
2017-19 Policy Level	868.0	20,885	140,187	161,072
Difference from 2015-17	96.2	3,929	20,872	24,801
% Change from 2015-17	12.5%	23.2%	17.5%	18.2%

Agency 305

Department of Veterans' Affairs Recommendation Summary

POLICY CHANGES

1. Veterans Conservation Corps

Funding is provided to expand the existing Veterans Conservation Corps (VCC) internship program by 15 more internship opportunities statewide, along with a program manager to oversee the program. VCC interns serve for a season alongside a local natural resource and/or conservation partner, with the expectation of gaining the necessary knowledge, skills and abilities that will support their ecotherapy, educational and employment goals. (General Fund-State)

2. 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)

3. 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)

4. 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)

Agency 305

Department of Veterans' Affairs Recommendation Summary

5. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) 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; 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)

6. 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)

7. 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)

8. 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-Local)

9. 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-Federal; General Fund-Local)

10. Audit Services

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

11. 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-Federal)

Agency 305

Department of Veterans' Affairs Recommendation Summary

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; General Fund-Federal; General Fund-Local)

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; General Fund-Federal; General Fund-Local)

Agency 310

Department of Corrections Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	8,332.8	1,876,636	19,789	1,896,425
2017-19 Maintenance Level	8,440.0	1,969,813	12,552	1,982,365
Difference from 2015-17	107.2	93,177	-7,237	85,940
% Change from 2015-17	1.3%	5.0%	-36.6%	4.5%
Policy Other Changes:				
1. Concurrent Supervision	-37.0	-5,925	0	-5,925
2. Longview Work Release Operations	17.3	0	0	0
3. Work Release Vendor Rate Increase	0.0	2,918	0	2,918
4. Tenant Improvements	0.0	91	0	91
5. Relocation Costs	0.0	2,211	0	2,211
6. Enterprise Records Staffing	25.0	3,615	0	3,615
7. Prison Staffing Model Review	0.0	500	0	500
8. IT Business Solutions	6.0	2,684	0	2,684
9. Mainframe Move	0.0	-100	0	-100
10. Capital Budget Operating Impact	0.0	121	0	121
11. Security Specialists Backfill	0.0	2,900	-2,900	0
12. Offender Identicards	0.0	313	0	313
13. Bellingham Work Release Expansion	1.5	1,222	0	1,222
14. Hearing Representation	6.0	3,904	0	3,904
15. Allow Earned Time Enhancements	-30.9	-6,346	0	-6,346
Policy -- Other Total	-12.0	8,108	-2,900	5,208
Policy Comp Changes:				
16. State Public Employee Benefits Rate	0.0	4,242	75	4,317
17. WFSE General Government	0.0	16,841	30	16,871
18. State Represented Emp Benefits Rate	0.0	18,585	27	18,612
19. Teamsters Master Agreement	0.0	75,070	182	75,252
20. The Coalition of Unions Agreement	0.0	39	0	39
21. Non-Rep General Wage Increase	0.0	9,010	136	9,146
22. Non-Rep Targeted Pay Increases	0.0	2,487	104	2,591

Agency 310

Department of Corrections Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
23. WFSE Orca Transit Pass	0.0	206	0	206
24. Orca Transit Pass-Not WFSE	0.0	40	0	40
25. Vacation Leave Chng-Non-represented	0.0	103	0	103
Policy -- Comp Total	0.0	126,623	554	127,177
Policy Central Services Changes:				
26. Archives/Records Management	0.0	22	0	22
27. Audit Services	0.0	2	0	2
28. Legal Services	0.0	157	0	157
29. CTS Central Services	0.0	1,156	0	1,156
30. DES Central Services	0.0	1,246	0	1,246
Policy -- Central Svcs Total	0.0	2,583	0	2,583
Total Policy Changes	-12.0	137,314	-2,346	134,968
2017-19 Policy Level	8,428.0	2,107,127	10,206	2,117,333
Difference from 2015-17	95.2	230,491	-9,583	220,908
% Change from 2015-17	1.1%	12.3%	-48.4%	11.6%

POLICY CHANGES

1. Concurrent Supervision

The community supervision population is reduced by presuming supervision terms are run concurrently, unless expressly ordered by the court to run consecutively. Currently, sentences that have confinement terms that are run consecutively must also have the supervision terms run consecutively. This change would be applied both retrospectively to those offenders currently on supervision, and prospectively to those releasing into supervision. (General Fund-State)

2. Longview Work Release Operations

Funding is provided for 17.3 FTE staff to operate Longview Work Release (WR) as a state-operated facility, effective October 1, after the contracted vendor, Pioneer Human Services, canceled its contract. The Longview WR is a 54-bed facility owned by the Department of Corrections (DOC). No funding is requested as the contract dollars will be repurposed to maintain and operate the facility.

Agency 310

Department of Corrections

Recommendation Summary

3. Work Release Vendor Rate Increase

A 15 percent increase is provided to vendors who operate DOC work release facilities to help cover increased medical and dental coverage, general liability insurance, maintenance, client services and direct raises for their staff. (General Fund-State)

4. Tenant Improvements

One-time funding is provided for tenant improvements to add additional programming space to the Ephrata field office. (General Fund-State)

5. Relocation Costs

One-time funding is provided for five facility relocations and four new sites, including a headquarters satellite office. These facilities are necessary to ensure adequate programming space and a presence in the areas with anticipated caseload growth. (General Fund-State)

6. Enterprise Records Staffing

An additional 25 records staff are provided to ensure that offenders are confined and released as ordered by the court, to screen offenders for supervision, to ensure that offenders are supervised for the correct period of jurisdiction, and to train staff on offender and agency records management. (General Fund-State)

7. Prison Staffing Model Review

Funding is provided for an independent review of the prison staffing models and recommended revisions to sufficiently staff DOC prison facilities. (General Fund-State)

8. IT Business Solutions

Funding and staff are provided to implement the Gartner Assessment recommendations which include: implementing critical information technology (IT) governance, improving service delivery, planning organizational change, enhancing data security and financial management tools, and training IT staff to support DOC's core mission. (General Fund-State)

9. Mainframe Move

DOC has an out-of-date and unsustainable Offender Based Tracking System that is not compatible with DOC's application environment and has a high risk of data corruption. DOC will complete migration off the Washington Technology Solutions mainframe to a sustainable Windows platform with an integrated Offender Management Network Information solution. (General Fund-State)

10. Capital Budget Operating Impact

Funding is provided for anticipated operating impacts related to the Ahtanum View work release expansion project included in the capital budget. (General Fund-State)

Agency 310

Department of Corrections Recommendation Summary

11. Security Specialists Backfill

In the 2011-13 biennium, Auto Theft Prevention funds were provided to fund legislation, which directed DOC to implement the policy recommendations from the National Institute of Corrections' review of prison safety. The bill funded two regional staff counselors and 18 security specialists located at 12 prisons and at headquarters. In order to keep the fund solvent, it is backfilled with General Fund-State. (General Fund-State; Washington Auto Theft Prevention Authority-State)

12. Offender Identcards

Funding is provided for the Department of Corrections (DOC) to contract with the Department of Licensing and to establish a statewide identcard program for incarcerated individuals releasing from DOC facilities. (General Fund-State)

13. Bellingham Work Release Expansion

Funding is provided for the expansion of the Bellingham Work Release (WR) facility by 17 male and three female beds. Focusing on overall prison capacity, WR expansion is part of an overall strategy to increase bed capacity and reentry focus. In June 2016, the Washington State Institute for Public Policy's benefit-cost analysis reported there is a positive net return on investment of \$5,757 per WR participant. (General Fund-State)

14. Hearing Representation

Funding is provided to cover expenses related to attorney representation for offenders at violation hearings. This is constitutionally required per the October 2015 *Grisby v. Herzog* case, which mandates DOC to appoint attorneys for offenders at community custody violation hearings when the offender could be returned to prison. (General Fund-State)

15. Allow Earned Time Enhancements

The prison population is reduced by prospectively allowing earned time credits to be applied to confinement pursuant to a weapons enhancement. Currently, if an offender has a weapons enhancement on one or more counts, the enhancement(s) are served consecutively to one another and consecutive to the underlying sentence. Current law does not allow incarcerated individuals to receive any earned time for the weapons enhancement portion of their sentence, but does allow earned time on the underlying sentence. This change allows earned time on an incarcerated individual's entire sentence, not just a portion of the sentence. The rate of time earned would be consistent to the rate allowed for the underlying sentence. (General Fund-State)

16. 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; Washington Auto Theft Prevention Authority-State; other accounts)

Agency 310

Department of Corrections Recommendation Summary

17. 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)

18. 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; Washington Auto Theft Prevention Authority-State)

19. Teamsters Master Agreement

Funding is provided for a collective bargaining agreement and arbitration award with Teamsters Local Union 117. For employees in the Department of Enterprise Services, this 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; and changes to vacation leave accruals. For Department of Corrections employees, it includes general wage increases of 4.5 percent, 3 percent, and 3 percent, along with targeted increases and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal; Washington Auto Theft Prevention Authority-State)

20. The Coalition of Unions Agreement

Funding is provided for a collective bargaining agreement with the Coalition of Unions (Coalition) 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; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State)

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; Washington Auto Theft Prevention Authority-State; other accounts)

Agency 310

Department of Corrections

Recommendation Summary

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; Washington Auto Theft Prevention Authority-State)

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)

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)

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. (General Fund-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)

27. Audit Services

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

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)

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)

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)

Agency 315

Department of Services for the Blind Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	80.0	5,022	25,172	30,194
2017-19 Maintenance Level	80.0	4,946	26,697	31,643
Difference from 2015-17	0.0	-76	1,525	1,449
% Change from 2015-17	0.0%	-1.5%	6.1%	4.8%
Policy Other Changes:				
1. Business Management System	3.5	3,206	0	3,206
Policy -- Other Total	3.5	3,206	0	3,206
Policy Comp Changes:				
2. State Public Employee Benefits Rate	0.0	11	24	35
3. WFSE General Government	0.0	50	441	491
4. State Represented Emp Benefits Rate	0.0	24	152	176
5. Non-Rep General Wage Increase	0.0	29	60	89
6. WFSE Orca Transit Pass	0.0	2	34	36
7. Orca Transit Pass-Not WFSE	0.0	2	4	6
Policy -- Comp Total	0.0	118	715	833
Policy Central Services Changes:				
8. CTS Central Services	0.0	12	54	66
9. DES Central Services	0.0	3	13	16
Policy -- Central Svcs Total	0.0	15	67	82
Total Policy Changes	3.5	3,339	782	4,121
2017-19 Policy Level	83.5	8,285	27,479	35,764
Difference from 2015-17	3.5	3,263	2,307	5,570
% Change from 2015-17	4.4%	65.0%	9.2%	18.4%

Agency 315

Department of Services for the Blind Recommendation Summary

POLICY CHANGES

1. Business Management System

A business management system is a critical component of the Department of Services for the Blind's (DSB) delivery of services. In addition to providing efficient management of participant information, the system supports the agency's compliance with state and federal statutes and provides the data to support funding and reporting. In November 2015, the agency's current business management vendor provided notice that it will no longer support the existing solution. Funding and staff are necessary to contract with a vendor to develop and implement a new system. (General Fund-State)

2. 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; Business Enterprises Revolving Account-Non-Appr)

3. 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; Business Enterprises Revolving Account-Non-Appr)

4. 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; Business Enterprises Revolving Account-Non-Appr)

5. 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; Business Enterprises Revolving Account-Non-Appr)

Agency 315

Department of Services for the Blind Recommendation Summary

6. 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)

7. 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)

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; Business Enterprises 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. (General Fund-State; General Fund-Federal; Business Enterprises Revolving Account-Non-Appr)

Agency 540

Employment Security Department Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	1,519.1	0	626,341	626,341
2017-19 Maintenance Level	1,505.4	0	580,398	580,398
Difference from 2015-17	-13.7	0	-45,943	-45,943
% Change from 2015-17	-0.9%		-7.3%	-7.3%
Policy Other Changes:				
1. Career Advancement - BFET	18.5	0	6,043	6,043
2. Ex-offender Employment	12.0	0	2,561	2,561
3. Relocate WorkSource Office	0.0	0	340	340
4. UTAB Agile Implementation	4.0	0	4,152	4,152
Policy -- Other Total	34.5	0	13,096	13,096
Policy Comp Changes:				
5. State Public Employee Benefits Rate	0.0	0	431	431
6. WFSE General Government	0.0	0	6,490	6,490
7. State Represented Emp Benefits Rate	0.0	0	3,681	3,681
8. Non-Rep General Wage Increase	0.0	0	1,176	1,176
9. WFSE Orca Transit Pass	0.0	0	82	82
10. Orca Transit Pass-Not WFSE	0.0	0	4	4
Policy -- Comp Total	0.0	0	11,864	11,864
Policy Central Services Changes:				
11. Archives/Records Management	0.0	0	7	7
12. Audit Services	0.0	0	7	7
13. Legal Services	0.0	0	41	41
14. Administrative Hearings	0.0	0	146	146
15. CTS Central Services	0.0	0	453	453
16. DES Central Services	0.0	0	224	224
Policy -- Central Svcs Total	0.0	0	878	878
Total Policy Changes	34.5	0	25,838	25,838
2017-19 Policy Level	1,539.9	0	606,236	606,236
Difference from 2015-17	20.8	0	-20,105	-20,105
% Change from 2015-17	1.4%		-3.2%	-3.2%

Agency 540

Employment Security Department Recommendation Summary

POLICY CHANGES

1. Career Advancement - BFET

Employment Security Department (ESD), in coordination with the Department of Social and Health Services and other agencies, is working to cut the number of families living in poverty in half by 2025 – from 458,000 to 229,000. The Basic Food Employment Training (BFET) program provides employment training and support services with the goal of helping basic food clients attain a living wage career. ESD will leverage state funds to maximize federal BFET dollars to expand this program from five locations to all 37 WorkSource offices across the state. (General Fund-Federal; Employment Services Administrative Account-State)

2. Ex-offender Employment

Executive Order 16-05 directs state agencies to implement hiring policies that encourage full workforce participation of motivated and qualified persons with criminal histories. ESD will develop an ex-offender transition model that will allow WorkSource professionals to engage with every transitioning ex-offender, registering them in WorkSourceWA.com and connecting them with their local WorkSource for a warm hand-off before leaving incarceration. (Employment Services Administrative Account-State)

3. Relocate WorkSource Office

ESD will relocate the Rainier WorkSource office in southeast Seattle to Othello Station to facilitate partnerships with DSHS, the Seattle-King County Workforce Development Council, the City of Seattle and other employment partners. (Employment Services Administrative Account-State)

4. UTAB Agile Implementation

The unemployment Tax and Benefits System (UTAB) is the state's new IT system for paying unemployment insurance benefits to workers who lose their job through no fault of their own. Last year, ESD paid \$1.0 billion to over 220,000 workers. UTAB is replacing the current system using an agile approach. The initial implementation will begin in the fall of 2016 and transition to ongoing maintenance and support in the spring of 2017. Funding for the next phase of implementation will improve interfaces with WorkSourceWA.com and the Department of Licensing and will enhance the workflow and processing of claims. (Unemployment Compensation Admin Account-Federal)

Agency 540

Employment Security Department Recommendation Summary

5. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

6. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

7. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

8. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

9. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

10. 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. (Employment Services Administrative Account-State)

Agency 540

Employment Security Department Recommendation Summary

11. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (Unemployment Compensation Admin Account-Federal; Administrative Contingency Account-State; Employment Services Administrative Account-State)

12. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Unemployment Compensation Admin Account-Federal; Administrative Contingency Account-State; Employment Services Administrative Account-State)

13. 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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

14. Administrative Hearings

Agency budgets are adjusted to reflect each agency's anticipated share of charges for administrative hearings. (General Fund-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; 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. (General Fund-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

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-Federal; General Fund-Local; Unemployment Compensation Admin Account-Federal; other accounts)

Agency CYF

Department of Child, Youth, and Family Services Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	0.0	0	0	0
2017-19 Maintenance Level	0.0	0	0	0
Difference from 2015-17	0.0	0	0	0
% Change from 2015-17				
Policy Transfer Changes:				
1. CA Transfer to New Agency	1,343.9	379,843	258,682	638,525
2. DEL Transfer to New Agency	150.5	143,673	213,833	357,506
Policy -- Transfer Total	1,494.3	523,516	472,515	996,031
Total Policy Changes	1,494.3	523,516	472,515	996,031
2017-19 Policy Level	1,494.3	523,516	472,515	996,031
Difference from 2015-17	1,494.3	523,516	472,515	996,031
% Change from 2015-17				

POLICY CHANGES

1. CA Transfer to New Agency

This step transfers the fiscal year 2019 funding, full-time employees and expenditure authority for Children's Administration (CA) from the Department of Social and Health Services to the new Department of Children, Youth and Families. (General Fund-Fed Grnt; General Fund-State; General Fund-Federal; other accounts)

2. DEL Transfer to New Agency

This step transfers the fiscal year 2019 funding, full-time employees and expenditure authority for the Department of Early Learning (DEL) to the new Department of Children, Youth and Families. (General Fund-State; General Fund-Federal; Education Legacy Trust Account-State; other accounts)