
State of Washington

Recovery Plan Performance Report

Coronavirus State Fiscal
Recovery Funds: Second
Annual Report

July 2022



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Executive summary

To safely rebuild Washington state, we are using Coronavirus State Fiscal Relief Funds (CSFRF) to defeat the COVID-19 virus and redesign our economy to be more versatile and equity centered. This annual report explores four aspects of CSFRF:

- Outlines how we used CSFRF during state fiscal year 2022 (July 1, 2021 – June 30, 2022) in response to the COVID-19 pandemic.
- Shows how the state's 2022 supplemental budgets made changes to CSFRF appropriations.
- Describes new projects funded with CSFRF.
- Demonstrates how these funds made a difference in the lives of our most vulnerable residents and that the additional investment will create a more equitable Washington.

Washington received \$4.4 billion in CSFRF funds from the federal government in March 2021, and the Legislature appropriated \$3.2 billion of that amount during the 2021 legislative session in the state's three budgets: operating, capital, and transportation.

The enacted 2022 supplemental budgets also appropriated **another \$1.1 billion CSFRF** for the biennium. That means **\$168 million CSFRF** remains unappropriated.

As of June 2022, we've spent a little over **\$1.4 billion CSFRF**.

How Washington navigated COVID-19 the past 12 months

Washington released its first CSFRF [Recovery Plan Performance Report](#) in August 2021. The COVID-19 pandemic continues to disrupt the lives of Washingtonians and influence our economy. Our response continues to focus on relief, recovery, and resiliency.

We reached a significant COVID-19 vaccination milestone Nov. 6, 2021: more than 10 million vaccine doses were provided to Washingtonians over the age of 12. We met the target just days after children between 5 and 11 years old became eligible for the vaccine.

But, by late November 2021, the state found the highly contagious Omicron variant in three counties. From there, statewide case counts rapidly increased and Gov. Jay Inslee took swift prevention measures. The state partnered with Amazon to distribute 5.5 million free at-home tests. We expanded staffing levels at mass vaccination sites and opened sites at more locations. We also used our emergency management distribution channels and school infrastructures to release 10 million free masks.¹

Case counts reached a significant turning point by March 2022 and the state started to quickly distribute boosters. Immunocompromised individuals could get a fourth dose and everyone over the age of 12 could get a third dose. By the end of the month, over 2.7 million Washingtonians received a booster dose.²

¹ [Additional resources for Omicron variant | Washington State Governor's Office](#)

² [COVID-19 booster dose | Washington State Department of Health](#)

The same month, weekly case counts and COVID-19 related deaths soon returned to pre-Omicron rates (consistent with October 2021 rates).³ Inslee updated [Proclamation 20-25](#) to end the face covering requirement, a long-anticipated tangible signal that Washington was gaining ground.

By the end of March, the 2022 Legislature approved supplemental budget bills to continue the state's pandemic response and recovery efforts. Believing that lower infection rates benefit public health, public wellbeing, and the economy, many new investments focus on flattening the curve. Believing that helping those disproportionately impacted by COVID-19 will bring about a more robust and equitable economy, many other new investments get us back on track with previous state commitments to reduce poverty and homelessness.

By reducing infection rates and addressing preexisting vulnerabilities of economically-disadvantaged people and communities, our state is now well poised to support a new and improved normal.

Changes to the state's previous CSFRF appropriations

The enacted 2022 state supplemental operating and capital budgets made several changes to the \$3.2 million CSFRF that was originally appropriated in the 2021 state legislative session. See the August 2021 report for more details about the original appropriations.

The recent changes include one or more of the following:

- Reappropriated project 'underspend' to the next year
- Swapped funding with a new funding stream (project no longer funded with CSFRF)
- Added to existing project funding
- Reduced project funding

We provide details about these changes below.

Additional funding for the Department of Corrections

The state Department of Corrections (DOC) originally received \$42.2 million CSFRF for one year of COVID-19 related costs. It did not spend the full amount because the department later received reimbursements for that timeframe from the Federal Emergency Management Agency (FEMA). In the end, the department only needed \$28.3 million of the original CSFRF appropriation.

Washington state's 2022 supplemental operating budget reappropriated the remaining \$13.9 million CSFRF to the next year and added roughly \$63 million more CSFRF. In total, the 2022 supplemental budget provided DOC with over **\$77.4 million CSFRF** to pay for COVID-19 related costs through June 2023.

As we noted in last year's Recovery Plan Performance Report, incarcerated individuals and workers in correctional facilities are at greater risk of contracting COVID-19 than the public. The virus can be unknowingly brought into a building that houses hundreds of people. Once this happens, the virus

³ [COVID-19 transmission across Washington State](#)

quickly spreads from person-to-person due to close quarters, communal spaces and shared ventilation systems within the buildings.

On March 1, 2020, the DOC implemented its emergency response to the virus in 12 prisons, 12 work and training release facilities, 86 community corrections offices, and numerous administrative offices and training centers.

In June 2021, DOC confirmed 7,867 cases of COVID-19. Of those cases, 16 resulted in death (13 incarcerated individuals and three staff members). That means roughly one in every 500 incarcerated individuals or staff who got COVID-19 died. Between July 2021 and June 2022, DOC confirmed another 11,868 cases with five deaths (four incarcerated individuals and one staff member). Although case counts rose as time passed, DOC decreased the mortality rate to one in every 2,375 cases.

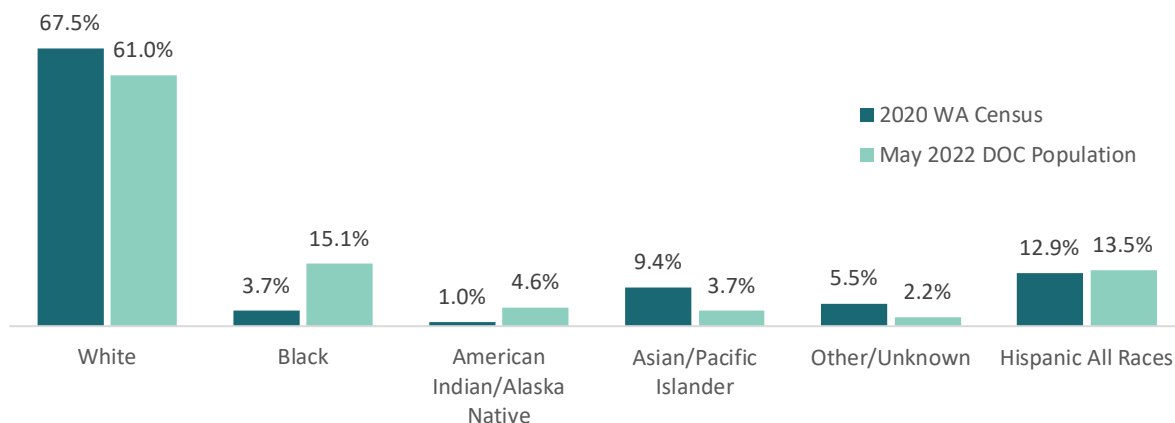
The department’s treatment and prevention efforts continue to prove successful. Yet, COVID-19 treatment and prevention costs remain high. The bulk of the costs are related to health care needs, overtime pay, and additional space requirements for social distancing and quarantining. Other costs include funding community supervision staff in 86 offices during a time of fluctuating caseloads and procedural changes that promote both public safety and public health.

How these funds continue to promote equity efforts

The lifesaving measures that DOC implements support a disproportionate number of people from historically disadvantaged communities. Incarcerated individuals and people with community supervision sentences have higher levels of infectious diseases, as well as higher levels of chronic physical, mental and substance use disorders. They also come from overwhelmingly poor communities and communities of color.

The two figures below illustrate the disproportional rates of incarceration for people of color in our state. For example, it shows that out of the 4% statewide population of Black people, the current incarcerated population is made up of roughly 15.1% Black people.

Figure 1: Washington 2020 census information compared to the Department of Corrections’ 2022 incarcerated population by race



New funding source for water and sewer projects

By changing the funding source for the water and sewer infrastructure projects listed below, the 2022 supplemental capital budget reduced the total appropriation by \$13.2 million CSFRF. The state originally set aside \$111 million CSFRF, but other funding sources became available in 2022. The state will now dedicate **\$97.8 million CSFRF** to water and sewer projects.

The 2022 state supplemental capital budget changed the funding source for eight projects that had not yet been started. The following projects are no longer funded with CSFRF:

- Mill Creek Flood Control Channel
- Malaga Industrial Park Waterline Extension
- Bridgeport Reservoir No. 2, Water Supply and Distribution
- Water Main Infrastructure Extension Project
- Wallula Dodd Water System
- Omak Water Reservoir
- Belfair Water Reclamation Facility
- Malden USDA Water

New funding source for broadband projects

The 2022 supplemental capital budget reduced CSFRF appropriations for broadband grants by 42% and provided Capital Project Funds (CPF) to make up the difference. The state will now spend approximately **\$151 million CSFRF** for broadband infrastructure projects.

Similar to water and sewer projects, new funding streams became available for broadband infrastructure projects in 2022. The U.S. Treasury awarded the state roughly \$196 million CPF for high-quality affordable broadband services and digital connectivity technology projects. For this reason, the state reduced the CSFRF appropriation for broadband projects by roughly \$111 million.

One project that CSFRF previously funded, *Centralia School District Broadband*, was changed to the Point Roberts Rural Broadband Project. This will help the local port and public utility district bring broadband to the rural area of Whatcom County. You can find the [2019 feasibility study](#) on the Port of Bellingham's website.

How these funds continue to promote equity efforts

The fund swap for competitive broadband grants does not change the total dollar amount dedicated to each project. However, through the 2022 supplemental capital budget, the state also provided new resources to meet accelerated broadband goals.

As we mentioned in the August 2021 report, the [Washington State Broadband Office \(WSBO\)](#) developed a road map to bring broadband to all businesses and residences in the state by 2028. But the COVID-19 pandemic highlighted the dramatic impact of the digital divide across Washington.

We know that Washingtonians who live in areas with inadequate broadband cannot work remotely, participate in online learning, receive health care services from the safety of their home, and use

technology to maintain social connections. And Washington businesses in areas with inadequate broadband cannot stay competitive in their respective markets.

In 2019, the state found the digital divide prevalent in rural areas of the state. Locations with fewer than six residents per square mile are the most disadvantaged.

Those living in rural areas are not the only people left behind. The U.S. Census Bureau’s [2017-19 American Community Survey](#) identified the most notable populations across the country with limited or no broadband access are people over age 65, households with extremely low incomes, and American Indian and Alaska Native residents. Washington is no exception. Additionally, many large cities are experiencing access issues because of increased demand and population growth.

To identify the geographic location of the digital divide, WSBO launched a statewide broadband survey in July 2020. Figure 2 represents preliminary survey responses indicating “no internet service” or “internet speed of less than 10 mbps.”⁴

Like a healthy transportation infrastructure, access to an adequate broadband connection and digital skills are key to success in today’s technological society. This has become critical to fully participate in society and our modern economy.

The pandemic taught the state that access to quality broadband could not wait until 2028. To build an equitable economic recovery from the pandemic, **the state’s new goal is to have universal broadband access at speeds of 100 mbps by 2024.**

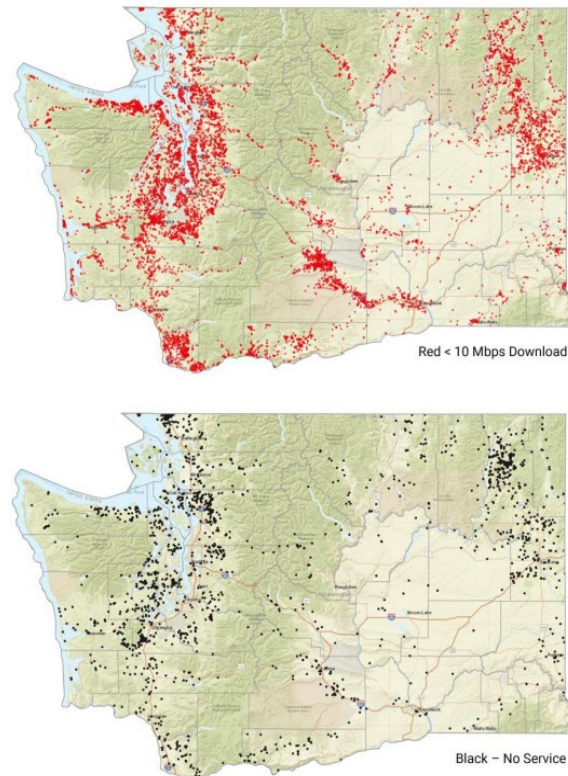


Figure 2: First six months of state broadband survey data

Additional funding for small business economic assistance

The enacted 2022 supplemental operating budget provided an additional **\$54.5 million CSFRF** for continued financial relief to small businesses. The additional appropriation brings the total to over \$104 million CSFRF.

The state originally provided \$50 million in CSFRF. Many small businesses used the grants to pay rent, utilities and payroll. Others used the grant to make technology improvements, transition to online service delivery or change their business models (such as enhancing takeout/curbside service). Almost all businesses used the grant to purchase safety and sanitation equipment to keep employees and customers safe.

How these funds continue to promote equity efforts

Of the \$54.5 million newly appropriated CSFRF, 63% of the funds will target underrepresented and underserved small businesses. Of that, \$34.5 million is for a new Small Business Innovation and

⁴ [Legislative Report v1.6 \(wa.gov\)](#)

Competitiveness program. The program will serve new Black, Indigenous, and people of color (BIPOC) entrepreneurs and small businesses located in underserved, low-income and rural areas. Nonprofit organizations will help these small-business owners with startup, recovery and growth efforts by providing incubator and accelerator programs, by facilitating local procurement initiatives, and by developing programs that support staff recruitment and retention. These businesses may also use the grant to improve and repair physical workplaces in response to public health guidelines or vandalism.

Additional funding for the arts industry

The 2022 supplemental operating budget provided an additional **\$25 million CSFRF** to help stabilize, recover, and preserve the state's art and cultural institutions. In total, the Washington will put forward \$27 million CSFRF toward this goal.

Washington originally provided \$2 million CSFRF to help art and historical institutions reopen during the pandemic. With funds from other sources, including the National Endowment for the Arts, the Washington State Arts Commission (ArtsWA) awarded \$3.84 million in arts industry relief grants to various organizations.

However, the industry needed more financial support than what the state could offer. With only \$3.84 million (\$2 million CSFRF) available, 138 organizations did not receive the full amount they needed to stay afloat. Instead, organizations received an average of 82% of what they asked for to reopen, modify service delivery, and meet public health guidance.⁵

To better understand the economic needs of the arts industry, ArtsWA conducted a study to compare the pre-pandemic revenue to 2020 revenue collections. Looking at annual averages, here's what ArtsWA found:

- Total earned income in 2020 was 39% less than in 2019.
- Total patron contribution income for 2020 was 21% less than 2019.
- Total contribution income from benefits, guilds and galas was 12% less than 2019.

Combined, ArtsWA found a total 72% decrease in revenue during the first year of the pandemic. However, with temporary closures and lower public participation rates, operating expenses only decreased by roughly 24% in 2020.⁶ Although the financial impacts were greater in different art sectors (such as independent artists), the average economic impact is a 24% gap between revenue and expenses.

On-time expenses added up as organizations reopened, updated business models, changed service delivery methods to better meet public health guidelines, and began screening for the virus. But approximately 44% of art organizations could not fully absorb the added costs of reopening.⁷

This means that while the arts industry began a slow rebound, revenue could not keep pace with the upfront reopening costs and new ongoing operating costs. Washington's total \$27 million CSFRF will help stabilize and revitalize the state's artistic sector — a vital resource that helps revive communities after personal and economic losses.

⁵ [ArtsWA-pandemic-response-handout-final.pdf](#)

⁶ [Office of Financial Management - Public Repository ArtsWA SR-Creative Sector Economic Recovery \(wa.gov\)](#)

⁷ [Statewide-Survey-handout-FINAL.pdf \(wa.gov\)](#)

How these funds continue to promote equity efforts

Arts industry grants prioritize underserved and underrepresented communities. In this case, “underserved” means populations whose opportunities to experience the arts are limited by geography, historical exclusion and marginalization due to race, ethnicity, sexual orientation, gender identity, income, disability, or other social or institutionally imposed barriers. “Underrepresented” means any group or members of a group who are not commonly represented as audience, artist, lead role, presenter, contracted professional, or other type of participant in the funded work.

Additional funding for tourism recovery

The 2022 supplemental operating budget provided an additional **\$125 million CSFRF** for statewide tourism recovery efforts. Previously, the state provided \$19 million CSFRF. In total, additional CSFRF brings Washington to \$144 million for economic relief to the tourism industry.

The tourism industry is vital to the state’s economy. From Pacific Ocean coastlines to soaring volcanic peaks, Washington boasts seven diverse and beautiful landscapes that attract worldwide visitors. Ten Seattle-based companies, including Amazon at No. 2, made the Fortune 500 list in 2020.⁸ Washington is home to five nationally recognized sport teams, 10 other professional teams, five NCAA Division I college sport teams, and four NCAA Division II college sport teams. These are just a few reasons international and domestic tourism is the fourth largest industry in Washington.

Whether visiting Washington for business or leisure, tourists spent an average of \$60 million per day in 2019.⁹ Nearly eight jobs are associated with every \$1 million that domestic and international travelers spend.¹⁰ These jobs support tourist attractions, conventions, trade shows, tours, and a variety of business and entertainment events. This industry also includes hospitality jobs that provide food, lodging and various modes of transportation.

COVID-19 brought the state tourism industry to a near total shutdown. The U.S. Travel Association estimates that we lost roughly 150,000 Washington tourism-related full and part-time jobs in 2020.¹¹

To help tourism-related businesses recover and rehire Washingtonians, the state provided an additional \$125 million CSFRF for economic relief. Some of this funding will go to grant programs that target the following sectors within the tourism industry:

- \$20 million to [public facility districts](#) that can document revenue losses greater than \$200 million in 2020, 2021 and 2022.
- \$15 million to reimburse lodging establishments that experienced revenue loss due to the state’s [eviction moratorium](#).
- \$5 million to help businesses and nonprofits that are dependent on the economic activity created through conventions and trade shows hosted in Washington.
- \$200,000 to support the largest automotive museum located in the state.

⁸ [Fortune 500 list of companies 2020 | Fortune](#)

⁹ [Washington Remains Significantly Below Pre-Pandemic Levels – State of Washington Tourism \(stateofwatourism.com\)](#)

¹⁰ [Research Fact Sheet US-Travel-and-Tourism-Overview.pdf \(ustravel.org\)](#)

¹¹ [Travel Impact WA.pdf \(ustravel.org\)](#)

How these funds continue to promote equity efforts

Jobs in rural and coastal counties suffered great losses during the pandemic. Many businesses in these areas rely on thin margins that can only be sustained by high leisure traveler rates. And the recovery hasn't been equal across the state. For these reasons, the state gives priority to grant applicants from economically distressed counties that rely heavily on tourist volumes. Applications will be cross-referenced with census information and proprietary labor market data to ensure equitable distribution of grant funding to these disproportionately impacted communities.

Additional funding for rental assistance

The 2022 supplemental operating budget provided eligible renters with an additional **\$45 million CSFRF** for eviction prevention rental assistance. These households are most likely to become homeless or suffer severe health consequences after an eviction.

Previously, the state provided \$430 million CSFRF. The additional funds bring the state to \$475 million CSFRF for programs that pay rent and utilities to prevent an eviction. We offered detailed program information in last year's report.

How these funds continue to promote equity efforts

A [2011 study](#) by the Joint Center for Housing Studies at Harvard University shows that renters are most commonly young adults, minorities, and low-income households. This has not changed. Our rental assistance programs serve households with income at or below 80 percent of the county area median income. The state Department of Commerce (Commerce) is responsible for making program access and outcomes equitable. Commerce must ensure that the race and ethnicity of households served by the program are proportional to the number of people at risk of homelessness in the county for each of the following groups:

- Black or African American
- American Indian and Alaska Native
- Native Hawaiian or other Pacific Islander
- Hispanic or Latinx
- Asian
- Other multiracial

Additional funding for Farmers to Families food boxes

The 2022 supplemental operating budget provided an additional **\$58 million CSFRF** to expand the state-administered Farmers to Families food box purchasing program (also known as [We Feed WA](#)). The state originally provided \$45 million to develop and implement the program, bringing the total to \$103 million CSFRF.

These funds provide local agricultural food supplies directly to hunger relief organizations that serve BIPOC, as well as low-income and rural communities.

The program mirrors the Farmers to Families Food Box Program that the USDA administered during the greatest food shortage months in the pandemic. During summer 2021, the state Department of

Agriculture (WSDA) had seven emergency contracts with organizations that had participated in the USDA program.

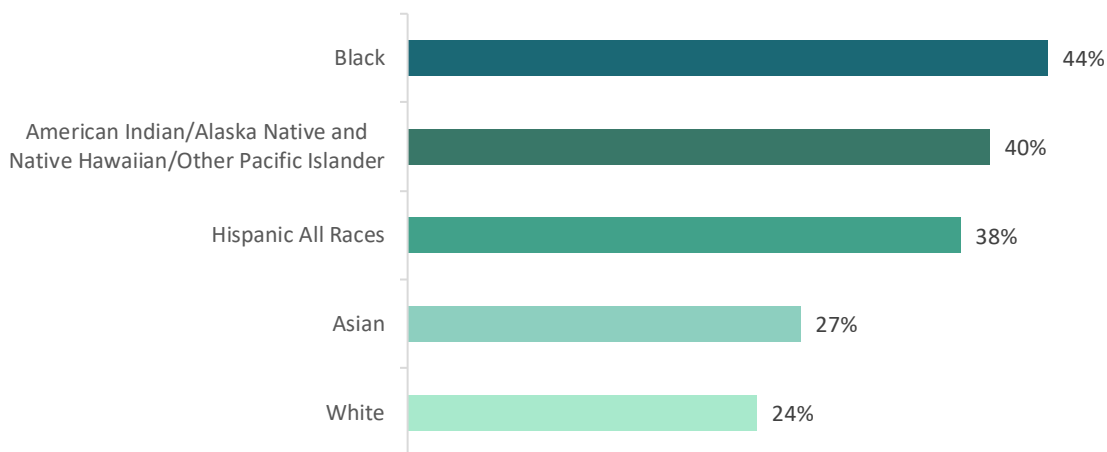
To continue the flow of 1.5 million pounds of food per week to the state from the federal program, WSDA needed to expand the state program beyond seven contracts.¹² In fall 2021, the department converted the emergency contracts into ongoing contracts and added 27 more community-informed, culturally responsive emergency food procurement and distribution organizations to the program. This means Washington’s most vulnerable populations continued to have free food when the USDA program ended.

However, the pandemic continues to disrupt household income because food prices are soaring. The Consumer Price Index (CPI) for food has grown 10.1% between May 2020 and May 2021.¹³ Maintaining food stability continues to be a struggle for many Washingtonians. To keep up with demand, WSDA will add another 21 organizations this summer to We Feed WA and expand the program. Those contracts include social purpose corporations, large produce companies and regional food hubs.

How these funds continue to promote equity efforts

The Washington State Food Security Survey (conducted by the University of Washington and Washington State University) found that food security is lowest among BIPOC respondents.¹⁴ Figure 3 provides more detail.

Figure 3: 2020- 21 Washington State Food Security Survey results by race/ethnicity



We Feed WA specifically targets food boxes, food box equivalents and supplemental emergency food to BIPOC and other socially disadvantaged communities. It has developed emergency food pathways for marginalized communities that were not fully served by our preexisting emergency food system of food

¹² [We Feed WA | WSDA](#)

¹³ [USDA Economic Research Service – Food Price Outlook 2022 Summary Findings](#)

¹⁴ [WAFOOD2_wsda_brief_\(uw.edu\)](#)

banks and meal delivery programs. The program will soon be offered in every county and tribal community across Washington.

The program also helps recruit socially disadvantaged farmers, ranchers and fishers. As a result, many new farmers of color and tribal fishers are selling products to state government vendors for the first time.

Additional funding for behavioral health

The 2022 supplemental operating budget provided an additional **\$100 million CSFRF** to help stabilize the community behavioral health workforce by maintaining and increasing professional staff capacity. Previously, the state provided \$31 million CSFRF to help providers remain financially solvent in a time of increased cost and lower revenue. The additional CSFRF appropriations brings the state to \$131 million CSFRF for behavioral health services.

Mental Health America rates each state's access to mental health treatment in its annual State of Mental Health in America report. The [2022 report](#) ranked Washington at 11th place, indicating that we maintain relatively high access to mental health treatment. But as state funding helped clinics serving low-income patients keep their doors open, workforce growth could not keep pace with the steep increase in behavioral health treatment needs caused by the pandemic.

To promote workforce growth and prevent burnout of service providers that treat low-income patients, the new CSFRF funding will go toward nonhospital-based community behavioral health treatment providers that receive payment for Medicaid. Eligible providers may use the funds on increased costs from the pandemic or to recruit and retain sufficient staffing levels. This includes financial incentives such as student loan debt repayment, relocation expense reimbursement, child care stipends, hiring bonuses, and retention payments.

How these funds continue to promote equity efforts

To be eligible for this financial assistance, the behavioral health provider must be serving Medicaid recipients or state medical assistance program recipients. These programs provide medical and behavioral health services to low-income families and individuals. The state will base the grant distribution methodology on previous Medicaid data. This will help us better allocate funds in proportion to the number of low-income clients served by each provider.

Updated funding for pandemic paid leave assistance

The 2022 supplemental operating budget reduced CSFRF support for the Pandemic Paid Leave Assistance (PPLA) program by \$134 million to reflect lower than anticipated applications. The state will now contribute **\$35 million CSFRF** to the program.

Previously, the state provided \$169 million CSFRF to implement the new program. The program was originally funded based on claim estimates made by the Employment Security Department (ESD). ESD made the estimates before the federal government fully expanded unemployment benefits. At the time, ESD assumed 27,109 claims would be submitted in 2021 and 7,455 claims would be submitted in 2022. Instead, there were 1,738 claims in fiscal year 2021 and 4,164 claims in fiscal year 2022. Actual claims were lower than estimated because many people received federal unemployment benefits instead.

The state adjusted funding for Pandemic Paid Leave Assistance based on actual usage data. It did not change any eligibility rules or policies. You can find more details about the program on pages 12-14 of last year's report.

New CSFRF appropriations that further support the state

As we described above, the state reappropriated CSFRF 'underspend', reduced appropriations for projects, and added more CSFRF to existing projects through the 2022 supplemental budgets. These budgets also provided \$1.1 billion CSFRF to new projects that support education, public health, housing stability and other eligible categories. See details below about these changes.

How new CSFRF helps revenue loss in education

We provide the state revenue loss calculation every July to the federal government in the Washington State Interim Report. The calculation shows a \$3.2 billion revenue loss for calendar years 2020 and 2021.

That amount makes us eligible to spend CSFRF on revenue replacement. It is important to note that the required state revenue loss calculation does not determine *where* states can use CSFRF to backfill their revenue loss, so long as states uses the funds for a provision of government services.

The state dedicated \$600 million CSFRF toward backfilling transportation revenue losses in the 2021 legislative session. The 2022 supplemental operating budget provided another **\$357 million CSFRF** primarily to backfill revenue loss for education.

Basic education

The state funds school districts and local education agencies that provide public basic education (kindergarten through high school graduation). We allocate this money annually in proportion to the student enrollment numbers in each institution. See the funding formulas for basic education in [RCW 28.A.150.260](#) for more detail.

In mid-March 2020, all public, private and charter schools closed for the remainder of the 2019-20 school year. In September 2020, many schools reopened virtually. Eventually, virtual classes moved to a combination of virtual and in-person class time. Schools returned to full-time in-person education in May 2021. The state required face masks for students and staff at that time.

For reasons the state continues to explore, schools across the state saw student enrollment reduce during the 2020-21 school year by roughly 65 million students. Because state funding is tied to past enrollment, this means the state contribution would decrease by roughly \$500 million for the 2021-22 school year.

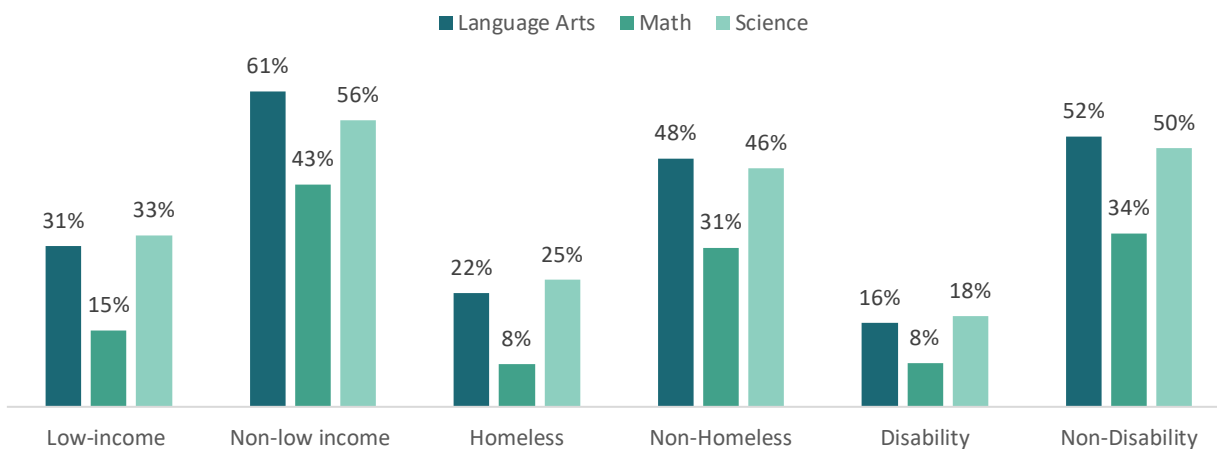
A revenue loss reduction at that level would require school districts to lay off teachers, counselors, paraeducators, and/or reduce support services to students. The funding reduction would come at a time when schools were putting more resources toward addressing learning loss and student mental health. For these reasons, the state provided **\$260 million CSFRF** in learning stabilization funding to school districts and local education agencies across the state.

Learning Assistance program

The Learning Assistance program (LAP) helps students struggling to meet academic standards such as basic skills in reading, writing and math, as well as non-academic skills such as socialization. The program helps accelerate student growth and address the achievement gap.

The National Education Association defines ‘achievement gap’ as the disparity in educational attainment between different groups¹⁵. Many factors contribute to achievement gaps. Students from low-income households tend to score much lower on academic tests than their peers. The trend continues for children who experience housing insecurity, a disability or foster care. The figures below demonstrate this achievement gap based on statewide test scores in fall 2021¹⁶.

Figure 4: Average test scores by household and individual characteristics for grades 3-8 and 10-11



Like basic education, the state gives annual state funding to LAP in proportion to student enrollment in each institution. However, poverty rates also drive LAP funding distribution. We determine the school district’s poverty rate by using eligibility data for free and reduced meal programs that serve children from low-income households.

USDA waived the income threshold for these programs to provide meals for all students during the pandemic, regardless of household income. Because of this change, the data could not be used to determine poverty rates. Coupled by low enrollment rates that we noted above, LAP experienced a significant reduction in state funding for the 2021-22 school year.

LAP is critical to addressing inequity and achievement gaps for vulnerable and disadvantaged children. A reduction in the state’s contribution would disproportionately impact an already marginalized population. For this reason, the 2022 supplemental operating budget provided **\$26.4 million CSFRF** to maintain LAP.

¹⁵ [Students Affected by Achievement Gaps | NEA](#)

¹⁶ [Assessment Summary Dashboard \(ospi.k12.wa.us\)](#)

How new CSFRF helps public health

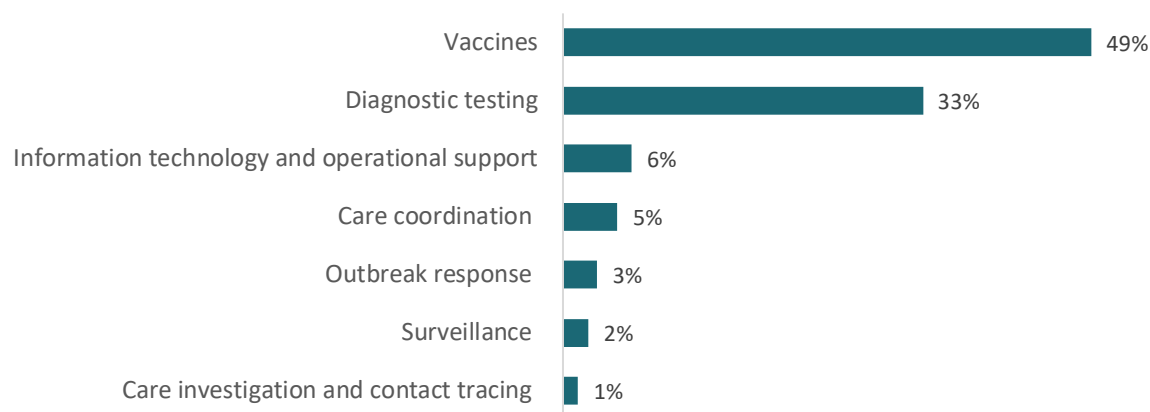
The state added **\$187.8 million CSFRF** in the 2022 supplemental operating budget toward four critical COVID-19 related public health needs. We included full descriptions of the items below.

Statewide COVID-19 mitigation and prevention

The state Department of Health (DOH) manages the statewide effort to track and prevent the spread of COVID-19. This effort requires diagnostic testing, case investigation and contact tracing, care coordination, outbreak response, disease surveillance, public communications and more. This includes funding local health departments across the state as they administer these same services. Although the state receives FEMA reimbursement for these activities, it does not fully fund the increased cost.

For 2021-23, the department's operational costs and information technology support needs will increase by roughly \$261 million. Of this, the figure below shows how much each COVID-19 response activity will increase compared to pre-pandemic costs.

Figure 5: Percent of \$261 million for activities that track and prevent the spread of COVID-19



The 2022 supplemental operating budget provided DOH with over **\$144.3 million CSFRF** to fund pandemic-related costs not covered by FEMA. Of this amount, \$67 million will fund vaccination coverage and outreach that target vulnerable communities across the state. Approximately \$58 million will fund other services that help contain the spread of the virus, while \$19 million will support data information technology systems that work together to create a holistic approach to public health.

How these funds continue to promote equity efforts

Before we had access to the COVID-19 vaccine, the state prepared to use its existing community-based health care infrastructure to provide free vaccines to the public. But the state knew conventional health care sites would not be sufficient for rapid mass distribution and would not accommodate the needs of the state's most vulnerable populations. Mass vaccination sites and mobile vaccination clinics were the answer.

A 2018 report by DOH found that only 74% of adults had a personal health care provider¹⁷. Going into the pandemic, Hispanic adults, adults with low incomes, homeless adults, and people living in rural areas of the state had lower health care coverage rates. And, during the pandemic, anti-immigrant rhetoric and the rise of hate crimes made immigrants wary of seeking government aid — regardless of their citizenship status.

While a large portion of Washingtonians are fully vaccinated, we continue to see ‘access’ challenges, particularly in rural areas and historically marginalized populations. Continuing local vaccination sites and mobile vaccination clinics will help people without medical care coverage or a personal care provider get vaccinated. And, continued outreach will help dispel misinformation, such as the false belief that you need proof of U.S. citizenship to get the vaccine.

Community Health Centers

Community Health Centers (CHC) provide primary and comprehensive outpatient health care services to people, regardless of a patient’s ability to pay. These services include primary care and preventive health care, dental and behavioral health services.

Medically underserved geographic areas in disadvantaged communities often have access to emergent or urgent care, but typically lack comprehensive care providers. Community Health Centers fill this gap.

For patients without medical care coverage, these centers provide services on a sliding fee scale based on the patient’s ability to pay. Patients who do have medical care coverage overwhelmingly have Medicaid. The clinics do not have many patients with private medical care coverage.

Medicaid reimbursements are usually lower than private insurance rates. CHC receive cost-based reimbursement on top of the Medicaid rates to compensate for low private insurance reimbursement, and for serving patients on a sliding scale fee. To incentivize comprehensive care services, a CHC draws down higher cost-based reimbursements for nonurgent care versus emergency treatment. Without these funding enhancements, CHC could not remain financially solvent.

During the pandemic, the governor’s [Proclamation 20-24](#) placed restrictions on nonurgent medical procedures. This reduced the cost-based reimbursements to these centers. After the governor lifted the proclamation, the clinics continued to focus on COVID-19 treatment and prevention services due to high demand. Plus, they were often the only medical provider in the area that would not turn away an uninsured patient.

To compensate for revenue loss through cost-based reimbursements, the 2022 supplemental operating budget provided these centers with **\$24.6 million CSFRF** to fund revenue shortfalls caused by the pandemic.

How these funds continue to promote equity efforts

CHC are recognized as [Federally Qualified Health Centers](#) that must serve vulnerable individuals and families. This includes low-income households, people experiencing homelessness, migrant workers,

¹⁷ [2018WASStateHealthAssessment_FullReport.pdf \(wa.gov\)](#)

public housing residents, the uninsured and veterans. Before the pandemic, approximately 49% of all Medicaid patients had a primary care doctor through their local CHC¹⁸.

Capital investments for heating, ventilation, and air conditioning systems

COVID-19 can rapidly spread in facilities with shared heating, ventilation, and air conditioning systems (HVAC). Creating proper ventilation with outside air helps reduce airborne contaminant concentration levels. This includes heavy droplets of the COVID-19 virus, which can sink and settle on surfaces in a building. COVID-19 can remain stable on indoor surfaces for an average of 5.89 days¹⁹.

The 2022 supplemental capital budget provided approximately **\$12.9 million CSFRF** to upgrade HVAC systems in the following public facilities that are responding to the COVID-19 public health emergency:

- Science laboratories at The Evergreen State College
- A 150-bed residential nursing facility with the Transitional Care Center of Seattle
- Public health laboratory wings at DOH
- Four living-custody units that include one sex offender assessment and treatment program

These upgrades better protect residents, staff, and the public from contracting and spreading the virus.

Prevention in psychiatric hospitals

The state operates the following behavioral health congregate care facilities, also known as inpatient psychiatric hospitals:

- Child Study and Treatment Center (CSTC)
- Eastern State Hospital (ESH)
- Western State Hospital (WSH)

CSTC serves children and youth ages 5-17 who have psychological and safety needs that cannot be met in their communities. Their average length of stay is 10 to 12 months²⁰. The building houses around 70 beds in four age-specific cottages.

ESH is a 367-bed adult inpatient psychiatric hospital. WSH is an 800-bed adult inpatient psychiatric hospital. Both facilities provide evaluation and inpatient treatment for individuals with serious acute or long-term mental illness. Residents are referred to these hospitals through a behavioral health organization, a civil court order for involuntary inpatient treatment, or the criminal justice system.

All congregate care settings are high risk for spreading COVID-19 thanks to close quarters, shared HVAC systems, and people coming in and out of the facilities. WSH alone has over 2,500 employees coming and going. And each hospital incorporates visiting family and friends into patient treatment plans (when appropriate).

¹⁸ [Community Health Center Chartbook \(nachc.org\)](https://nachc.org)

¹⁹ [Estimated Surface Decay of SARS-CoV-2 | Homeland Security \(dhs.gov\)](https://dhs.gov)

²⁰ [Child Study and Treatment Center | DSHS \(wa.gov\)](https://dshs.wa.gov)

Inpatient psychiatric facilities face an even more unique challenge in the fight against COVID-19. While doctors, nurses and support staff do their best to keep patients healthy, many psychiatric patients do not understand how to identify COVID-19 symptoms at the start. Some patients have difficulty adhering to behaviors (such as frequent handwashing) that can reduce their risk.

Personal protective equipment (PPE) such as facemasks and gloves are not always an option for patients. For a variety of reasons, psychiatric patients sometimes refuse to use PPE and some patients cannot have PPE due to an increased risk of self-injurious behavior. These behavioral challenges create high demand for more quarantine space.

To help state-run psychiatric hospitals prevent COVID-19, the state will provide the Department of Social and Health Services (DSHS) with **\$6 million CSFRF**. Of this amount, \$4 million is for operating isolation and quarantine wards. Approximately \$1.7 million will fund screening stations for staff and visitors. DSHS will also hire a nurse who specializes in infectious disease control to coordinate prevention efforts for this vulnerable population.

How these funds continue to promote equity efforts

People with serious mental illness have more medical issues than the population at large. In a study released March 2022, the American Heart Association found that people with a diagnosis of bipolar disorder, schizophrenia or schizoaffective disorder, had double the cardiovascular disease risk levels than those without such illnesses – at 25% compared to 11%.²¹ This includes more risk factors such as obesity, high blood pressure and diabetes. People with a serious mental health disorder have worse COVID-19 outcomes, including higher mortality rates. The University of Texas found that patients with schizophrenia are nearly four times more likely to die from the virus, and patients with a serious mood disorder or anxiety disorder are over two times more likely to die from the virus²². These studies demonstrate that psychiatric patients are disproportionately impacted by COVID-19. Our state will administer prevention and treatment that can accommodate their unique needs.

How new CSFRF helps housing stability

In January 2020, the U.S. Department of Housing and Urban Development (HUD) found that Washington has the fifth highest per capita homeless rate in the country, as well as the third largest increase in homelessness between 2019 and 2020 with a 6.2% increase.²³ Out of 22,923 homeless people in our state, the report found the following characteristics:

- 4,841 sheltered homeless families with children
- 1,884 unsheltered homeless families with children
- 1,777 homeless unaccompanied youth
- 1,607 homeless veterans
- 16,198 homeless individuals
- 5,943 chronic homeless individuals
- 10,814 unsheltered homeless

²¹ [Serious mental illness & increased heart disease ScienceDaily](#)

²² [Analysis of COVID-19 Infection and Mortality Among Patients With Psychiatric Disorders, 2020 | Psychiatry and Behavioral Health](#)

²³ [The 2020 Annual Homeless Assessment Report \(AHAR\) to Congress \(huduser.gov\)](#)

Over the last 35 years, Washington spent \$1 billion in state dollars to house people with incomes less than 80% of the Area Median Income (AMI). Current programs primarily target families with children and runaway youth. Properties that house individual adults are typically tailored for veterans, the elderly, or people with a developmental disability. Safe housing is a basic human need for everyone, which is why a part of the governor's policy agenda focused on suitable and affordable housing.

In December 2019, Inslee announced an aggressive [plan to combat homelessness statewide](#) with a funding proposal to reduce homelessness by 50% in two years. The plan focused on the most vulnerable populations of families with children and unaccompanied youth. It targeted chronic unsheltered homeless individuals by providing new housing assistance programs to house 3,000 people living outside.

Within three months, however, America entered a worldwide public health crisis unlike anything in modern history. To prevent the spread of COVID-19, the focus quickly changed to helping people keep the housing they had, helping the unsheltered find immediate temporary shelter, and providing utilities and sanitation systems to established encampments.

As the state shifts focus to a new and improved normal, it is dedicating resources to rapidly expand safe and affordable housing again. In addition to other funds, the state put over **\$102.7 million CSFRF** toward filling seven gaps in affordable housing and services for homeless Washingtonians. These programs are meant to maintain housing stability for low-income households and to significantly expand housing units and support services. We include full descriptions of the items on the following pages.

Utility debt payments

During the pandemic, low-income households faced greater challenges meeting their monthly household expenses. For many, monthly utility bills such as gas, heat, electricity and water stacked up during the 18-month eviction moratorium ([Proclamation 20-19](#)). As protections against eviction and shut-offs are lifted, low-income households are grappling to pay utility arrears (debts).

But that's not all. The pandemic exacerbated preexisting social and economic disparities occurring before the virus. And it continues to disrupt household income while energy costs have grown substantially over the last year. The U.S. Bureau of Labor Statistics shows the CPI for electricity services increased by 13.7% between May 2020 and May 2021²⁴. Even with a payment plan, this means many low-income families struggle to afford higher monthly energy bills and cannot make a dent in what they already owe.

As of fall 2021, utility companies in Washington faced \$300 million in payment debts. To reduce the disproportionate economic strain the pandemic had on low-income households, the 2022 supplemental operating budget provided **\$100 million CSFRF** to public and private water, sewer, garbage, electric, and natural gas utility companies on behalf of low-income customers with debts incurred between March 2020 and December 2021.

²⁴ [CPI Home: U.S. Bureau of Labor Statistics \(bls.gov\)](#)

How these funds continue to promote equity efforts

The state gives priority to customers who received assistance between April 2020 and March 2022 for one of the following programs:

- [Low Income Home Energy Assistance Program](#)
- [Low Income Household Water Assistance Program](#)
- [Washington Ratepayer-Funded Program](#)

These programs verify that someone's household income is at or below 185% of the federal poverty level (\$51,337 for a household of four). Eliminating utility debt will provide some relief from the economic burden that disproportionately impacts low-income families and individuals. It will also prevent 'shut-offs' so that low-income households continue to have access to adequate utilities that help reduce the spread of COVID-19.

Relocation to permanent housing

In January 2022, our state had approximately 16,200 homeless individuals. Out of the nation, we had the second largest increase in chronically homeless individuals between 2019 and 2021 (1,497 more people) and 3,340 more chronically homeless individuals since 2007.²⁵

Individuals without housing often camp on public rights-of-way, such as under bridges and overpasses, along roadways and at rest areas. These spaces can give relief from extreme weather by providing shade or shelter from rain or snow. The camps can be transient or become established encampments.

Encampments are often formed because residents find that there is safety in numbers. As these camps grow, however, they quickly become unsanitary and unhealthy. Garbage and human waste easily pile up since the camps lack sanitation and utility services. Vermin move in and diseases spread rapidly from person to person.

Encampment residents are typically men that range in age and race. Men have fewer shelter options than women, children, unaccompanied youth and families — particularly men with mental illness and/or a substance use disorder.

As the pandemic wanes, the state is recommitted to expanding long-term housing options and homeless services to homeless individuals. The 2022 supplemental operating budget provided **\$45 million CSFRF** to transition people who reside in a public right-of-way to permanent housing. Eligible grant recipients include local governments and nonprofit organizations. Eligible services include housing vouchers, outreach and engagement, transportation, case management and other housing assistance services.

How these funds continue to promote equity efforts

The state gives priority to grant applicants that focus on permanent housing solutions that can meet the population's specialized needs. These include case management, employment assistance, life skills training, and help accessing medical and behavioral health care. Camp sites in active construction zones or areas at risk of landslides will be served first.

²⁵ [The 2020 Annual Homeless Assessment Report \(AHAR\) to Congress \(huduser.gov\)](#)

When an organization cannot find a fitting permanent housing opportunity for a homeless individual, they may receive an interim housing option. The grantee must make sure that the temporary option is a meaningful improvement over the individual's current outdoor living situation, and that the temporary option matches the individual's assessed need.

Building more homeless housing units

Nationally, our state experienced the second largest increase of homeless families with children between 2019 and 2021 (1,133 more people). And it had the third largest unaccompanied homeless youth population of 1,777 teenagers. Of the total homeless count, 47.2% were found unsheltered (approximately 10,800 people).²⁶

At the onset of COVID-19, the state focused on preventing evictions and providing immediate temporary dwellings to unsheltered homeless. But it's time to expand the state's supply of shelters, transitional housing, and affordable permanent units — especially as we see lower and lower COVID-19 case counts and have an eager construction workforce ready to work. That's why the 2022 supplemental capital budget combined state dollars and CSFRF for housing projects that build more homeless housing options.

A little over **\$22.5 million CSFRF** was provided for rapid housing acquisition grants to help eligible organizations acquire, rent, or renovate real property for quick conversion into emergency shelters, supportive housing, transitional housing, permanent housing, youth housing, and drop-in overnight centers. Eligible organizations include local governments, local housing authorities, nonprofit communities or neighborhood-based organizations, regional or statewide nonprofit housing organizations, and federally recognized Indian tribes.

Based on historical data for similar projects, this investment will add an estimated 803 units or beds.

Approximately **\$73.6 million CSFRF** was provided for building and preserving permanent affordable housing units that benefit low-income and special needs populations. This includes people with chronic mental illness, people with a developmental disability, agricultural workers, and chronic homeless individuals. Of this amount, the state has earmarked \$22 million for projects in rural areas.

Based on historical data for similar projects, this investment will add an estimated 1,200 - 1,600 units or beds.

Roughly **\$6.6 million CSFRF** is for the following nonprofit organizations to expand housing units, drop-in overnight centers, and shelter access for Washington youth ages 16-20.

- \$2.2 million to [Volunteers of America](#)
- \$1 million to [Foundation for Youth Resiliency & Engagement](#)
- \$3.35 million to [Ryan's House for Youth](#)

This investment will add an estimated 68 beds to established providers that help unaccompanied youth with no other safe or appropriate long-term housing option.

²⁶ [The 2020 Annual Homeless Assessment Report \(AHAR\) to Congress \(huduser.gov\)](#)

How these funds continue to promote equity efforts

Before the pandemic, Washington was experiencing a homeless crisis as the fifth highest per capita homeless rate in the country²⁷. The pandemic amplified the crisis by setting back our progress toward building housing capacity to help more homeless people. Homeless individuals and families are disproportionately impacted by the virus. And they are more likely to have preexisting medical conditions that increase their susceptibility to long-term virus effects. Without safe shelter and adequate utilities, those infected by the virus face greater recovery challenges. The state can now refocus resources to significantly expanding housing options for homeless Washingtonians.

Stabilizing the homeless services workforce

Burnout has long plagued the homeless services profession.

This workforce helps the homeless population obtain and maintain housing security. It is made up of people helping people. They stabilize people in crises and help people address circumstances that led them to homelessness.

Despite this crucial work, social services jobs do not pay well. According to the U.S. Bureau of Labor and Statistics, social worker median pay is \$50,390 per year.²⁸ This is below 80% AMI in all but two counties of our state.²⁹

Job challenges and the low pay scale result in turnover and worker shortages. COVID-19 exacerbated this problem. As the state builds more affordable housing units and ratchets up housing services, it must address the workforce shortfall to succeed.

That's why the 2022 supplemental operating budget provided **\$54.5 million CSFRF** to help homeless services organizations with staffing shortages. To recruit and retain employees, \$27 million will go toward a \$2,000 stipend for homeless services workers whose salary is at or below 80% AMI. And **\$500,000 CSFRF** will fund a study to identify the post-pandemic workforce needs of nonprofit organizations that provide homeless services and to develop workforce growth strategies that can keep up with the state's ambitious timeline.

How these funds continue to promote equity efforts

Without enough homeless services workers, the state's plan to significantly reduce homelessness is unlikely to work. Stabilizing the workforce is our first step to providing new and improved affordable housing opportunities and housing services that help chronic homeless individuals adapt to a new community environment.

Eligibility for homeless service worker stipends is set at 80% AMI to target low wage earners. A household at 80% AMI is considered low-income. Ironically, these households and workers themselves are eligible for some low-income housing assistance programs through HUD.³⁰

²⁷ [Homelessness in Washington state 2019 report](#)

²⁸ [Current Employment Statistics - CES \(National\) : U.S. Bureau of Labor Statistics \(bls.gov\)](#)

²⁹ [Median Household Income Estimates by County \(wa.gov\)](#)

³⁰ [Income Limits | HUD USER](#)

How new CSFRF helps early learning facilities

Early learning providers, such as preschool and child care providers, were hit hard by the pandemic. Besides struggling with the increased costs of meeting ever-changing public health guidelines, smaller class sizes that kept children and staff safe reduced their revenue. It came at a time when the state was already short thousands of slots for our programs that serve children from low-income households.

Many center providers and home-based providers renovated or remodeled their classrooms and outdoor spaces to support social distancing requirements, improve air quality, provide screenings, add hygiene stations, and expand usable outdoor space. Many school-age providers had to reconfigure space to support distance learning. And some added to their overall footprint by acquiring new space. The 2022 supplemental operating budget provided **\$8.5 million CSFRF** for grants to eligible early learning providers for permanent facility changes made in response to the pandemic.

How these funds continue to promote equity efforts

Eligible providers must serve children who receive a state subsidy or children in our state-funded preschool programs. These programs serve children from low-income families, migrant workers, or children who receive child welfare services. They must also be in good standing with the state's early learning quality rating system called [Early Achievers](#) (EA). Other licensed providers may receive the grant once they commit to adding these slots and participating in EA. By doing so, more of the state's most vulnerable children can access quality early learning programs.

How new CSFRF helps small businesses

Small business owners from underserved communities and marginalized populations lack access to support and technical assistance for highly specialized business operations (e.g., legal, accounting, human resources). These services are essential for a business to succeed. The need for such support increased during the pandemic because local, state, and federal regulations were ever changing.

These entrepreneurs also have historically less access to financial capital to fill even a short-term revenue gap. Many accumulated debts during the pandemic, debts that can affect credit scores for years.

That is why the 2022 supplemental operating budget provided **\$15 million CSFRF** to expand the state's [Small Business Resiliency Network](#) (SBRN) and establish a small business Credit Repair Pilot Program (CRPP). The network provides technical assistance to small businesses, that includes help applying for resources, understanding government regulations, accessing translation services, and safely reopening. The pilot will connect BIPOC and people from socially-disadvantaged communities with community foundations and nonprofit credit unions. These organizations will provide credit counseling or character-based lending programs to entrepreneurs who cannot access conventional lending.

How these funds continue to promote equity efforts

Compared to their larger counterparts, small businesses have lower cash reserves to rely on in times of economic hardship. And businesses owned by marginalized groups such as women, BIPOC, and immigrants are at greater risk of permanently closing their doors because these populations have historically less access to financial capital, assets, and the accumulation of intergenerational wealth.

Businesses owned by these historically disadvantaged populations will be given priority for SBRN and CRPP services.

How new CSFRF helps unemployment insurance

Unemployment Insurance (UI) provides workers with temporary income when they lose a job through no fault of their own. The money partly replaces lost earnings to help pay expenses while they look for new employment.

Our UI program is a federal-state partnership with the federal government paying administration costs. We base the funding for administration costs on past claims. If claims increase suddenly, so do administrative costs. We provide state funding to cover the gap.

In April 2020, Washington lost a staggering 340,000 jobs because of pandemic impacts.³¹ In 2019 monthly UI claims averaged approximately 12,000. Claims increased to 180,000 in March 2020.³² As job opportunities in the state continue to improve, claims have decreased. However, claims for the month of May 2022 stand at 38,732 – still 30% higher than the monthly average before the pandemic.³³ More adjudicators are necessary to continue processing the high volume of claims.

Although the workload is more manageable, ESD continues to experience unprecedented demands on staff and information technology systems. The largest costs come from the following areas:

- Claim adjudicators and overtime pay
- Training and procedural changes
- Information technology upgrades
- Anti-fraud measures
- Overpayment processing

Approximately \$16 million of other federal funding covered these expenses. This left a gap of over \$31 million. The 2022 supplemental operating budget provided ESD with **\$31.3 million CSFRF** to pay for COVID-19 related administrative costs.

How new CSFRF helps government transparency

The Washington State Public Affairs Network (TVW) provides Washingtonians with live, unedited coverage of state government, politics, and public policy. Often referred to as ‘gavel-to-gavel’ coverage, TVW supports open government by providing the public with access to deliberations from our three branches of state government. It covers House and Senate committee hearings and floor debates, oral arguments to the Washington State Supreme Court, state elections, and many board and commission meetings. It also promotes youth civil engagement by giving high school students the opportunity to participate in the state legislative process through a TVW video connection.

[31 ESDWAGOV - April 2020 Monthly Employment Report](#)

[32 Initial Claims applications for Unemployment Insurance-WA | Tableau Public](#)

[33 ESDWAGOV - Benefits data dashboard](#)

TVW is a 501 (c)(3) nonprofit corporation, not a government agency. That means it's governed by an independent board of directors. The state funds its operating costs with approximately \$3 million per year through a contract-for-service by the Secretary of State's Office.

For the first time in history, the 2021 state legislative session was held virtually. Much of the following (2022) session was the same. It not only protected members and staff, but also the public. And it did so while allowing the legislative process to remain transparent and accountable. TVW played an integral part in this transition. TVW equipment required upgrades to meet the new demand. The 2022 supplemental operating budget provided **\$405,000 CSFRF** to upgrade TVW equipment such as encoders, routers, and robotic systems.

CSFRF inventory, expenditures, and performance

As of June 2022, the state has spent over **\$1.4 billion CSFRF**. The chart below lists each project, provides the federal expenditure category for each project, captures the amount of CSFRF dedicated to each project, and notes spending to date. The expenditure categories listed in the chart below reflect those published by the U.S. Treasury on June 10, 2022. Performance data can be found in the following section.

Projects and expenditures to date

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
1: Public health						
1.1	COVID-19 vaccination	Continue COVID-19 vaccinations*	Department of Health	\$66,956,000	\$1,013	N/A
1.3	COVID-19 contact tracing	Contain the spread of COVID-19*	Department of Health	\$58,320,000	\$662,967	N/A
1.4	Prevention in congregate settings	Corrections: COVID-19 response**	Department of Corrections	\$70,636,000	\$34,878,636	\$34,878,636
1.4	Prevention in congregate settings	Corrections: HVAC replacement*	Department of Corrections	\$4,646,000	N/A	N/A
1.4	Prevention in congregate settings	Transitional Care Center HVAC*	Department of Social and Health Services	\$2,335,000	N/A	N/A
1.4	Prevention in congregate settings	Specialized Nurse Prevention Coordinator*	Department of Social and Health Services	\$197,000	\$197,000	N/A

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
1.4	Prevention in congregate settings	Psychiatric isolation and quarantine wards*	Department of Social and Health Services	\$4,021,000	\$4,021,000	N/A
1.4	Prevention in congregate settings	Psychiatric hospital screening stations*	Department of Social and Health Services	\$1,743,000	\$1,743,000	N/A
1.6	Medical expenses	UW Medical Center revenue replacement	University of Washington	\$35,000,000	\$35,000,000	0
1.6	Medical expenses	Uninsured and underinsured care*	Health Care Authority	\$35,000,000	\$251,275	\$251,275
1.6	Medical expenses	Stabilizing Community Health Centers*	Health Care Authority	\$24,600,000	N/A	N/A
1.7	Other COVID-19 public health expenses	Public health data*	Department of Health	\$19,088,000	\$88,878	N/A
1.8	COVID-19 assistance to non-profits	Nonprofit information tech. grant*	Department of Commerce	\$80,000	N/A	N/A
1.10	COVID-19 aid to impacted industries	Arts safety and testing*	Department of Commerce	\$5,000,000	N/A	N/A
1.14	Other public health services	Science labs HVAC upgrade*	The Evergreen State University	\$4,000,000	N/A	N/A
1.14	Other public health services	HVAC upgrades at DOH*	Department of Health	\$1,894,000	N/A	N/A
1.14	Other public health services	Opioids- healthcare provider curriculum	Workforce Board	\$250,000	N/A	N/A
1.14	Other public health services	Behavioral health provider relief funds**	Health Care Authority	\$131,000,000	\$30,985,791	\$30,985,791
2: Negative economic impacts						
2.1	Household assistance: Food programs	State Food Assistance Program	Department of Social and Health Services	\$10,798,000	\$10,798,000	\$5,399,000
2.1	Household assistance: Food programs	Farm-to-School program	Department of Agriculture	\$5,000,000	\$74,848	\$74,848
2.1	Household assistance: Food programs	Emergency Food Assistance program	Department of Agriculture	\$43,000,000	\$27,308,092	\$18,329,568
2.1	Household assistance: Food programs	Farmers to Families food boxes**	Department of Agriculture	\$103,045,000	\$25,135,699	\$25,135,699

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
2.2	Household assistance: Rent, mortgage, and utility aid	Rental assistance**	Department of Commerce	\$448,000,000	\$106,032,476	N/A
2.2	Household assistance: Rent, mortgage, and utility aid	Utility arrearages*	Department of Commerce	\$100,000,000	N/A	N/A
2.3	Household assistance: Cash transfers	Immigrant relief funding	Department of Social and Health Services	\$340,000,000	\$34,796	N/A
2.5	Unemployment benefits or cash assistance to unemployed workers	Pandemic Paid Leave Assistance	Employment Security Department	\$34,840,000	\$17,932,130	\$17,932,130
2.13	Healthy childhood environments: Other	Improving healthy childhood environments	Department of Children, Youth and Families	\$5,500,000	N/A	N/A
2.14	Healthy childhood environments: Early learning	Early learning COVID-19 renovation grants*	Department of Commerce	\$8,500,000	N/A	N/A
2.16	Long-term housing security: Services for unhoused persons	Right-of-way transitions to housing*	Department of Commerce	\$45,000,000	N/A	N/A
2.17	Housing support: Housing vouchers and relocation assistance for disproportionately impacted communities	Housing and Essential Needs program	Department of Commerce	\$2,610,000	\$2,499,018	N/A
2.18	Housing support: Other housing assistance	Increase supply of affordable housing (Housing Trust Fund)*	Department of Commerce	\$73,606,000	N/A	N/A
2.18	Housing support: Other housing assistance	Rapid capital housing acquisition grants	Department of Commerce	\$22,532,000	N/A	N/A
2.18	Housing support: Other housing assistance	FYRE's Village; housing stability for young adults (Omak)*	Department of Commerce	\$3,350,000	N/A	N/A
2.18	Housing support: Other housing assistance	Ryan's House youth campus (Coupeville)*	Department of Commerce	\$1,015,000	N/A	N/A
2.18	Housing support: Other housing assistance	Volunteers of America (Spokane)*	Department of Commerce	\$2,200,000	N/A	N/A

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
2.28	Contributions to UI trust funds	Unemployment Insurance Relief Account	Employment Security Department	\$500,000,000	\$499,969,725	\$499,969,725
2.29	Loans or grants to mitigate financial hardship	Small business assistance**	Department of Commerce	\$104,500,000	\$1,407,192	\$1,407,192
2.30	Technical assistance, counseling, or business planning	Small Business Resiliency Network and Credit Repair Pilot*	Department of Commerce	\$15,000,000	N/A	N/A
2.35	Aid to tourism, travel, or hospitality	Clallam County Ferry project	Department of Commerce	\$5,000,000	\$4,997,536	\$4,997,536
2.35	Aid to tourism, travel, or hospitality	Statewide tourist recovery**	Department of Commerce	\$112,000,000	\$4,365,000	\$4,365,000
2.36	Aid to other impacted industries	Food supply chain, and food infrastructure and market access	Department of Agriculture	\$17,000,000	N/A	N/A
2.36	Aid to other impacted industries	Art industry grants**	Department of Commerce	\$22,000,000	\$705,324	\$705,324
2.36	Aid to other impacted industries	Automotive museum assistance*	Department of Commerce	\$200,000	N/A	N/A
2.36	Aid to other impacted industries	Convention center COVID support*	Department of Commerce	\$20,000,000	N/A	N/A
2.36	Aid to other impacted industries	Assistance to convention center dependent businesses*	Department of Commerce	\$5,000,000	N/A	N/A
3: Public Safety, Public Health, and Human Services Staff						
3.1	Public sector workforce: Payroll and benefits for public health, public safety, or human services	Corrections: community supervision staff*	Department of Corrections	\$6,817,000	N/A	N/A
4: Premium Pay						
4.2	Private Sector: Grants to other employers	Homeless service provider stipends*	Department of Commerce	\$54,500,000	\$18,441	N/A

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
5: Infrastructure						
5.1	Clean water: Centralized wastewater treatment	Port Hadlock wastewater facility	Department of Commerce	\$10,088,000	N/A	N/A
5.1	Clean water: Centralized wastewater treatment	Crusher Canyon sewer line	Department of Commerce	\$1,000,000	N/A	N/A
5.1	Clean water: Centralized wastewater treatment	Dryden wastewater improvement project	Department of Commerce	\$1,030,000	N/A	N/A
5.1	Clean water: Centralized wastewater treatment	Packwood sewer system	Department of Commerce	\$4,025,000	N/A	N/A
5.1	Clean water: Centralized wastewater treatment	Port of Mattawa wastewater infrastructure	Department of Commerce	\$618,000	N/A	N/A
5.1	Clean water: Centralized wastewater treatment	Vader wastewater treatment plant improvements	Department of Commerce	\$1,850,000	\$913,428	\$913,428
5.1	Clean water: Centralized wastewater treatment	Fall City waste management system	Department of Commerce	\$6,500,000	N/A	N/A
5.2	Clean water: Centralized wastewater collection and conveyance	Leach Creek interceptor extension	Department of Commerce	\$2,100,000	N/A	N/A
5.2	Clean water: Centralized wastewater collection and conveyance	Chelan – Anderson Road project design	Department of Commerce	\$258,000	\$250,260	\$250,260
5.2	Clean water: Centralized wastewater collection and conveyance	Battleground – Pump station and force main	Department of Commerce	\$2,050,000	N/A	N/A
5.2	Clean water: Centralized wastewater collection and conveyance	Port Hadlock wastewater facility	Department of Commerce	\$10,088,000	N/A	N/A

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
5.2	Clean water: Centralized wastewater collection and conveyance	Packwood sewer system	Department of Commerce	\$4,025,000	N/A	N/A
5.3	Clean water: Other sewer infrastructure	Shelton reclaimed water project	Department of Commerce	\$2,050,000	N/A	N/A
5.6	Clean water: Stormwater	Louis Thompson Road tightline	Department of Commerce	\$3,000,000	N/A	N/A
5.6	Clean water: Stormwater	Fry Creek pump station	Department of Commerce	\$8,975,000	N/A	N/A
5.8	Clean water: Water conservation	Cheney Purple Pipe project	Department of Commerce	\$11,050,000	N/A	N/A
5.8	Clean water: Water conservation	Othello water conservation system	Department of Commerce	\$515,000	N/A	N/A
5.8	Clean water: Water conservation	Boat Haven stormwater improvement	Department of Commerce	\$2,050,000	N/A	N/A
5.9	Clean water: Nonpoint source	City of Ilwaco – Drinking water source protection	Department of Commerce	\$721,000	N/A	N/A
5.9	Clean water: Nonpoint source	Lake management plan	Department of Commerce	\$155,000	N/A	N/A
5:10	Drinking Water: Treatment	Water treatment at City of Dupont	Department of Commerce	\$5,950,000	N/A	N/A
5.11	Drinking water: Transmission and distribution	City of Fircrest water meter replacement	Department of Commerce	\$171,000	\$181,186	\$181,186
5.11	Drinking water: Transmission and distribution	Index-phased water line replacement	Department of Commerce	\$1,351,000	N/A	N/A
5.13	Drinking water: Source	Airway Heights water resources replacement	Department of Commerce	\$14,950,000	N/A	N/A
5.13	Drinking water: Source	New well for Peshastin	Department of Commerce	\$1,100,000	N/A	N/A
5.14	Drinking Water: Storage	Shelton: Well One water main	Department of Commerce	\$2,050,000	N/A	N/A
5.15	Drinking water: Other water infrastructure	Skamania County well installation	Department of Commerce	\$52,000	N/A	N/A

Category		Project title	State Agency	Total dedicated funds	Cumulative expenditures	Amount spent since last recovery plan
Federal expenditure category		Authored by state	Direct appropriation	Amount of CSFRF set aside by state	Through June 31, 2022 Projects with no expenditures will be noted with "N/A."	
5.15	Drinking water: Other water infrastructure	Replace culverts	Department of Transportation	\$400,000,000	N/A	N/A
5.18	Water and Sewer: Other	Grants for affordable housing development utility connections	Department of Commerce	\$27,000,000	N/A	N/A
5.17	Broadband: Other projects	Competitive broadband grants	Department of Commerce	\$150,771,000	\$175,245	\$175,245
5.17	Broadband: Other projects	Point Roberts Rural Broadband project*	Department of Commerce	\$225,000	N/A	N/A
5.17	Broadband: Other projects	Wanapum Indian Village Broadband project	Department of Commerce	\$155,000	N/A	N/A
6: Revenue replacement						
6.1	Provision of government services	Transportation revenue replacement	Department of Transportation	\$600,000,000	\$300,000,000	\$300,000,000
6.1	Provision of government services	Basic education enrollment stabilization*	Department of Commerce	\$346,451,000	\$243,267,000	N/A
6.1	Provision of government services	Homeless service provider workforce study*	Office of the Superintendent of Public Instruction	\$500,000	N/A	N/A
6.1	Provision of government services	Learning Assistance Program*	Office of the Superintendent of Public Instruction	\$28,102,000	N/A	N/A
7: Administrative and other						
7.1	Administrative expenses	TVW equipment reimbursement*	Office of the Secretary of State	\$405,000	N/A	N/A
7.1	Administrative expenses	Unemployment Insurance workload and security*	Employment Security Department	\$31,288,000	\$10,581,930	\$10,581,930
7.1	Administrative expenses	Administrative and other	Office of Financial Management	\$1,560,000	\$726,833	\$726,833
*2022 supplemental budget provided funding for a new project.						
**2022 supplemental budget increased funding for an existing project.						

Total cumulative expenditures may be greater than the appropriated amount because these values do not reflect final accounting close and reconciliation. For the same reason, they do not reflect the full amount spent in state fiscal year (SFY) 2022. Expenditures are provided quarterly to the U.S. Treasury and will be updated after the SFY closes.

Performance reporting

The state identified 15 projects funded with CSFRF in the 2021-23 biennial budgets that require us to report on the state's performance. Some pertinent information has proven harder to obtain than others.

Providing demographic information such as race, ethnicity, gender, and age is voluntary. The state does not typically request demographic information in support of the law ([RCW 49.60.400](#)), which prohibits the state from discriminating against, or granting preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in public contracting.

For many reasons, people often refuse to provide demographic information when the state or state contractors request it. For example, 46.5% of households that received eviction prevention services funded by CSFRF did not provide their race/ethnicity.

Because of low reporting levels, we don't have meaningful demographic information on racial and gender diversity for most CSFRF-funded projects. However, most of these programs serve disproportionately impacted populations and communities because they have income eligibility thresholds, or funding is concentrated on geographic areas with high unemployment rates or designation as a federal [qualified census tract, or difficult development area](#). Below, you will find performance information that focuses on the program data available to date.

Pandemic paid leave assistance

Negative economic impacts

\$35 million CSFRF

Category 2.6: Unemployment benefits or cash to unemployed workers

Of 3,083 claims approved, the following characteristics were found:

- 2,560 unique claimants
- 1,678 claimants with COVID-19
- 1,405 supporting family members with COVID-19
- 64.3% female claimants
- 35.6% male claimants
- 1.1% non-binary or other

Immigrant relief funding

\$340,000,000 CSFRF

Category 2.3: Household assistance: Cash transfers

Provides cash grants to immigrants with unauthorized citizenship status.

DSHS just recently completed the necessary information technology upgrades to implement the [Washington COVID-19 Immigrants Relief program](#). We will provide more information in the next report after payments are made to eligible immigrants.

State Food Assistance program

Negative economic impacts

\$10,798,000 CSFRF

Category 2.1: Household food programs

Provides parity with federal food assistance programs for immigrants with unauthorized status receiving the monthly state-funded food benefit. The following characteristics were noted:

- 6,481 total unique households received food benefits equivalent to SNAP
- 5,129 monthly average households served
- 680 applications were denied
- 17% denials were found ineligible
- 65% denials from failure to complete the application process

Food programs provided by WSDA

Negative economic impacts

\$45,000,000 CSFRF

Category 2.1: Household food programs

WSDA hired an evaluation and equity specialist in June 2022 to aggregate outcome data and evaluate impact on underserved populations. We will provide more information in the next report.

Rental assistance

Negative economic impacts

\$403,000,000 CSFRF

Category 2.5: Household assistance: Eviction prevention

Rent payments to prevent eviction were made on behalf of 22,707 low-income households at or below 30% AMI. Grant characteristics include:

- 23 months of assistance on average
- \$2,881 per household on average
- 513,991 total monthly payments
- 39 out of 39 counties

Business assistance

Negative economic impacts

\$50,000,000 CSFRF

Category 2.9: Small business economic assistance

Help small businesses pay COVID-19 expenses needed to reopen or remain open.

The state continues to analyze aggregate data and we will provide an update in the next report.

Arts industry grants

Negative economic impacts

\$2,000,000 CSFRF

Category 2.12: Aid to other impacted industries

Grants were provided to cultural organizations with 501(c)(3) nonprofit status. Grant characteristics include:

- 250 organizations were awarded 100% of ask
- 138 were funded at 80% of ask
- One tribal organization served tribal governments
- 32 of 39 counties
- Maximum grant amount of \$10,000
- 98% of grantees remain open

Clallam County Ferry project

Negative economic impacts

\$5,000,000 CSFRF

Category 2.11: Aid to tourism, travel, or hospitality

Funding created or maintained approximately 1,017 jobs. Job characteristics include:

- 91 full-time jobs in the water transportation industry
- 926 local tourism and hospitality jobs
- Qualified Census Tracts 3, 7, 10, and 11

Uninsured and underinsured care

Public health

\$35,000,000 CSFRF

Category 1.6: Medical expenses

Pays COVID-19 treatment claims on behalf of uninsured/underinsured individuals with income at/or below 200% FPL. HCA has not yet completed the grant award cycle at this time. We will provide more information in the next report.

Behavioral health provider relief funds

Public health

\$31,000,000 CSFRF

Category 1.12: Other public health services

Grants were provided to behavioral health providers who treat a minimum of six patients with Medicaid or state funded medical assistance. Grant characteristics include:

- 58 providers
- 23 providers (\$10.7 million) serving rural areas
- 4 providers (\$2 million) serving non-urban coastal regions
- No providers closed to date after receiving a grant

Corrections: COVID-19 response

Public health

\$42,193,000 CSFRF

Category 1.4: Prevention in congregate settings

COVID-19 prevention methods reduced the mortality rate for incarcerated individuals and DOC staff. Characteristics are below:

- Out of 7,867 total confirmed cases between March 2020 and June 2021, one in every 490 resulted in death — 13 incarcerated individuals and six staff members
- Out of 11,868 total confirmed cases, one in every 2,375 resulted in death— four incarcerated individuals and one staff member

Improving healthy childhood environments

Services to disproportionately impacted communities

\$5,500,000 CSFRF

Category 3.9: Healthy childhood environments: Other

Low-income families in communities with historically high child welfare service involvement will receive economic support through concrete goods and services. DCYF has not yet completed the 'request for proposal' process for this new program. We will provide more information in the next report.

Housing and essential needs

Services to disproportionately impacted communities

\$2,600,000 CSFRF

Category 3.10: Housing support: Affordable housing

Help more people eligible for Housing and Essential Needs obtain or maintain housing. Program characteristics are below:

- 281 additional people receiving HEN services
- \$693 monthly average payment per person
- 751 days average length of stay
- Two people exited to permanent housing

The state is determining performance measures and data collection for new CSFRF appropriations, which will be based on several factors such as information technology and contractor capacity.

Whenever possible, the state implements reporting requirements in a way that reduces an organization's administrative burden and does not discourage historically marginalized populations from applying for services. We will provide performance measures, data, and identify projects that use evidence-based practices in the next report.

Labor practices

All laborers and mechanics who are employed through state contractors and subcontractors must follow the laws that govern hourly wages, benefits, overtime, and other related labor practices for public works projects ([Chapter 39.12 RCW](#)). The Washington State Department of Labor and Industries periodically reviews contract compliance with these laws as well as collective bargaining agreements or market rate wage data.

Whenever possible, the state gives priority to contractors who commit to local hires and small businesses that have been certified by the Washington State [Office of Minority and Women's Business Enterprises](#).

Ineligible activities: Tax offset provision

States may not use CSFRF to offset a reduction directly or indirectly to net tax revenue due to changes in state laws, regulations, or administrative interpretations that took place since March 3, 2021 (under federal rule 31 CFR Part 35). As of the time of this publication, Washington has not applied CSFRF for this purpose. Going forward, the state will track this closely, beginning with the reporting year of state fiscal year 2021 and each year after.

Item	Amount
a. Revenue-reducing Covered Changes	\$6.5 million