

## Gregoire Budget Proposal Highlights - Items of Interest to Counties

*Prepared by WSAC staff, using materials available at the time of the budget release. Includes items funded with new revenue.*

Issue	Gregoire Proposal	Comments
<b>Revenue</b>		
Department of Revenue - Sales Tax Streamlining	\$31.6 million is transferred into the Streamlined Sales Tax Mitigation Account to fully fund local government revenue losses from the change from origin based sourcing to destination based sourcing. Additional funding is provided to the Department of Revenue to assist small businesses in convert their administrative systems to the new sourcing scheme.	WSAC supports Governor's budget to fully fund sales tax streamlining mitigation for local governments.
Department of Labor & Industries - Workers Compensation Medical Aid Fund Rate Holiday	Suspends payments for the Medical Aid portion of the workers compensation premium for the second half of 2007.	
Office of Financial Management - Revenue Reserves	Constitutional amendment to create Rainy Day Fund in which 1% of state general fund revenues will be deposited. Initial deposit of \$282 million for fiscal years 2008 and 2009.	
Department of Revenue - Lien Filing Fees	Funding is provided to allow the Department of Revenue to file liens with the county auditor on property owned by delinquent taxpayers.	
Department of Revenue - High Technology B&O Tax Credit	Restores the calculation of the high technology B&O tax credit for research and development to 100% of spending. Under current law, firms must deduct 0.92% of the firm's eligible spending.	Results in minimal state general fund revenue loss, but has no impact on county revenues.
Department of Revenue - B&O Tax Credit for New Jobs in Rural Counties	Will allow eligible employers to file for the credit within 90 days of hiring the new employee. Under current law, employers must apply prior to hiring, which results in many employers failing to qualify for the B&O tax credit.	Results in minimal state general fund revenue loss, but has no impact on county revenues.
Department of Revenue - Assistance to Local Governments in Property Tax Valuations	A three member team is created to assist counties in transitioning from a 2, 3, or 4 year cycle to an annual property tax re-evaluation cycle.	
Department of Community, Trade, & Economic Development - Local Government Fiscal Notes	One full-time staff and two temporary staff are added to the local government fiscal note program to improve performance and accuracy.	

Public Health Funding - see Public Health section below		
<b>Law and Justice</b>		
County Criminal Justice Assistance Account	\$58.9 million distributed per statutory formula to counties for criminal justice assistance, per RCW 82.14.110.	Counties receive these funds quarterly from the State Treasurer.
Impair Driving Safety Account	\$2.1 million distributed to counties for DUI assistance, per RCW 46.68.260.	Counties receive these funds quarterly from the State Treasurer.
Public Disclosure Commission - judicial election funding	\$4.4 million pilot project for voluntary public funding of appellate judicial elections.	
Administrative Office of the Courts - Court Appointed Special Advocate (CASA) funding	\$13.6 million (GF-State) to enhance staffing capacity in 31 county programs for Court Appointed Special Advocates (CASA).	Part of the Courts budget, which is not revisable by the Governor.
Administrative Office of the Courts - Juror Pay Pilot Project	\$325,000 (GF-State) to complete research project that assesses impact of juror pay on juror response rates and demographics.	Part of the Courts budget, which is not revisable by the Governor.
Administrative Office of the Courts - Language Interpreters	\$7.8 million (GF-State) to provide 50% reimbursement to local governments for the cost of providing certified/registered language interpreters for court proceedings.	Part of the Courts budget, which is not revisable by the Governor. WSAC LSC has taken a position in support of state reimbursement for interpreter costs.
Administrative Office of the Courts - Becca Funding	\$9.8 million for county juvenile courts to process Truancy, At Risk Youth, and Children In Need of Services petitions.	Part of the Courts budget, which is not revisable by the Governor.
Office of Public Defense - Parents Representation	\$17.1 million (GF-State) to expand state-funded parents representation in child dependency cases.	Part of the Courts budget, which is not revisable by the Governor. This is a WSAC legislative priority. It would expand state funding to all counties, thus eliminating county costs for indigent parents in dependency cases.
Office of Public Defense - Trial Court Public Defense	\$19 million (GF-State) to expand state funding assistance to counties for trial court criminal public defense activities.	Part of the Courts budget, which is not revisable by the Governor. This is a WSAC legislative priority.
Department of Community, Trade & Economic Development - Drug Prosecution Grants	\$3.8 million for special prosecutors to assist counties with prosecution of high-level drug traffickers.	
Department of Community, Trade & Economic Development - Federal Justice Assistance Grants	\$9.3 million (federal) to local governments, non-profits, and other agencies for improvements to the criminal justice system.	
Criminal Justice Training Commission - Training	\$7.7 million (PSEA) for the basic law enforcement academy, which trains local law enforcement officers; \$2.3 million for the corrections academy, which trains corrections workers for state and local facilities.	

Department of Corrections - New Prison Beds	\$37.3 million (Capital) to add 476 new prison beds at Coyote Ridge, Mission Creek, and Airway Heights.	
Department of Corrections - Offender Re-entry Initiative	\$24.6 million (GF-State) and \$500,000 (non-GF) to expand and coordinate programs to reduce criminal recidivism.	This new investment is intended to eliminate the need for a thousand-bed prison by 2017. It is based, in part, on research done by the Washington State Institute for Public Policy (WSIPP).
<b>Emergency Management</b>		
Emergency Management Division - Tsunami/Earthquake	\$168,000 (GF-State) to maintain new all-hazard alert system along the Washington coast, and to secure agreements with property owners to allow evacuation access to higher ground during an emergency.	
Emergency Management Division - Emergency alert system	\$276,000 (GF-State) to expand/upgrade emergency alert system.	
Emergency Management Division - federal homeland assistance grants	\$21 million (federal) spending authority for homeland security grant funding not spent in the 2005-07 biennium, and \$40 million (federal) anticipated for federal fiscal year 2007.	
Emergency Management Division - emergency communications	\$3 million (GF-State) and \$10 million (E-911 Account) to expand geographic coverage and number of emergency interoperable channels available for public safety purposes. Creates a pilot digital communications program to prepare for 2010 Olympics.	WSAC is reviewing this proposed use of state E-911 funds and potential impact on funding to county E-911 programs.
<b>Human Services</b>		
Department of Social & Health Services - Children's Administration	Vendor rate increase \$5.3 million; Foster Child MH Specialists \$1.3 million;	
Department of Social & Health Services - Juvenile Rehabilitation	Reinvesting in Youth \$2.8 million	

Department of Social & Health Services - Mental Health	Incr inpatient psych hosp payment \$.841 million;CLIP rate incr \$1.252 million; Addtl forensic \$1.220 million; Incr non-medicaid \$13.696 million; Incr empl support \$1.578 million; Expand DMIO \$2.669 million; MH for foster care youth \$2.0 million; ECS, jail funding, innovative svcs funding, PACT teams all continued;Expenditure auth for \$4.130 million local funds; 05-07 reduction to caseload of (\$10.679 million) 07-09 reductin of caseload of (\$2.5 million)	WSAC supports a larger package for children's mental health and a vendor rate increase for all mental health providers.
Department of Social & Health Services - Developmental Disabilities	Supported Living Vendor Rate Incr \$19.478 million; Individual Provider Home Care Wkr incr \$34.453 million; Agency Personal Care wkr incr \$6.085 million; Public Safety clients \$6.146 million; 07-09 Expanded Comm Svcs \$9.339 million; Incr employment svcs both waiver and non-waiver \$7.441 million; Incr medicaid personal care \$22.889 million; Boarding home/Adult Fam Home rate incr \$11.297 million; Incr respite \$2.660 million; Utilization of resid svcs \$13.705 million; 05-07 Expanded Comm Svcs \$1.876 million.	WSAC supports a vendor rate increase for employment services' providers.
Department of Social & Health Services - Long-Term Care	Individual Provider Home Care wkr incr \$66.335 million; Agency Personal Care wkr incr \$36.813 million; Nursing home vendor rate incr\$30.021 million; Boarding Home/Adult Family Home rate incr \$17.951 million;	
Department of Social & Health Services - Economic Services Administration	Child Care worker Collective Bargaining \$83.785 million; Expedited medicaid determinations from jail \$2.026 million	WSAC supports grants increases for TANF and GA-U/GA-X programs.
Special Commitment Center	Legal defense \$2.210 million	
<b>Other Social Services - Veterans and CTED</b>		
Department of Veterans Affairs	Services to Veterans and Families (PTSD and kids) \$.750 million	
Department of Community, Trade & Economic Development	Incr svcs to crime victims \$1.960 million	
Division of Alcohol & Substance Abuse	Outpatient Rate Incr \$6.379 million; 05-07 (\$1.549 million) reduction youth treatment exp; (\$10.069 million) reduction adult treatment exp	WSAC supports use of treatment expansion funds for non-medicaid/low income clients and would not support a reduction in those funds.

<b>Health Care (Excluding Public Health)</b>		
Department of Health & Human Services - Medical Assistance	Cover All Kids \$60.625 million; Hospital one-time rate payments \$10.0 million	WSAC supports a mental health benefit pilot for GA-U clients.
Health Care Authority	Puget Sound Alliance \$2.0 million; Small Employer Insurance Assistance \$5.0 million	
Cover All Kids	\$60.625 million to expand the Children's Health Insurance Program coverage by approximately 32,000 children by the end of FY 2009 with a goal of a total of 624,000 children enrolled by the end of the biennium.	
Pediatrician Rate Increase	\$29.2 million to increase rates paid for pediatric services for Medicaid clients to the same rate paid to pediatricians under the Uniform Medical Plan.	
Chronic Care Management	\$1.131 million for DSHS to incorporate the concept of "Medical Home" into their chronic care program. DSHS will continue to work with partner agencies to implement a chronic care program which provides clients the opportunity to better manage multiple chronic conditions.	
Health Literacy	\$442,000 is provided for a public-private partnership which will provide grants to local community organizations to improve health care literacy. This pilot will give families the tools they need to make informed decisions about their children's health, such as when to go to the emergency room and how to take care of common illnesses.	
Puget Sound Health Alliance	\$2 million (HSA) is provided to expand the Puget Sound Health Alliance Collaborate to the entire state. Funds will expand the data warehouse to include statewide claims and performance information on state-purchased health care. Funding will also be used to support analytical resources and expand participation in clinical improvements teams for targeted disease states.	
<b>Public and Environmental Health</b>		
Public Health Funding - Local	Continued state funding for public health previously appropriated for backfilling funding lost due to the elimination of MVET. \$48 million	Support continued backfill of local public health districts. WSAC supports the recommendation of the Joint Select Committee on Public Health Finance for an additional \$100 million in new funding dedicated to public health to supplement current backfill amounts.

Public Health Funding	\$10 million additional funding to improve investigation of communicable diseases statewide. The DOH is directed to invest in evidenced-based, local health jurisdiction intervention programs.	WSAC Supports the recommendation of the Joint Select Committee on Public Health Finance for an additional \$100 million in new funding dedicated to public health.
Immunizations	\$19.787 million (Other funds) to add rotavirus and human papilloma virus vaccines to the state's universal vaccine system.	WSAC supports the Governor's budget.
Washington State Collaborative	\$1.362 million (GF-S) to expand the Washington State Collaborative which trains health care providers in the chronic care model designed to improve health outcomes.	WSAC supports the Governor's budget.
Local Health Assessment	\$215,000 to help mitigate the loss of \$478,000 in federal funding to support local health jurisdictions in community health assessment.	WSAC supports fully funding the support to local health jurisdictions for community health assessments
STD Screening and Treatment	\$824,000 (GF-S) to increase efforts to detect and treat Chlamydia and gonorrhea, with the goal of preventing the spread of these diseases and their complications.	
Onsite wastewater monitoring and shellfish monitoring	\$4.274 million (GF-S, Other) to align the Wastewater Management and Shellfish Programs with the Governor's Puget Sound Initiative, resources are provided for the continuation of program administration, shellfish monitoring, funding to local health jurisdictions to implement their onsite sewage system management plans, and technical assistance and regulatory oversight of large onsite systems by the DOH.	Support Governor's recommendation for continued funding for local health jurisdictions to implement their onsite sewage system management plans.
Underground Storage Tank Reauthorization	\$679,000 (Other) The UST program is reauthorized and a 60% fee increase will provide additional technical assistance and inspections to reduce the number of UST leaks that could harm drinking water. New federal law requires tank inspections every three years rather than every six years.	
Meeting Federal Air requirements	\$650,000 (GF-S) targeted to high-risk, non-attainment areas in Yakima, Pierce, Snohomish, Clark and other at-risk counties. Staff will develop a comprehensive statewide smoke reduction strategy for outdoor burning, coordinate with local, state and federal land managers to reduce outdoor burning and will continue a seven-day agricultural burn call program.	
Litter Prevention	\$2.750 (Other) for on going litter prevention messaging which will be increased and strategically targeted, litter enforcement will be significantly enhanced, and roadside clean-up effort will be maintained.	

Biosolids Permit Processing	\$422,000 (Other) to fully support the program as required by law (currently fees cover only two-thirds of the cost of the program). Rule amendments will be completed by June 2007 which will result in additional fee revenue to fully cover program costs.	
Public Participation Grants - Toxics	\$1.780 million (State and Local Toxics Accounts) to bring the public participation grants up to the mandated level of one percent of the Hazardous Substance Tax. In addition, \$750,000 of this funding will expand public education in Puget Sound to further the goals established by the Puget Sound Partnership.	
Implementing Water Clean-up Plans	\$1.622 million (Water Quality Account) to provide assistance to local communities to help them comply with water quality standards by completing projects that help to reduce toxins, decrease water temperature, and increase dissolved oxygen levels in local water bodies.	
Puget Sound Local Source Control	\$2.026 million (Local Toxics Account) for ten on going local government specialists (employees of local government) who will be trained to provide assistance in waste management and reduction, and source control in Puget Sound Counties. Performance agreements with the Puget Sound Partnership will be required to show progress and measurable results toward the goal of protecting Puget Sound from toxic threats. These specialists will help fill a critical gap in avoiding contamination and recontamination of previously cleaned-up toxic sites.	
Waste Tire Pile Clean-Up	\$5 million (Waste Tire Removal Account)	
Coordinated Prevention Grants	\$25.5 million (Local Toxics Account). \$4 million is provided solely for grants to local governments for local waste and pollution prevention projects. Grants shall fund new organics composting and conversion, green building, and moderate risk waste initiatives described in the state "beyond waste" plan. Up to \$2 million of the appropriation may be used for grants to local governments to provide alternatives to backyard burning or organic materials. Priority for these grants shall be given to: (a) Urban growth areas of less than 5,000 people affected by the January 1, 2007 ban on outdoor burning; (b) projects that develop infrastructure for an on-going program; and (c) projects that coordinate regionally.	

On-Site Septic Replacement Program	\$3 million (Water Quality Capital Account) for grant funding to the Hood Canal Coordinating Council for use in capitalizing a Hood Canal regional on-site sewage repair and replacement pilot program. A qualified private or nonprofit lending institution shall provide financial assistance for the repair, replacement, or upgrade of on-site sewage systems.	
Puget Sound Partnership	\$11.578 million (GF-S & Other), The Puget Sound Water Quality Action Team coordinates the activities of state and local agencies to protect and restore the biological health and diversity of Puget Sound for the enjoyment of, and use by, Washington citizens. The team establishes biennial work plans and budgets that delineate state and local actions; coordinates monitoring and research programs; identifies and resolves policy or rule conflicts; provides technical assistance to local governments; promotes extensive public participation; disseminates information about Puget Sound; and assesses and reports on the successes and opportunities for improvements of each biennial work plan.	
Alternate Response System	\$4.169 million to provide public health nurses or other social services agencies that handle moderately low and low-risk Child Protective Services referrals. The intent is furnish preventive interventions.	
Early Intervention Services	\$3.646 million for public health nurses to provide in-home nursing services which can prevent the need for more intrusive Division of Children and Family Services interventions. This program is generally used to respond to neglect.	
<b>Environment and Land Use</b>		
Department of Ecology	\$200,000,000 - Appropriation is provided solely to local governments outside of Puget Sound for municipal storm water programs, including but not limited to, implementation of phase II municipal storm water permits, source control for toxics in association with cleanup of contaminated sediment sites, and source control programs for shellfish protection districts where storm water is a significant contributor.	

Department of Ecology	\$2 million for FY's 2008-2009 are provided solely for grants to Puget Sound local governments in ten pilot watersheds to improve compliance with existing environmental laws. This work shall be done by providing information on existing requirements, providing technical assistance necessary to comply on a voluntary basis, and taking enforcement actions only when necessary to secure compliance. Grants shall be contingent upon the local government match of at least 50% of moneys or in-kind assistance.	
Department of Ecology	\$110,00 for FY 2008 is provided solely to support development of a wetland mitigation program in Clark county. The program will engage local, state, and federal agencies, private investors, property owners, and others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region.	
State Parks and Recreation Commission	\$191,000 of the Aquatic Lands Enhancement Account. The implementation of the Puget Sound conservation and recovery plan and agency action.	
Conservation Commission	\$394,000 of the G-F-S appropriation for FY's 2008-2009. Implementation of the Puget Sound conservation and recovery plan and agency action.	
Conservation Commission	\$200,000 of the G-F-S appropriation for FY's 2008-2009. Supplementary basic funding grants to the state's lowest-income conservation districts. The supplementary grant process shall be structured to aid recipients in becoming financially self-sufficient in the future.	
Conservation Commission	\$2 million of the Water Quality Account--state appropriation for FY's 2008-2009. Implementation of the Puget Sound conservation and recovery plan.	

Conservation Commission	\$500,000 of the G-F-S for FY's 2008-2009. Creation of an office of working farms and forests within the state conservation commission. The office shall serve as a voice on the importance of retaining working lands; assist communities and local governments in establishing and increasing access to programs that compensate landowners for development rights; work with land trusts, the department of community, trade, and economic development, and local governments to develop strategies for financing infrastructure and conservation acquisitions including transfer of development rights; and serve as a clearinghouse for rural landowner incentive programs.	
Department of Fish & Wildlife	\$1,866,714 of the general fund--state appropriation for fiscal year 2008 and \$1,866,713 of the general fund--state appropriation for fiscal year 2009. Implementation of the Puget Sound conservation and recovery plan.	
Department of Fish & Wildlife	The department shall support the activities of the aquatic nuisance species coordination committee to foster state, federal,tribal, and private cooperation on aquatic nuisance species issues.The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.	
Department of Fish & Wildlife	\$800,000 of the G-F-S for FY's 2008-2009. State match to support the Puget Sound nearshore partnership between the department and the U.S.Army Corps of Engineers.	
Department of Fish & Wildlife	The Department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.	
Department of Fish & Wildlife	Within the amount provided for the agency, the department shall implement a joint management and collaborative enforcement agreement with the Confederated Tribes of the Colville and the Spokane Tribe.	
Department of Natural Resources	\$36,000 of the G-F-S for FY's 2008-2009, \$3,024,050 of the aquatic lands enhancement account--state appropriation, and \$500,000 of the derelict vessel removal account. Implementation of the Puget Sound conservation and recovery plan and agency action	

Department of Natural Resources	\$694,000 of the Aquatic Lands Enhancement Account. Spartina control	
Department of Natural Resources	\$794,000 for the G-F-S for FY's 2008-2009. To work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forests, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.	
Department of Natural Resources	\$157,000 of the general fund--state appropriation for fiscal year 2008 and \$152,000 of the general fund--state appropriation for iscal year 2009. Assessing geologic hazards along tsunami evacuation routes, identifying new or alternate routes,and updating evacuation maps.	
Department of Natural Resources	\$104,000 of the G-F-S for FY's 2008-2009. Creation of a wildfire prevention and protection work group. The work group shall be composed of members representing rural counties in eastern and western Washington, fire districts, environmental protection organizations, industrial forest landowners, small forest landowners, the building industry, realtors, the governor or designee, the insurance commissioner or designee, the office of financial management, the state fire marshal or designee, the state building code council, and the commissioner of public lands or designee. The work group, in consultation with existing groups that address policy matters related to fire protection and suppression, shall study wildfire prevention and protection issues, including: (a) Whether all timbered and rangeland areas of the state that are subject to wildfires have sufficient and effective fire protection resources commensurate with risk; (b) the extent to which those who receive wildfire protection and suppression services pay equitably for those services; (c) whether state and local building codes address ade	
Department of Agriculture	\$74,000 of the G-F-S for FY's 2008-2009. Implementation of the Puget Sound conservation and recovery plan.	

Department of Agriculture	<p>\$450,000 of the G-F-S for FY's 2008-2009. Develop a long-term strategy to evaluate the strengths, weaknesses, opportunities, and threats facing agriculture in Washington state. The department shall assess the changing dynamics of agricultural production that impacts domestic and global demand for agricultural products. At minimum, the evaluation shall consider the impact of new products and varieties, production costs, transportation, environmental factors, and consumer demand. The department shall conduct this work with the assistance of a stakeholder advisory group. The department shall develop recommendations and submit a preliminary report to the office of financial management and appropriate legislative committees by November 1, 2007. A final report shall be submitted by September 1, 2008.</p>	
Puget Sound Partnership	<p>\$500,000 of the G-F-S for FY's 2008-2009, \$2,500,000 of the general fund--private local appropriation, \$1,159,000 of the general fund--federal appropriation, \$6,684,000 of the water quality account appropriation, and \$500,000 of the aquatic lands enhancement account-Provided solely for the Puget Sound water quality action team to implement the Puget Sound work plan.</p>	
Community Trade and Economic Development	<p>\$1,600,000 G-F-S State Buildable Lands Planning - Statute requires six counties (Snohomish, King, Pierce, Kitsap, Thurston, and Clark) to develop "Buildable Lands" reports every five years. The reports identify which parcels of land are targeted to experience housing growth in the next 20 years. Funding is provided to those counties to develop and monitor their housing plans, and to replace funding that was discontinued in previous biennia because of a lack of resources.</p>	

Community Trade and Economic Development	<p>\$1 million of the G-F-S for FY's 2008-2009. Grant to the Cascade lands conservancy to develop and demonstrate one or more transfer of development rights programs. These programs shall involve the purchase or lease of development rights or conservation easements from family forest landowners facing pressure to convert their lands and who desire to keep their land in active forest management. The grant shall require the conservancy to work in collaboration with the Washington farm forestry association, the family forest foundation, and affected local governments, and to solicit matching funds from nonstate sources. As a condition of the grant, the conservancy shall submit an interim written progress report to the department by September 15, 2008, and a final report by June 30, 2009. The department shall then transmit each report to the governor and natural resources committees of the legislature.</p>	
Office of Financial Management	<p>\$150,000 of the G-F-S for FY's 2008-2009. Contract with the Ruckelshaus center to continue the agricultural pilot programs that identify projects to enhance farm income and improve natural resource protection. Specific work will include project outreach and refinement, stakeholder support, staffing the oversight committee, seeking federal and private match funding, and further refining the list of projects to be recommended for funding.</p>	
Office of Financial Management	<p>\$350,000 of the G-F-S for FY's 2008-2009. Contract with the Ruckelshaus center to fund "proof-of-concept" model and projects recommended by the oversight committee, as noted in the above section.</p>	
Office of Financial Management	<p>\$1.16 million of the G-F-S for FY's 2008-2009. Provided solely to the association of Washington cities and the Washington state association of counties for improving project permitting and mitigation processes.</p>	
Office of Financial Management	<p>\$640,000 of the G-F-S for FY's 2008-2009. Provided solely for the office of regulatory assistance to develop statewide multiagency permits for transportation infrastructure and other projects that integrate local, state, and federal permit requirements and mitigation standards.</p>	

University of Washington	\$25,000 of the G-F-S state appropriation for fiscal year 2008. To the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by no later than October 31, 2007.	
University of Washington	\$165,000 of the G-F-S state appropriation for fiscal year 2008 and \$165,000 of the general fund--state appropriation for fiscal year 2009. Implementation of the Puget Sound conservation and recovery plan, Puget Sound partnership early implementation items.	
Washington State University	\$4 million of the G-F-S for FY's 2008-2009. For research and commercialization in bio-products and bio-fuels. Of this amount, \$2,000,000 shall be targeted at the development of new crops to be used in the bio-products facility at WSU-Tri-Cities. The remainder shall be used for research into new bio-products created from agricultural waste to be conducted in the Tri-Cities in a joint program between Washington State University and Pacific Northwest national laboratories.	
Washington State University	\$25,000 of the G-F-S state appropriation for fiscal year 2008. To the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by no later than October 31, 2007.	
Washington State University	\$420,000 of the G-F-S for FY's 2008-2009. For implementation of the Puget Sound conservation and recovery plan.	
<b>Economic Development</b>		
Local Infrastructure Financing Tool (LIFT) program	Provides an additional \$5 million in state funds for competitive program. Removes one project per county limitation.	

<b>Transportation</b>		
WSAC/AWC permit streamlining project	\$1.785 million is provided for WSAC and AWC to improve environmental permitting and mitigation processes.	
Budget Documents	\$75,000 is provided to improve the readability of the transportation budget and crosswalk the budget with the progress of projects.	
Project List	Includes a provision that the funding of specific projects and funding amounts contained in the 2003 nickel (Nickel) and the 2005 transportation partnership act (TPA) projects are line item appropriations for the current biennium, while the outer year funding allocations represent legislative guidance. Regroups the Nickel and the TPA projects into designated corridors (see GOV2007 list) and authorizes WSDOT to use multiple funding sources interchangeably for projects within a corridor so long as the delivery of the projects is not jeopardized and the total corridor cost is not exceeded. WSDOT must seek approval from OFM before making a fund transfer within a corridor if it will cost more than \$200,00 for the biennium and/or if a projected schedule change will result in a missed construction season.	
STP Enhancement Funds	Directs WSDOT to apply for STP enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Programs I and P, including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan Way Viaduct projects.	
Permit Integration	The Office of Regulatory Assistance is provided funding for three FTEs to work with stakeholders to develop statewide, multi-agency permits for transportation infrastructure and other projects that integrate local, state, and federal permit requirements and mitigation standards.	
Regional Transportation Investment District (RTID)	\$3.9 million is provided as a loan to the RTID for planning process and election costs necessary to place the measure on the ballot.	
Agency Council on Coordinated Transportation	Legislation will be introduced to reauthorize the council until June 30, 2017.	
Vashon-Seattle Passenger Only Ferries	Funding is provided for one year of state operation of this service until it is assumed by a county ferry district.	
Local Programs Budget	No changes in maintenance level budget	

Regional Mobility Grant Program	\$40 million is provided for the program.	
Safe Routes to Schools	\$14 million is provided for the program.	
County Road Administration Board	No changes in maintenance level budget except one FTE is provided to implement a maintenance management system to gather and analyze data on county road assets.	
Transportation Improvement Board (TIB)	No changes in maintenance level budget for the biennium. However, some specifically appropriated projects are eliminated in the 07 supplemental budget.	
Freight Mobility Strategic Investment Board	No changes in maintenance level budget except \$448,000 is provided to TransNow project to gather and evaluate freight data and FMSIB is directed to work with WSDOT on developing a list of freight and rail projects and describing how those projects meet state priorities.	
<b>General Government (Including Pensions and Elections)</b>		
Office of State Actuary (OSA)		Supported by WSAC and AWC.
Revisions to "gainsharing" for PERS 1 and PERS 3	Eliminates the potential for "gainsharing" for PERS 1 and PERS 3 employees after a final potential distribution in 2008, per the current program. Savings: \$XXXXXX . Does not include savings to local governments.	WSAC position has been to eliminate gainsharing completely, with no alternative benefits provided in lieu of gainsharing.
<b>Capital Plan</b>		
Community Trade & Economic Development	Incr Housing Trust Fund \$40 million	
Department of Health & Human Services	Renovate McGraw Bldg, Seattle Children's Home \$2.4 million	
Community Trade & Economic Development - Building for the Arts Grants	\$12 million for Building for the Arts which provides grants to non-profit performing arts, art museum, and cultural projects to defray up to 20 percent of the capital costs of new facilities or major renovations.	
Community Trade & Economic Development - Community Services Facilities Grants	\$9,797,000 for theThe Community Services Facilities Grants Program which helps pay the costs of new facilities or major renovations of non-residential social services facilities operated by non-profit organizations.	

Community Trade & Economic Development -Youth Recreational Facilities Grants	\$7.137 million - The Youth Recreational Facilities Program is a competitive grant program that supports non-profit organizations that feature a youth recreational component and a social service or educational component.	
Community Trade & Economic Development - Drinking Water Assistance Program	\$28.3 million - Low interest loans are provided to municipal and privately-owned water systems to address critical public health needs. The state matching funds are required to access federal grants from the Environmental Protection Agency.	
Community Trade & Economic Development - Public Works Trust Fund	\$350 million - Financial assistance is provided through low-interest loans to local governments to upgrade and develop eligible infrastructure systems that are essential to public health and safety, environmental health, economic vitality, and system performance.	
Community Trade & Economic Development - Job Economic Development Grant	\$4.8 million - Restoration of the health of Hood Canal will require funding over multiple biennia. Funding for the Belfair sewer improvement project began in the 2005-07 Biennium and continues into the next biennium.	
Community Trade & Economic Development - Rural Washington Loan Fund	\$4.127 million - The Rural Washington Loan Fund is a statewide revolving loan account that provides "gap" financing to businesses to create new jobs or retain existing jobs particularly for low and moderate-income individuals.	
Community Trade & Economic Development - Job Development Fund Grants	\$49.930 million - The Job Development Fund is a grant program that funds public infrastructure improvements that support private sector economic development activities. The program complements the Community Economic Revitalization Board's traditional and rural programs. Grant investments in publicly-owned economic development infrastructure encourage job creation and business recruitment retention, and expansion.	
Community Trade & Economic Development - Community Economic Revitalization Board	\$20 million - The Community Economic Revitalization Board approves loans to respond rapidly to immediate business siting and expansion needs, build feasible industrial sites for future business development, target expansions in key business sectors, and spur creation and retention of higher wage jobs.	

Community Trade & Economic Development - Washington State Horse Park	\$3.8 million - The Washington State Horse Park will provide equestrian recreation and entertainment for the citizens of the state. This Park includes equine facilities and activities for youth and disabled persons, support and encouragement of equine related businesses in the state, and acts as a major attraction bringing significant tourism to the community and region. These funds will allow further development and construction of this site.	
Department of Ecology - Sunnyside Valle Irrigation District Water Conservation	\$2.544 million - The Yakima River Basin Water Enhancement Project is designed to meet the conservation goals and diversion reduction in the settlement agreement of the Sunnyside Division water right. It includes conveyance improvements in both the Sunnyside Valley Irrigation District and Benton Irrigation District within the Sunnyside Division.	
Department of Ecology - Columbia River Basin Water Supply Development Program	\$34.5 million - The Columbia River Basin Water Supply Development program provides grants for additional water supplies for economic growth, to meet the water needs for growing communities, to make several existing water uses more efficient, and to improve stream flow conditions on the Columbia and Snake rivers.	
Department of Ecology - Puget Sound Stormwater Projects	\$14.170 million - Grants will be made available to local governments in Puget Sound to fund innovative, low-impact development stormwater demonstration projects to meet critical stormwater management needs and protect or restore water quality. Grants will also be made available to fund stormwater and stormwater retrofit projects.	
Department of Ecology - Stormwater Projects	\$3 million - Grants will be made available to local governments in areas outside of the Puget Sound to fund innovative, low-impact development stormwater demonstration projects to meet critical stormwater management needs and protect or restore water quality. Grants will also be made available to fund stormwater and stormwater retrofit projects.	
Department of Ecology- Reclaimed Water	\$6.08 million - The reclaimed water program is for the highest priority reclaimed water projects within Puget Sound in: (1) water-short areas where reclaimed water can supplement or replace other water sources; and (2) sensitive water quality areas where reclaimed water use can protect or restore complex water systems in Puget Sound.	

Department of Ecology - Puget Sound Aquatic Cleanup and Restoration	\$5.905 million - This project will continue the focused cleanup on state owned aquatic lands initiated by the Legislature in 2006 as part of the Puget Sound Initiative. The program will target contaminated aquatic sites where cleanup and source control actions will allow for restoration of state resources, including geoduck, other shellfish and/or habitat features. The selected projects will integrate aquatic cleanup with adjacent upland source removal and source control.	
Department of Ecology - Cleanup Toxic Sites in Puget Sound	\$4.705 million - Over 110 known toxic contaminated sites are in need of cleanup within one-half mile of Puget Sound, and an additional 553 sites are in the process of being cleaned up. Cleaning up these sites protects public health, safeguards Puget Sound and its inhabitants, avoids groundwater contamination, and provides opportunities for economic re-development.	
Department of Ecology - Remedial Action Grants	\$84.478 million - Grants are provided to local governments for several programs designed for managing, preventing, recycling, and cleaning up toxic and solid waste in the land, air, and water. Over \$84 million in local government toxic site cleanups are ready to proceed in the 2007-09 Biennium. The Department of Ecology will administer the remedial action grant program to clean up contaminated industrial sites that impact the state's air, land, and water resources.	
Department of Ecology - Centennial Clean Water Program	\$44.6 million - The Centennial Clean Water Program provides grants and loans for the planning, implementation, design, acquisition, and construction of water pollution control facilities and nonpoint activities. This project continues the Puget Sound Initiative in cleaning up Puget Sound and Hood Canal by addressing nutrient and pathogen pollution from human waste. This project also incorporates wastewater upgrades to park facilities along Puget Sound, including Ellahee, Fort Flagler, Larabee, and Belfair state parks.	

Department of Ecology - Water Pollution Control Loan Program	\$120.4 million - The Water Pollution Control Revolving Account provides financial assistance in the form of low-interest loans to local governments for high priority water quality projects. These funds can be used for planning, design, acquisition, construction, and improvement of water pollution control facilities and related activities that contribute to achievement of state and federal water pollution control requirements.	
Department of Ecology - On-Site Septic Replacement Program	\$3 million - Many of the 472,000 on-site septic systems in the Puget Sound region are aging and in disrepair. The On-Site Septic Repair and Replacement Financial Assistance Program for Puget Sound provides grants to local governments and tribes (in conjunction with low-interest loans from the Water Pollution Control Revolving Account) to repair and replace failing on-site septic systems in Hood Canal and Puget Sound. Failing septic systems contribute significantly to pollution of Puget Sound affecting public health, water quality and economic vitality. Funds will be used for hardship grants and loans to homeowners who cannot afford to repair or replace their systems.	
Department of Ecology - Coordinated Prevention Grants	\$25.5 million - Coordinated Prevention Grants seek to protect human health by funding local regulation of solid waste facilities and reducing human exposure to toxins. They also support resource conservation through recycling and reuse programs. These grants fund local government programs for solid and hazardous waste reduction, solid waste regulatory programs, waste prevention program development, and local solid waste enforcement.	
Department of Ecology - Skykomish Cleanup	\$7 million - As a result of a historic railway operation, an estimated 2,000,000 gallons of spilled petroleum underlies the Town of Skykomish and seeps into the Skykomish River. Cleanup will include the design and construction of a community wastewater treatment system.	
Department of Ecology - Waste Tire Pile Cleanup	\$5 million - Illegal tire piles pose health threats because they are at risk for highly toxic fires and provide habitat for mosquitoes and other disease carriers. The 2005 Legislature directed the department to identify all existing illegal tire piles. Fifty-four piles storing approximately 3.2 million tires have been identified. Thirty piles are in the process of being cleaned up, with the remaining 24 piles to be completed by the end of Fiscal Year 2011.	

<p>Department of Ecology - Yakima River basin Water Storage Feasiility</p>	<p>\$3.25 million - The Yakima River Basin has inadequate water supplies to meet current and future water needs. During water-short years, available water supplies must be rationed to agricultural water purveyors with junior water rights. Rationing causes a severe reduction in farm production and income. Fishery resources are also damaged in water-short years due to inadequate flows and poor water quality. Constructing additional water storage capacity and potentially importing water from the Columbia River could help ease periodic water shortage problems and restore fishery resources. The Department of Ecology, in partnership with the U.S. Bureau of Reclamation, will complete the Yakima River Basin storage feasibility study authorized by the Legislature. It is scheduled for completion in 2009.</p>	
<p>Department of Ecology - Water Irrigation Efficiencies</p>	<p>\$3 million - Implementation of water conservation measures and irrigation efficiencies in fish critical basins is important to improve instream flows and benefit local farmers. The Department of Ecology will provide grant funds to conservation districts to assist the agriculture community in implementing water conservation measures.</p>	
<p>Department of Ecology - Watershed Plan Implementation and Flow Achievement</p>	<p>\$12 million - Thirty-one local watershed plans are being developed using state grant funds issued under Chapter 90.82 RCW (Watershed Planning). Twenty-one of the plans have been finalized and adopted. The completed plans identify many capital needs, including rehabilitation of existing water systems, water conservation projects, and acquisition of existing water rights for instream flow and other future needs. The department will continue to provide grants to implement locally-developed watershed plans. These projects and water acquisitions will help the state, local governments, farmers, and other stakeholders meet future water needs while achieving recommended instream flows.</p>	
<p>State Parks &amp; Recreation Commission - Eastern Region Visible Park Improvements</p>	<p>\$2.2 million - This project provides facility renovation to high priority park locations in State Parks' eastern region, including Lake Chelan, Sacajewea, and Lake Wenatchee parks.</p>	

State Parks & Recreation Commission - Northwest Region Visible Park Improvements	\$3.7 million - This project provides facility renovation to high priority park locations in State Parks' northwest region, including Peace Arch, Bay View, and Moran parks.	
State Parks & Recreation Commission - Puget Sound Region Visible Park Improvements	\$3.4 million - This project provides facility renovation to high priority park locations in State Parks' Puget Sound region, including Joemma Beach, Kitsap Memorial, and Blake Island parks.	
State Parks & Recreation Commission - Southwest Region Visible Park Improvements	\$2.5 million - This project provides facility renovation to high priority park locations in State Parks' southwest region, including Dosewallips, Ike Kinswa, and Pacific Beach parks.	
State Parks & Recreation Commission - Cape Disappointment Major Park Upgrade	\$500,000 - This project will continue the redevelopment of Cape Disappointment State Park.	
State Parks & Recreation Commission - Belfair Major Park Upgrade	\$400,000 - This project will provide improvements to Belfair Park.	
State Parks & Recreation Commission - Storm Water Improvement	\$571,000 - This project continues the Puget Sound Initiative in cleaning up Puget Sound and Hood Canal by addressing storm water runoff at Saltwater Park and Belfair Park. These funds will be used for design and permitting.	
State Parks & Recreation Commission - Pearrygin Lake Major Park Upgrade	\$1.367 million - This project implements a three-biennia park renovation process at Pearrygin Lake Park as identified in the recently completed master planning process.	
State Parks & Recreation Commission - Bay View Park Wide Wastewater Treatment System	\$2.187 million - This project continues the Puget Sound Initiative in cleaning up Puget Sound and Hood Canal by addressing nutrient and pathogen pollution from human waste.	
Interagency Committee for Outdoor Recreation - Family Forest and Fish Passage Program	\$6 million Forests and Fish rules enacted in 2001 require landowners to remove barriers to fish passage on their property. In recognition of the financial impacts of these rules, legislation passed in May 2003 requires the state to provide financial assistance to help family forest landowners remove these barriers from their forest roads and restore important fish habitat.	

Interagency Committee for Outdoor Recreation - Boating Facilities Program	\$8.021 million - The Boating Facilities Program acquires, develops, and renovates areas for motorized recreational boating facilities on fresh and salt water. Both shoreline and boating-related upland projects are eligible for consideration in this program. This includes boat launch ramps, transient moorage, and support facilities.	
Interagency Committee for Outdoor Recreation - Boating Improvement Grants	\$200,000 - The federal Boating Improvement program provides grants for facilities to support the use of recreational motorboats 26 feet and larger. Facilities include transient moorage floats, docks, and buoys.	
Interagency Committee for Outdoor Recreation - Firearms and Archery Range Recreation	\$472,000 - The Firearms and Archery Range Recreation Program acquires, develops, and renovates public and private nonprofit firearm and archery training, practice, and recreation facilities. All ranges receiving grants must be open on a regular basis and made available to law enforcement personnel, and members of the public possessing state concealed weapon permits and hunting licenses.	
Interagency Committee for Outdoor Recreation - Puget Sound Restoration and Acquisition	\$42,000,000 - Grants will be made available through the Salmon Recovery Funding Board for habitat restoration and acquisition, including nearshore and estuary projects.	
Interagency Committee for Outdoor Recreation - Aquatic Lands Enhancement Account	\$5.025 million - The Aquatic Lands Enhancement Account invests in locally sponsored projects involving state aquatic lands throughout Washington such as aquatic land acquisition, habitat restoration, and projects creating public access to aquatic lands.	
Interagency Committee for Outdoor Recreation - Land and Water Conservation	\$1 million - The Land and Water Conservation Fund Act of 1965 assists in preserving, developing and ensuring recreation facilities. The Fund supports competitive grants to state and local recreation agencies. All funds provided must reflect the priorities in the multi-year comprehensive outdoor recreation plan.	
Interagency Committee for Outdoor Recreation - Nonhighway Off-Road Vehicle Activities	\$9.036 million - The Nonhighway and Off-Road Vehicle Activities program develops and manages recreation opportunities for off-road vehicles, hikers, equestrians, mountain bikers, hunters, and other users of nonhighway roads. The opportunities are intended to satisfy user needs, be environmentally responsible, and minimize conflict between user groups.	

Interagency Committee for Outdoor Recreation - National Recreational Trails Program	\$3.5 million - The National Recreational Trails Program develops or maintains recreational trails and trailside or trailhead facilities through an annual competitive grant program.	
Interagency Committee for Outdoor Recreation - Habitat Protection and Restoration	\$60 million - The Salmon Recovery Funding Board program provides grants for salmon habitat protection and restoration projects and related programs and activities.	
Interagency Committee for Outdoor Recreation - Washington Wildlife Recreation Grants	\$70 million - The Washington Wildlife and Recreation program provides grants to acquire and/or develop sites for wildlife conservation and outdoor recreation. Funding is divided into 11 categories: local and state parks, water access, trails, critical wildlife habitat, natural areas, urban wildlife habitat, farmlands, riparian, state parks development, and state parks restoration.	
State Conservation Commission - Conservation Reserve Enhancement Program Water Quality	\$709,000 - Three new practices (wetland restoration, hedgerows, and grass filter strips) are added to the federal Conservation Reserve Enhancement Program to improve water quality and salmon habitat. Eligibility for orchards, vineyards, and berry crops are also added to improve salmon habitat and water quality without negative financial impacts to farmers and private landowners who have removed the area from farm production. This funding provides the necessary state match.	
State Conservation Commission - Conservation Reserve Enhancement Program Cost Share	\$1.17 million - Through successful voluntary landowner participation, the federal Conservation Reserve Enhancement Program removes livestock and agricultural activities from the riparian area of salmon-bearing streams. The sites are planted with native trees and shrubs for a contract period of 10 to 15 years. This program provides the necessary state match to improve salmon habitat and water quality without negative financial impacts to farmers and private landowners who have removed the area from farm production.	
Department of Fish & Wildlife - Puget Sound Initiative Nearshore Salmon Restoration	\$7.5 million - This project will allow for nearshore restoration projects that support recovery of salmon and other species in Puget Sound.	
Department of Fish & Wildlife - Deschutes Watershed Center	\$2.345 million - This project will design an environmental learning center and salmon hatchery facility in the Deschutes River Basin.	

<p>Department of Fish &amp; Wildlife - Statewide Fencing Renovation and Replacement</p>	<p>\$2.1 million - Boundary fencing prevents domestic livestock from encroaching on the Department's property and damaging critical habitat. In many cases, livestock damage can threaten state and federally-listed species, including many endangered and threatened salmonid populations. By controlling trespass grazing, fish and wildlife habitat and water quality will be protected, weed management will be addressed, and quality recreational opportunities will be provided. Elk drift fencing also prevents big game damage to private crops. Failure to construct, improve, and renovate fences results in the department's inability to manage habitat and may require the state to pay crop damages to private landowners.</p>	
<p>Department of Fish &amp; Wildlife - Methow Culverts Replacement</p>	<p>\$754,000 - One of the Department's goals is to help achieve healthy, diverse, and sustainable fish and wildlife populations and their supporting habitats. This goal requires the department to be in compliance with the Forests and Fish laws and provide unimpeded fish passage on fish-bearing streams in Washington. To address this goal, five culverts will be removed or replaced on departmental lands in the Methow River drainage that present a barrier to fish passage.</p>	
<p>Department of Fish &amp; Wildlife - Wiley Slough Restoration</p>	<p>\$2.795 million - This project will restore natural estuary processes at Wiley Slough by removing certain dikes, constructing a setback dike, and relocating a boat moorage and ramp in the Skagit Wildlife Area.</p>	
<p>Department of Fish &amp; Wildlife - Grazing Monitoring on Fish and Wildlife Lands</p>	<p>\$200,000 - As part of the Governor's working lands initiative, monitoring and management activities will be conducted on Washington Department of Fish and Wildlife lands to ensure grazing activities are consistent with sound stewardship of the department's lands.</p>	
<p>Department of Natural Resources - Forest Legacy</p>	<p>\$8.5 million - The Forest Legacy program is a federal grant program administered by the U.S. Forest Service. It is used to acquire development rights (conservation easements) from landowners to keep forest lands working without the economic pressure to sell these properties for residential or commercial use.</p>	
<p>Department of Natural Resources - Riparian Open Space Program</p>	<p>\$1.5 million - This funding enables the Department of Natural Resources, at the request of a landowner, to obtain a fee title or a permanent conservation easement to access timber lands.</p>	

<p>Department of Natural Resources - Trust and Land Transfer</p>	<p>\$72 million - The Trust Land Transfer program moves ownership of trust lands that are determined to be more suitable for natural or wildlife areas, parks, recreation, or open space out of trust status. The program also provides revenue to trust beneficiaries by depositing the timber or lease value of transferred parcels into the appropriate beneficiary account. The land value of the transferred properties is then used to purchase replacement trust lands that have better income potential for trust beneficiaries.</p>	
<p>Department of Natural Resources - Creosote Removal in Puget Sound</p>	<p>\$4 million - Removal of derelict creosote-treated pilings and logs from the marine and estuarine waters and shorelines of Puget Sound (including Georgia Basin and the Strait of Juan de Fuca) will reduce toxins from the water and sediments. It is anticipated that 700 to 800 tons of creosote-treated logs will be removed from Puget Sound beaches.</p>	
<p>Department of Natural Resources - Forest Riparian Easement Program</p>	<p>\$8 million - The Forest Riparian Easement Program purchases easements from family forest landowners along riparian and other areas of value.</p>	
<p><b>Prepared by WSAC Staff December 20, 2006</b></p>		