



# Senator Margarita Prentice

11<sup>th</sup> Legislative District

April 3, 2009

Dear Friends,

With three weeks of session remaining, many things are happening at the State Capitol. The following newsletter is an update of what the Legislature has been working on this past week including the Senate operating and capital budget proposals, as well as bills that have passed the full Senate. This budget year is extremely tough, but we're working hard to ensure our state programs that help the most vulnerable stay intact. Proposed funding cuts are made to all areas of government programs in order to equally share the sacrifices we all must make as the economy turns itself around.

I appreciate all of the emails, phone calls and letters - your comments and concerns are important to me and are essential to my representing our district. As always, you are welcome to continue contacting me on these and other issues of interest.

Sincerely,

### In this Issue:

- Senate budget proposals
- Bills passed
- Community news

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## SENATE OPERATING BUDGET PROPOSAL

[Senate Bill 5600](#), the Senate's operating budget proposal was released this week that calls for \$3.8 billion in cuts to close the state's historic \$9 billion shortfall. This budget relies on \$3 billion in one-time federal stimulus money, more than \$700 million in cuts to pensions, health care and planned wage increases for teachers and state employees, and \$1.3 billion in shifts from the construction budget, the state's rainy day fund and other accounts.

It is important to note that these are merely budget proposals and discussions are ongoing. Members from the Senate, House, and Governor's office will now begin to conference on their respective budget proposals in order to reach a consensus before the last day of session on April 26<sup>th</sup>.

To view the complete Senate, House, and Governor budget proposals in their entirety, including detailed summaries, visit: <http://leap.leg.wa.gov/leap/budget/detail/2009/so0911p.asp>.

Following are some of the Senate's proposed budget cuts:

### **State Government**

#### **Administrative cuts**

Agencies are encouraged to achieve these savings in ways that minimize impacts on employees and their families. Reduced work schedules, voluntary leave without pay, temporary furloughs and other measures may be taken. **(\$254.7 million)**

#### **Raises suspended for state employees**

Cost-of-living adjustments under Initiative 732 are suspended. **(-\$396.3 million)**

#### **Pension savings**

Funding for employer contributions to the state retirement system is changed to reflect changes to actuarial assumptions and methods used for the Public Employees Retirement Systems (PERS), the Teachers' Retirement System (TRS), the School Employees Retirement System (SERS), and the WA State Patrol Retirement System. **(-\$410.8 million general fund, -\$58.1 million other funds)**

### **K-12 Education**

The Senate budget uses \$1.36 billion in federal stimulus dollars to mitigate the impact of the state budget reductions. It's estimated that the net reduction on school district funding will average approximately 3.5 percent. **(-\$877 million total)**

- Reduce I-728 allocations. **(-\$753 million)**
- Enhanced K-4 staffing ration elimination. **(-\$297 million)**
- Local effort assistance program (also known as levy equalization or IFA) provides

additional money to mitigate the impact the local school district levies can have on property poor school districts. Funding for LEA is reduced by approximately 75 percent in CY 2010. **(-\$285 million)**

- Professional development activities eliminated. **(-\$53.2 million)**
- Other non-basic education reductions. **(-\$88 million)**

## ***Early Learning***

### **Early Childhood Education and Assistance Program (ECEAP)**

ECEAP is our state's funded pre-school program for families who fall within 110 percent of the federal poverty limit. The Senate budget reduces ECEAP slots by 2 percent only in areas that serve both ECEAP and the federally funded Head Start program. **(-\$3.9 million)**

## ***Higher Education***

A large portion of our state's higher education institution programs and will be reduced. Four-year institutions are authorized to increase resident undergraduate tuition by a maximum of 7 percent each year and community and technical colleges are authorized to increase tuition by up to 5 percent each year. The number of enrollment slots is reduced by 10,000. **(-\$513 million total)**

## ***Health Care***

### **Basic Health Plan**

Funding is reduced by 42 percent to maintain a 60,000 enrollee level. The Basic Health Plan (BHP) provides health care coverage to people under 200 percent of the federal poverty level. **(-\$251 million)**

### **Children's Vaccine Program**

State coverage for three of most recently added vaccines to the Universal Vaccines for Children program: Human Papilloma Virus (HPV), Rotovirus, and Meningococcal vaccines will be eliminated. Beginning July 2010, state funding will no longer be provided to cover non-low income children's vaccines. Federal Vaccines for Children (VFC) and Direct Assistance funds will be used to cover low-income children in Medicaid and other state-funded health care programs. **(-\$55.3 million)**

### **General Assistance-Unemployable (GAU)**

GAU provides health care and a cash stipend for adults who are physically and mentally incapacitated and are unemployable for more than 90 days but less than 12 months. This program is cut by 20 percent or \$59 million and the cash benefit expenditures are cut \$131 million.

## ***Long-Term Care, Development Disabilities and Mental Health***

Long-term care and the Division of Developmental Disabilities programs account for approximately \$2.1 billion in general fund spending for this 2009-2011 budget biennium. All Medicaid and state-only funded programs have been maintained as well as a variety of other services and support to the elderly and disabled clients. Reductions include:

- Nursing home vendor rates **(-\$37.8 million)**
- Adult Day Health: funding is reserved for in-home clients only and transportation costs are eliminated. **(-\$19.5 million)**
- Yakima Valley School closure: residents at Yakima Valley School will be transferred to other institutional, residential or home-based settings. **(-\$3.3 million)**

## ***Mental health***

### **Non-Medicaid funding**

State-only funding given to Regional Support Networks (RSN) for services and individuals who are not eligible for the federal funding. The Medicaid program is reduced by a total of approximately 9 percent. **(-\$23.2 million)**

### **State psychiatric hospital staffing**

The staffing enhancement authorized in the 2008 supplemental budget has been removed. **(-\$7.6 million)**

## ***Corrections and other Criminal Justice***

- Changes in sentencing legislation **(-\$60.5 million)**
- Close McNeil Island Corrections Center **(-\$16 million)**
- Reduce offender re-entry **(-\$15.6 million)**
- Close Green Hill School **(-\$14 million)**

## **Natural Resources**

### **State Parks**

Parks across the state will continue to stay open year-round with a \$5 voluntary fee on license tabs.

**(\$28 million)**

## **SENATE CAPITAL BUDGET PROPOSAL**

[Senate Bill 5222](#), the Senate's two-year capital budget proposal, is 29 percent smaller than previous years for a two reasons: loss of state revenues and the transferring of \$743 million to the operating budget to help with the overall deficit. This budget covers all K-12 construction commitments and the most critical higher education projects, including three new buildings crucial to our economic future: a Molecular Engineering Building at the University of Washington (**\$53 million**) and a Global Animal Health Building and a Biomedical Sciences Facility at Washington State University (**\$115,686 million**).

The budget also provides \$115 million in bonds and \$107 million in federal stimulus money in the form of grants to local government infrastructure projects. Other highlights include:

### **Closures and Project Suspensions:**

- The McNeil Island Corrections Center closes and its prisoners are transferred to less costly facilities (it costs \$37,431 annually to house an offender at McNeil compared to \$24,119 in our newer facilities).
- The Heritage Center Project is put on hold while ideas are discussed to see how it can be fully funded as intended. The fees that would have funded this project have plummeted along with the economy.

### **Federal stimulus money:**

- \$61 Million for weatherization
- \$69 Million for sewer and wastewater
- \$38 Million for drinking water
- \$144 in federal funding for local housing

To view the Senate Capital Budget proposal in its entirety including a detailed summary, visit: <http://leap.wa.gov/leap/budget/detail/2009/sc0911p.asp>.

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## **BILLS PASSED BY THE SENATE**

### **Senate Transportation budget**

The Senate Transportation budget proposal, [Senate Bill 5352](#), was passed this week that provides \$4.3 billion in funding for over 400 projects statewide, using revenue sources that are separate from the operating and capital (non-transportation construction) budgets. These projects are funded primarily with our state's gas taxes, that are constitutionally dedicated to building, maintaining and operating our state highways and ferries.

Transportation revenue and investment packages authorized by the Legislature and passed by voters, are helping at a time when public investment in infrastructure is needed the most. This budget helps to jump start the economy and create jobs.

### **Highway projects**

- ✓ I-405 Corridor Projects
- ✓ I-90/Snoqualmie Pass East
- ✓ SR 395 North Spokane Corridor
- ✓ I-5/Tacoma HOV Improvements
- ✓ SR 520/Bridge Replacement and HOV
- ✓ SR 99/Alaskan Way Viaduct Replacement

### **Washington State Ferries (WSF)**

#### New Ferry Construction

- Capital funding is provided for the purchase of four Island Home class (64-auto) ferry vessels and begins funding for 144-auto vessels.
- Funding is continued for terminal improvements; however, if WSF seeks and receives additional federal funding it may be used to replace the Anacortes ferrv

terminal.

#### Ferry Service and Operations

- Operating funding is provided for all routes, including maintaining the service to Sidney, B.C.
- There will be no more than a 2.5% ferry fare increase
- The Transportation Commission is directed to develop an administrative mechanism for a fuel surcharge in anticipation of integrating this mechanism into the system during the next few years.
- A WSF reservation system will begin after a pre-design study is completed and a proposed plan is recommended to the Legislature in 2010.

To view the Senate Transportation budget proposal in its entirety, including a detailed summary, visit: <http://leap.leg.wa.gov/leap/budget/detail/2009/st0911p.asp>.

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## COMMUNITY NEWS

### **Free Walk-In Autism Screenings!**

***Located at the University of Washington Autism Center in Seattle:***

**Monday, April 13th:** 11:00 am - 1:00 pm

**Monday, April 20th:** 11:00 am - 1:00 pm

**Thursday, April 23rd:** 11:00 am - 1:00 pm

**Monday, April 27th:** 11:00 am - 1:00 pm

All families with children ranging from 18 months to 18 years old, will be served on a first come, first serve basis. It is not necessary to bring your child to the screening.

For further information and directions, please contact the UW Parent Resource Coordinator at (253) 692-4721 or visit <http://depts.washington.edu/uwautism/seattlescreeningflyer.pdf>.

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To contact me toll-free, call the Legislative Hotline at [1-800-562-6000](tel:1-800-562-6000).

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