



January 10, 2022

House Appropriations Committee

Gov. Inslee's Proposed 2022 Supplemental Operating Budget

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Not a typical supplemental budget

- Availability of federal funds, one-time money
- Revenue forecasts continue to grow
- Caseloads/enrollments decline
- Challenges remain
- Continued uncertainty, pandemic

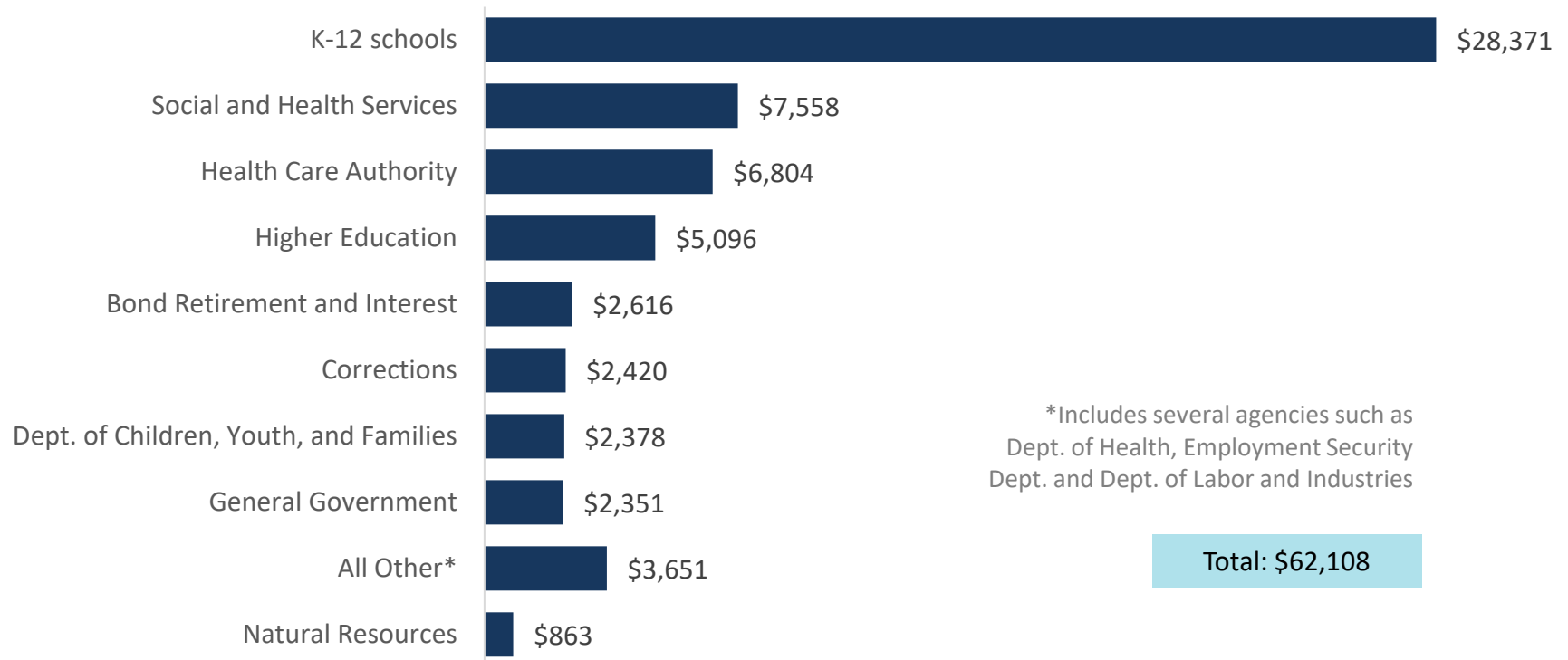
Priorities

- Continue response to pandemic and build public health capacity
- Continue economic support for those most impacted by pandemic
- Stabilize agencies' ability to provide services
- Make significant investments in key areas, such as homelessness, poverty reduction, education, climate action and salmon recovery

Governor's Proposed 2022 Supplemental Budget

2021-23 Omnibus operating budget funds subject to outlook

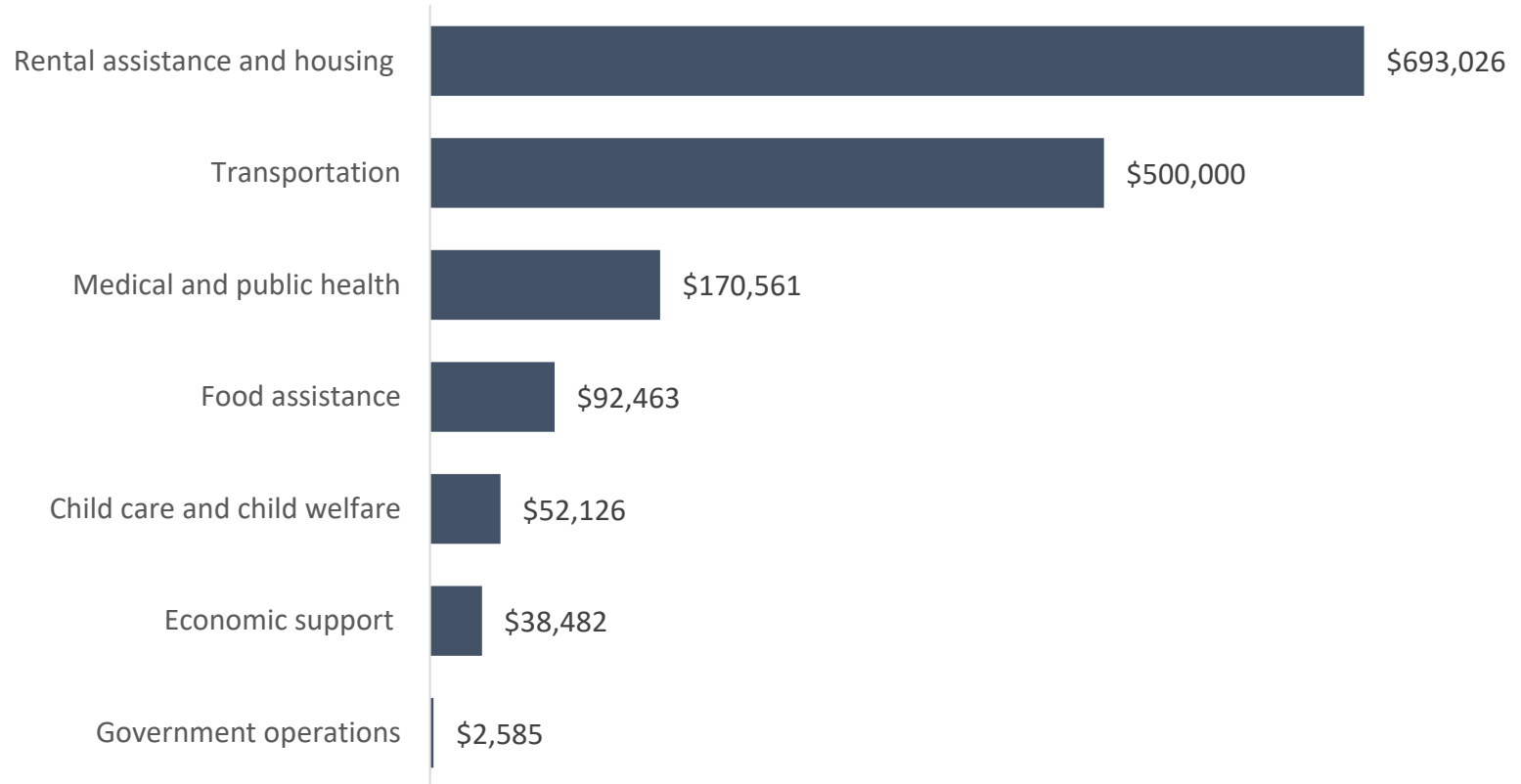
Dollars in millions



Transferred \$418 million to Transportation Budget and \$150 million to Capital Budget

COVID Federal Relief Fund Allocation – Net \$1.3 billion

Dollars in millions



Investment highlights

➤ **\$815 million to combat homelessness**

- Fund the rapid acquisition of housing for more tiny homes, enhanced shelters, permanent supportive/affordable housing
- Expand services for people with behavioral health needs
- Transition people encamped on public right of way to permanent housing solutions
- Address utility arrearages to help people stay in their homes

➤ **\$249 million for poverty reduction**

- Increase benefits, close access gaps to public assistance programs
- Increase access to food assistance
- Strengthen health supports for all ages
- Support individuals who are leaving state systems

Investment highlights

➤ **K-12 education: Reinvest nearly \$1 billion in caseload savings**

- Provide more social/emotional supports (counselors, nurses)
- Help kids who are falling through educational opportunity gaps
- Enhance outdoor education and climate science curriculum

➤ **\$82 million for foster care**

- Update practice standards to comply with Indian Child Welfare Act
- Improve placement options for high-needs and hard-to-place foster youth
- Provide support for young adults exiting extended foster care

Investment highlights

➤ **\$626 million for climate action**

- Fund clean transportation, including ferry electrification
- Decarbonize building sector
- Implement Climate Commitment Act
- Build clean energy/green economy

➤ **\$187 million for salmon recovery**

- Create new landowner investment program to protect and restore vital habitat
- Invest in clean water infrastructure
- Align harvest, hatcheries and hydropower with salmon recovery

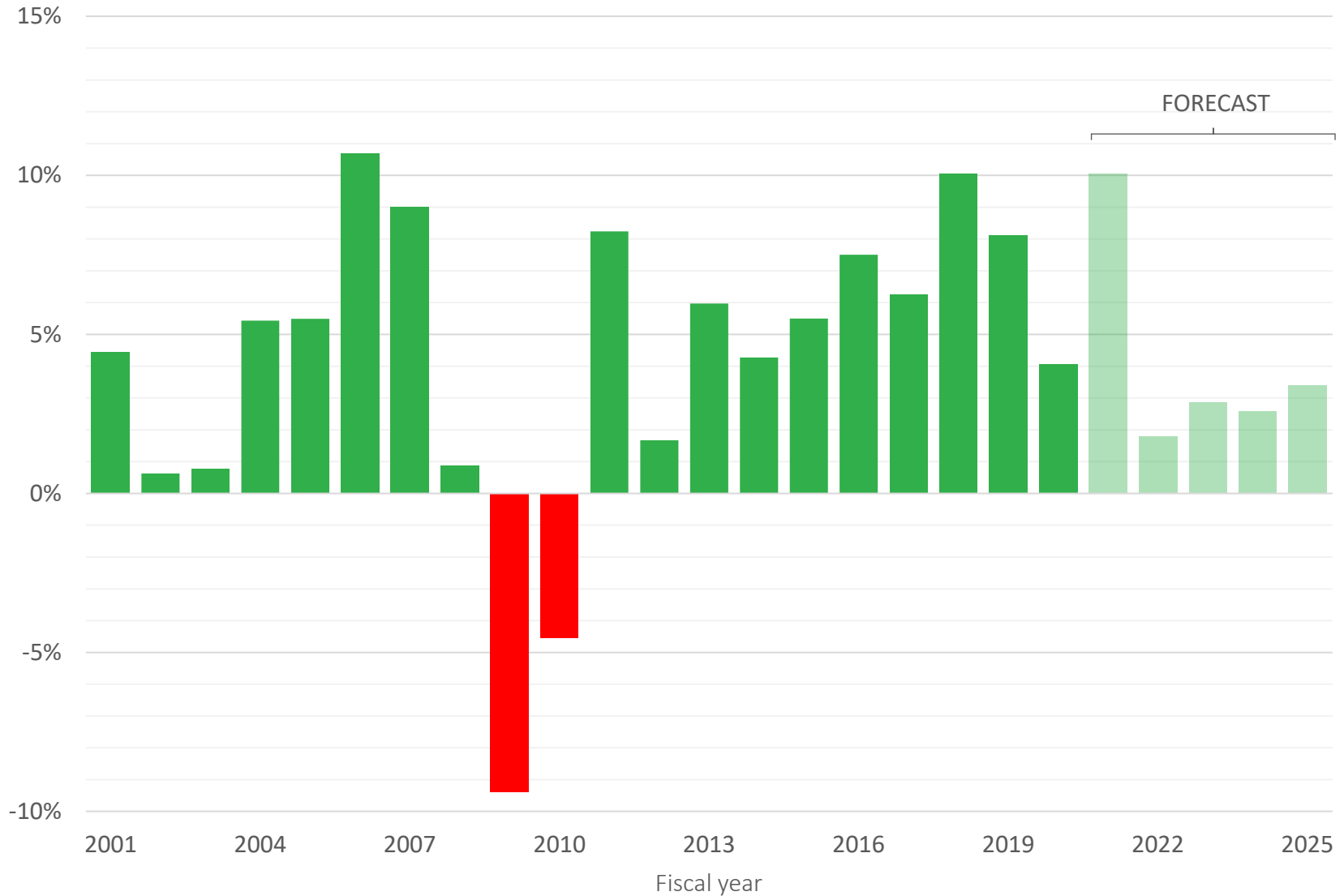
Projected reserves

Dollars in millions

	2019-21	2021-23	2023-25
Ending balance	\$ 4,161	\$ 1,316	\$ 991
<u>Budget Stabilization Account</u>	<u>\$ 19</u>	<u>\$ 1,197</u>	<u>\$ 1,823</u>
Total reserves	\$ 4,180	\$ 2,513	\$ 2,814

Includes extra \$600 million transfer to the Budget Stabilization Account

Annual percentage change of state revenue





FOR MORE INFORMATION:

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