

Proposed 2024 Supplemental

# Budget and Policy Highlights



**Pictured on front cover:**

*Gov. Jay Inslee concluded his Nov. 21 outreach day aboard a new electric bus at the King County Metro bus depot. King County Metro already operates over 40 electric buses and plans to fully electrify its fleet of 1,400 buses by 2035. The Climate Commitment Act funds electric buses and free ridership for kids under 18.*

*Several local students joined the event and shared their excitement about free ridership with the governor.*

*"I know as an eighth-grader it's expensive to get around town by myself," said one student. "It is really nice to be able to get on and not have to worry about it. Especially if it means our world's gonna be cleaner."*

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*The M/V Tacoma, a Jumbo Mark II-class ferry, is scheduled to be converted to run on hybrid-electric power in 2024.*

## Focused solutions for essential needs

*Gov. Jay Inslee's 2024 supplemental budget maintains the state's efforts on several critical issues including homelessness, behavioral health, the fentanyl and opioid crisis, education, and climate change.*

There was an increase in forecasted near general fund revenues since the 2023-25 budget took effect in July. From March to November, forecasted near general fund revenues increased by over \$2.9 billion for the four-year outlook period. This increase slightly exceeds the more than \$2 billion rise in costs related to providing ongoing services, higher caseloads, and inflation. However, new revenue sources such as the capital gains tax helped ensure those costs are paid for.

There is a healthy projected near general fund ending balance of nearly \$2.8 billion at the end of 2023-25, with total reserves projected to be more than \$4 billion.

Despite positive trends in revenue growth and other economic factors such as employment and personal income, caseload costs have gone up for many entitlement programs. This includes public schools, long-term care, medical assistance, foster care, and other programs that serve Washington's most vulnerable populations.

The state is also seeing rapid increases in the costs of infrastructure projects. Major federal investments in infrastructure such as roads and bridges led to a high level of competition for contractors and companies who bid on these kinds of projects. This has increased costs and reduced our purchasing power.

## **Transform Washington’s behavioral health system to serve more people, more quickly**

The governor’s 2024 supplemental budgets propose an additional \$464 million for behavioral health. This adds to the \$1 billion allocated in the 2023-25 budget to continue transforming Washington’s behavioral health system. Our state’s behavioral health care needs exceed the system’s capacity, and demand continues to grow. The budget invests in 110 new beds at state-run facilities and increases the reimbursement rate for community-based facilities. The aim is to meet demand for institutional care while treating more people earlier at community-based facilities that provide patients an appropriate level of care.

## **Save lives from fentanyl overdoses and expand opioid treatment**

The governor’s 2024 supplemental budget proposes an additional \$64 million to combat the opioid and fentanyl epidemic. This would add to the more than \$200 million allotted for addressing substance use disorder in the 2023-25 budget.

The governor’s approach focuses on five key areas: education and awareness, health engagement hubs, overdose prevention,

treatment access, and recovery supports. The supplemental budget also dedicates \$9.5 million to Tribal communities who experience fatality rates quadruple the state average. Moreover, the budget designates \$2.7 million to multi-jurisdictional task forces (previously called “drug and gang task forces”). These task forces play a key role in addressing drug distribution.

## **Invest in affordable housing and homelessness solutions**

Washington’s strong economy is attracting workers from all over the world. However, like many places, the state faces a big shortage of affordable housing. More people need emergency shelter, especially since federal COVID-19 housing assistance ended. In 2023, 14,083 people in Washington were found living without shelter, which is 1,450 more than the year before. To tackle this, Inslee’s supplemental budget plans to spend \$140 million to help families and individuals avoid losing their home through eviction, create more affordable housing, and continue addressing encampments. Inslee’s largest funding increase is \$100 million for the Rapid Capital Housing Acquisition program, which allows the state to quickly open new shelter and housing options for people living in encampments. This funding is critical to the state’s ability to move people into safer housing options.

## **Ensure Washington families experience the benefits of the Climate Commitment Act**

Washington continues to lead the nation in the fight against climate change, underscored by passage of the Climate Commitment Act (CCA) in 2021.

The CCA created a cap-and-invest program that launched in January 2023. In combination with other climate policies, the CCA will help Washington achieve its commitment to reducing greenhouse gas emissions by 95% of 1990 levels by 2050. The program requires the state's largest polluters to reduce the amount of pollution they emit over time. Until they do so, they must purchase allowances for their emissions through an auction. Those payments are reinvested in Washington neighborhoods and communities.

The current budget includes \$2.1 billion for a wide range of programs and services that lead to cleaner air, more clean energy jobs, and more resilient communities. Examples include free transit for all youth under 18, electric school buses, safer walking and cycling routes, heat pumps for thousands of low-income families, public electric vehicle charging stations, and more. The governor's proposed 2024 supplemental budget invests an additional \$900 million from CCA funds that will speed up and increase benefits to neighborhoods, Tribes, workers, businesses, and the people hit hardest by climate change and pollution. Overall, \$366 million or 41% of the CCA funds will be invested to benefit vulnerable communities and

those historically hit hardest by pollution. The governor also proposes a significant boost in utility bill assistance that will bring cost relief to an estimated 750,000 households.

## Support education and school workers

Washington has doubled its investment in K-12 education over the last 10 years. This growth not only reflects the McCleary decision and the state's obligation to fully fund K-12 public education, but it includes strategic investments to set students up for success. Paraeducators are an important part of student success. The proposed budget includes an additional \$64 million for a \$3 per hour wage increase to support school districts' capacity to recruit and retain this workforce. This equates to an approximate 11% wage increase on average, for 32,000 workers.

The 2024 supplemental budget will also respond to special education needs with an additional increase to the funding cap, up to 17.25%. This will further help fully fund services for districts with high populations of students with special needs. With this \$17 million investment, the state will now be funding nearly \$4.4 billion for special education.

# Economic and revenue outlook

Over the past year, Washington's economic growth eased from the heady pace of the previous two years, which is when Washington worked to recover from the COVID-19 recession. We lost 429,000 nonfarm jobs from the unprecedented worker layoffs in the February-May 2020 period. This hit the entertainment, hospitality, personal services, and eating and drinking sectors particularly hard.

Washington gained over 532,400 nonfarm jobs from the May 2020 low-point through October 2023, surpassing the February 2020 nonfarm total by 103,200 jobs. However, several major industry sectors are still below their February 2020 job levels:

- Manufacturing (-18,200 jobs)
- Leisure and hospitality (-5,400 jobs)
- Other services (-7,200 jobs)
- Government (-2,900 jobs)

The manufacturing sector continues to feel ramifications from the tragic 737 Max incidents despite passenger air travel recovering from its lowest pandemic point. We see the most unfilled jobs in state educational services as students and educational institutions find a new equilibrium in the post-COVID-19 era.

This recession was primarily a public health crisis with serious economic consequences — as opposed to the more typical economic crisis with public health consequences — and the pattern of decline and recovery we saw was unprecedented. The job impact of the Great Recession (2007-2009) lasted 70 months

from people initially losing their jobs to fully recovering and enjoying the previous job peak. However, the loss and recovery period during the pandemic was much shorter, with the top-line, non-farm employment reaching full recovery between May and June 2022. That was a loss/recovery duration of 27.5 months, less than half of the Great Recession timeline.

Washington's unemployment rate spiked to a high of 16.6% in April 2020 and has since recovered to 3.6% as of 2023's third quarter. Washington's jobless rate mirrored the national figure for much of the economic recovery, though most recent national numbers trend slightly above ours. While these numbers recently converged, Washington's unemployment rate has traditionally been higher than the national norm. That's because the state has an outsized share of seasonal industries and is attractive to in-migrants (people coming to Washington from other states or countries) searching for economic opportunity. Over the past four years, over 80% of Washington's population growth has been due to this migration. The most recent forecast expects Washington's and the nation's jobless rates to increase as the economy responds to Federal Reserve interest rate policies that seek to slow the economy enough to squelch inflation. U.S. and Washington unemployment is likely to reach 4.4% and 4.7% respectively by the final calendar quarter of 2024. By the second quarter of 2025 (the end of the current biennium), we project Washington's unemployment rate to hold at 4.7%, compared to 4.3% for the nation.



Washington's real personal income grew 7.2% in fiscal year 2021, then fell 1.6% in fiscal year 2022 and fell another 0.7% in fiscal year 2023. This happened as federal COVID-19 relief payments ran their course, and as an inflation spike (6.0% in fiscal year 2022 and 5.3% in fiscal year 2023) outpaced the typical income growth of Washingtonians. Real personal income growth is expected to return to a positive track in fiscal year 2024 (2.5%) and fiscal year 2025 (3.3%) as Federal Reserve policies bring inflation under control. Washington's real personal income growth in fiscal years 2024 and 2025 is expected to be notably quicker than the respective 1.7% and 2.9% projections for the nation. In concert with this quicker growth, Washington's real per capita personal income should reach \$64,106 in fiscal year 2025, over \$8,700 above the U.S. average.

Washington's personal income growth should benefit from the aerospace employment recovering, which is a traditional driver of Washington's economy. We expect aerospace jobs to grow from 74,300 jobs in fiscal year 2023, to 80,500 jobs in fiscal year 2024, and 83,700 jobs in fiscal year 2025. Along with the rebound in aerospace employment, steady payrolls in software publishing, and gains in professional and business services will help fortify other sectors as they navigate this period of higher interest rates. While total nonfarm employment increased by 3.3% in fiscal year 2023, moderating growth is on the horizon in fiscal years 2024 and 2025 as employment is expected to grow 1.8% and 0.6% respectively.

Construction activity is particularly sensitive to interest rate movements. Interest on 30-year fixed rate mortgages averaged 6.29% in fiscal year 2023, but we expect the interest to average

7.35% in fiscal year 2024 and 6.28% in fiscal year 2025. As a result, we expect construction activity to slow. Before 2020, technology sector growth fueled the demand for new office space. However, today's teleworking demand in response to the pandemic has left the commercial building sector with a large surplus of vacant space. While this past year saw many employers instituting 'return-to-office' policies, it will likely take a few more years for the teleworking trend to balance. Until then, commercial building activity will likely be muted. Building permits are forecast to decline from 41,000 in fiscal year 2023 to 38,670 in fiscal year 2024, and then recover to 42,470 in fiscal year 2025. We expect construction employment to increase from 235,300 jobs in fiscal year 2023 to 238,000 jobs in fiscal year 2024 as builders shift from commercial projects to single and multifamily developments. Construction employment should increase to 240,300 jobs in fiscal year 2025.

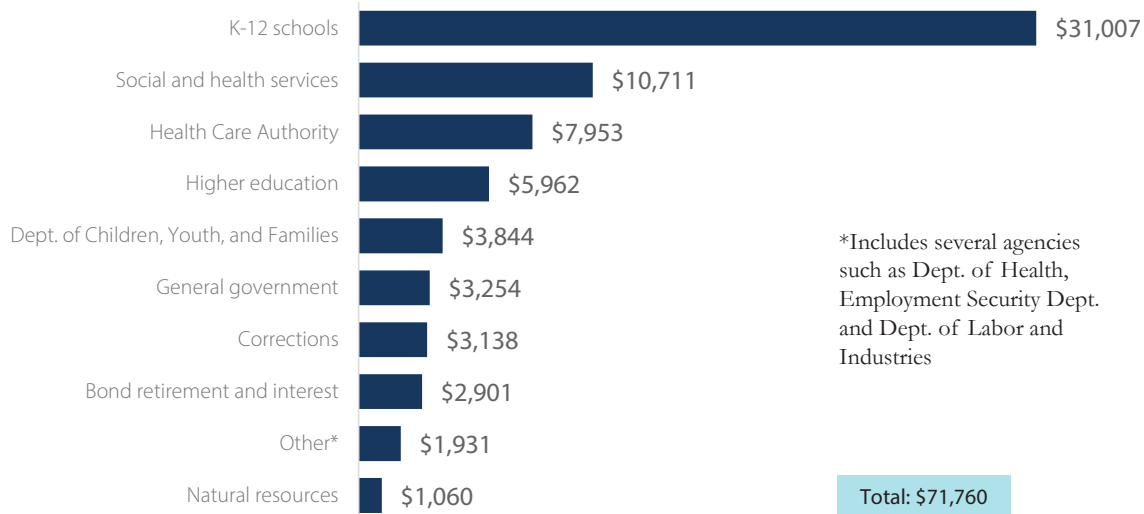
General Fund-State (GF-S) revenues grew 11.3% in fiscal year 2022 as consumers tapped the last of their COVID-19 relief payments. The 3.1% growth of GF-S revenues in fiscal year 2023 came from moderate consumer spending after two years of vigorous gains. We expect GF-S revenues to grow 0.8% in fiscal year 2024, and 3.5% in fiscal year 2025. Between the 2021-23 and the 2023-25 biennia, we expect GF-S revenues to grow 4.1%, which means GF-S revenues will hit \$63.529 billion. Growth in aerospace, professional services, business services, and steady consumer spending should keep revenues growing at a moderate pace.

You can find the latest economic and revenue forecast from the Economic and Revenue Forecast Council at: [erfc.wa.gov](https://erfc.wa.gov).

# Governor's Proposed 2024 Supplemental Budget

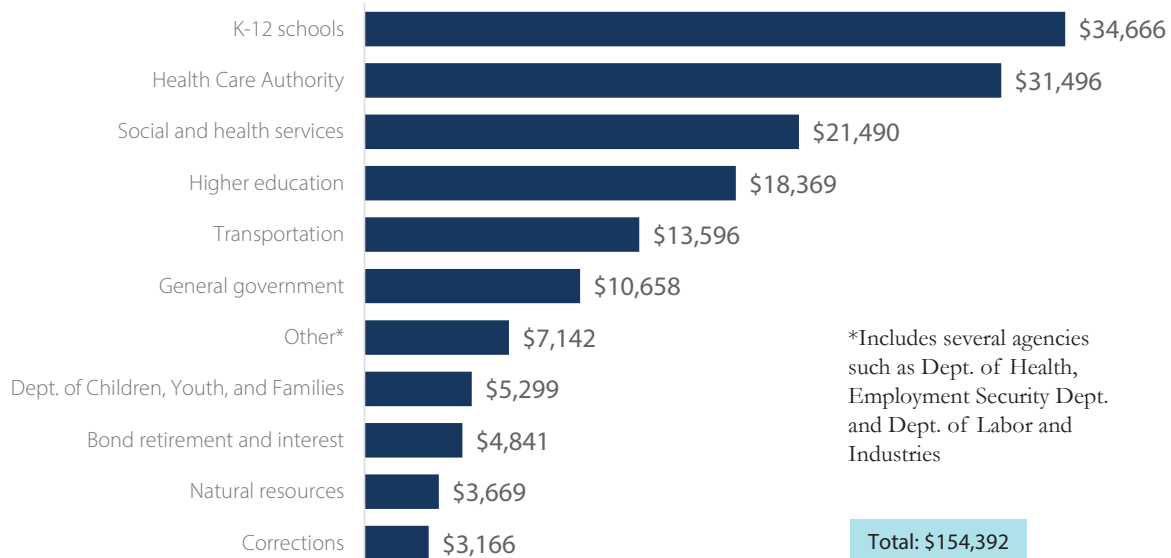
2024 Supplemental omnibus operating budget  
funds subject to outlook

*Dollars in millions*



## Operating/Transportation: 2024 total budgeted

*Dollars in millions*





# Governor's Proposed 2024 Budget Balance Sheet

General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account, Workforce Education Investment Account, Fair Start for Kids Account\*, Budget Stabilization Account, and Washington Rescue Plan Transition Account

*Dollars in millions*

2023-25

<b>Resources</b>	
Beginning Fund Balance	\$5,287
November 2023 Revenue Forecast	66,883
Transfer to Budget Stabilization Account (1% of general state revenue)	(640)
Enacted Fund Transfers	1,353
Assumed Prior Period Adjustments	41
<b>Governor's Proposed Revenue Changes</b>	
Governor's Revenue Legislation	(1)
Additional 1% BSA Transfer	0
Fund Transfers	(46)
Budget Driven Revenue	(0)
Transfer WA Rescue Plan Transition Account Balance to GF-S	798
<b>Total Resources (including beginning fund balance)</b>	<b>\$73,675</b>
<b>Expenditures</b>	
Governor's Proposed 2024 Supplemental Budget	
Maintenance Level Base Budget	\$70,675
Policy Changes	1,085
Assumed Reversions	(859)
<b>Total Expenditures</b>	<b>\$70,901</b>
<b>Reserves</b>	
<b>Projected Ending Balance (GF-S + ELTA + OPA+ WEIA)</b>	<b>\$2,774</b>
Budget Stabilization Account	
Budget Stabilization Account Beginning Balance	652
Governor's Appropriations from BSA	(19)
Plus Interest Earnings	58
Total 1% BSA Transfer	640
<b>Projected Budget Stabilization Account Ending Balance</b>	<b>1,330</b>
Washington Rescue Plan Transition Account	
WA Rescue Plan Transition Account Beginning Balance	2,100
Enacted Fund Transfers	(1,302)
Transfer WA Rescue Plan Transition Account Balance to GF-S	(798)
<b>Projected Washington Rescue Plan Transition Account Ending Balance</b>	<b>-</b>
<b>Total Reserves (Near General Fund plus Budget Stabilization plus WA Rescue Plan Transition)</b>	<b>\$4,104</b>

\* No revenue or expenditures for Fair Start for Kids Account (25H).

# Balance Sheet Detail

Fund Transfers, Revenue Legislation, and Budget Driven Revenue  
Governor Proposed-2024 Supplemental Budgets

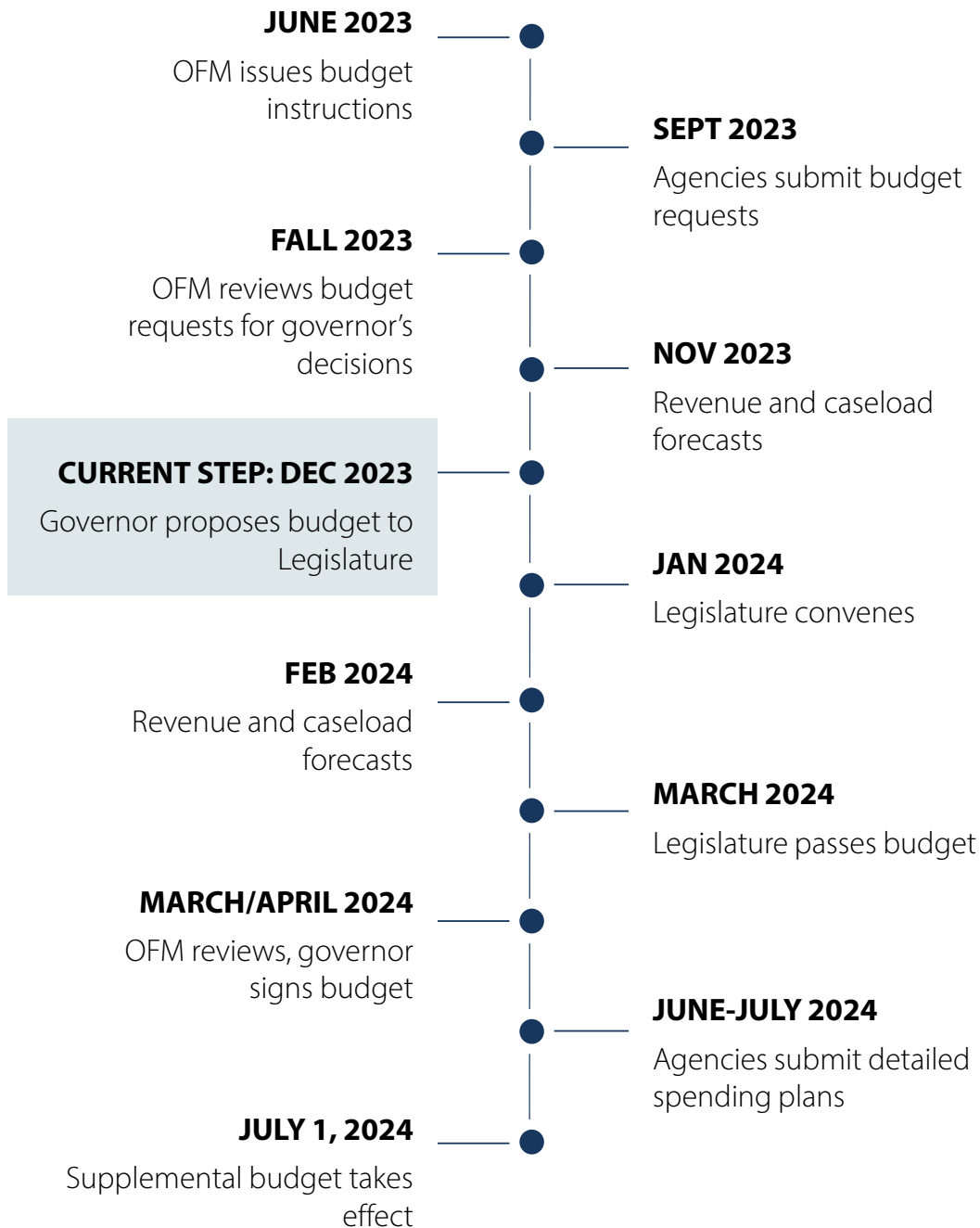
*Dollars in millions*

2023-25 Biennium

GF-S

<b>Fund Transfers To/From GF-S (Excluding Transfers To/From BSA)</b>	
05H Disaster Response Account	\$ (26.5)
05W State Drought Preparedness Response Account	(2.0)
10B Home Security Fund Account	(49.0)
06A Salmon Recovery Account	(3.0)
25F Forest Resiliency Account	(4.0)
25P Wildfire Response, Forest Restoration, & Community Resilience Account	(108.9)
APD Agricultural Pest & Disease Response Account	(2.0)
03N Business License Account	7.2
23P Model Toxics Control Operating Account	50.0
26T Washington Student Loan Account	40.0
300 Financial Services Regulation Account	7.0
404 Treasurer's Service Account	30.0
567 Long-Term Services & Supports Trust Account	66.0
707 Washington Rescue Plan Transition Account	2,100.0
<b>Subtotal</b>	<b>\$ 2,104.8</b>
<b>Revenue</b>	
Washington State Patrol - Fire Service Training Account Bill	\$ (1.3)
Additional 1% BSA Transfer	0.0
<b>Subtotal</b>	<b>\$ (1.3)</b>
<b>Budget Driven &amp; Other</b>	
578 Lottery Revenue Distribution Change BDR	\$ (0.0)
501 Liquor Revolving Account BDR	(0.1)
Cannabis Revenue Distribution Change BDR	(0.2)
<b>Subtotal</b>	<b>\$ (0.4)</b>
<b>All Revenue Changes</b>	<b>\$2,103.0</b>

# Washington state supplemental budget timeline



For a complete guide to the state budget process, see: [ofm.wa.gov/budgetprocess](https://ofm.wa.gov/budgetprocess)

# Behavioral health

“Every community and neighborhood is experiencing the need for more behavioral health care. The deadly fentanyl crisis has brought new urgency to our efforts. We’ve been making progress with opening facilities that will treat thousands more patients. To keep up that momentum, we rely on community partnerships to break down the stigma surrounding behavioral health and support providers that seek to build places and programs of health and healing.”

— Gov. Jay Inslee

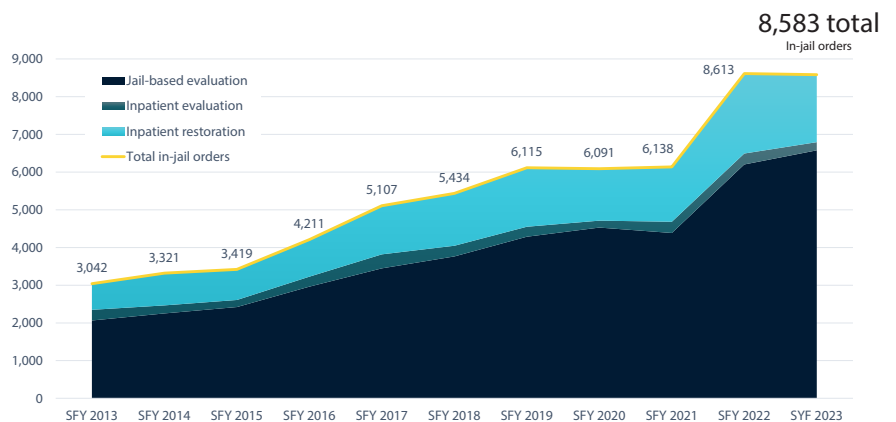
## Behavioral health

Washington is making progress on its commitment to transform its behavioral health system. In 2018, Gov. Jay Inslee launched an ambitious plan to transform Washington’s behavioral health system. Since then, the state has made significant investments in community-based behavioral health options to better meet Washingtonians’ needs. Progress has continued despite challenges, including the opioid (fentanyl) crisis, COVID-19 and national workforce shortages.

However, spikes in demand have outpaced the growing system’s capacity. And rising demand coming from the criminal justice system poses huge challenges. Demands have overtaxed the system of state-operated beds while highlighting a systemic problem: criminalizing people with behavioral health needs.

Court orders for competency evaluation and restoration services have increased 60% since 2018. Inpatient referrals have increased 145% since 2013. The state has been and will continue to do its part, adding hundreds more forensic beds. But even with the unprecedented expansion of bed capacity and community services, this rate of growth is neither manageable nor sustainable.

### Statewide court orders for DSHS competency services have increased by nearly 60% since 2018



Sources: BHA Forensic Data System (FDS), WSH-FES; ESH - MILO

This leaves people to struggle without the care they need. Inslee's 2024 supplemental budget prioritizes these urgent needs and provides a balanced approach to expand community-based services and increase capacity at state-run facilities.

This approach will help people connect with services earlier, closer to home, and at the appropriate level of care for their needs. Access to appropriate care can reduce someone's time in high-level care or even prevent them from being hospitalized. In addition, lessening the pressure on high-level systems of care frees up capacity for people with more severe and chronic behavioral health needs.

## **Build an ecosystem of community-based care**

To be successful, the state must invest in community-based behavioral health care. People need access to the right care, at the right time and in the right place. We can better meet those needs by expanding community-based capacity to deliver services and by lessening the pressure on involuntary and high-level systems of care (such as at our state hospitals). This includes expanding access to prevention, early intervention, diversion, crisis response and outpatient treatment, and strategically expanding inpatient treatment for populations with specialty needs. It also requires a strong and diverse workforce, including peers and those with lived experience. With these elements in place, people can receive care sooner, closer to home and avoid more restrictive and involuntary systems of care, when possible.

## **Expand capacity for inpatient treatment**

It is also critical to increase bed capacity at state-run and community-based facilities. Demand far exceeds the system's current capacity, and needs continue to grow. When people cannot access appropriate systems of care early, they can end up in more restrictive settings such as involuntary civil

commitment facilities or in forensic services through the criminal legal system. While ensuring people do not reach these high-level systems in the first place is crucial, Washington needs more capacity for people who need higher levels of care.

Building a system of care that focuses on prevention and early intervention takes time, and many people are waiting now for inpatient care. Long waits can worsen an individual's condition, may be more traumatic, more costly, and lead to poor health outcomes for the individual. Adding beds at state-run and community-based facilities will help reduce these impacts and help relieve the backlog for these services. This is a key way the state will be better equipped to meet people's needs and ensure their rights and health are protected.

## **Department of Social and Health Services**

### **Create additional state-run bed capacity**

The department purchased the Cascade Behavioral Health hospital facilities in Tukwila and renamed it Olympic Heritage Behavioral Health in 2023. As patients move to this facility from Western State Hospital, DSHS will add at least 72 beds of new capacity for behavioral health patients by the end of fiscal year 2024. The governor's budget also provides funding to re-open wards at Western State Hospital and Eastern State Hospital, bringing an additional 38 forensic beds online in January 2024.

This item also appears in the Human Services section of the budget highlights.

*(\$186.3 million GF-S, \$1.2 million GF-F)*

### **Invest in state hospital staffing**

Recruiting and retaining highly qualified staff at the state hospitals has been challenging. Staffing vacancies have been as high as 40% at our state hospitals, and the department requires funding to hire

contracted staff to keep state hospital wards open and operating. To remedy this, the governor's budget invests in programs designed to attract and retain staff at our state hospitals. Funding will reimburse staff for the continuing education training they need to maintain their licenses, provide clinical training to competency restoration staff, and hire nurse recruiters. The department will also create a postdoctoral program in psychology at Western State Hospital and create a nursing residency program at Western State Hospital and Eastern State Hospital.

This item also appears in the Human Services section of the budget highlights.

*(\$38.4 million GF-S)*

## **Establish Olympic Heritage Behavioral Health**

This budget invests in behavioral health by purchasing the Cascade Hospital facilities, now called the Olympic Heritage Behavioral Health facility in Tukwila. This will reduce the number of individuals on the forensic bed waitlist by creating at least 72 beds of new capacity. In addition, to the purchase of the facility, there will be capital improvements made to the facility that will strengthen safety and security measures on and outside the wards for staff and patients, improve nursing stations, upgrade heating, ventilation, and air conditioning units, and expand the existing activity areas to promote larger motor activities .

This item also appears in the Human Services section of the budget highlights.

*(\$45 million bonds)*

## **Design Child Study and Treatment Center to house youth**

Additional funding will help the state design an addition to the facility to support approximately 20 youth at the Child Study and Treatment Center. This project will develop a facility-based, holistic residential habilitation program. Tailored for youth with complex

needs who present challenging support issues, this project will provide options when less restrictive out-of-home treatment options are inappropriate, unavailable or have failed to bring positive outcomes. Specialized 'pod style' housing with shared communal space will mimic a home-like feel. This setup will create a campus to support the unique needs of this demographic, while access to educational, occupational, and therapeutic needs will improve their mental and physical well-being.

This item also appears in the Human Services section of the budget highlights.

*(\$5 million bonds)*

## **Health Care Authority Increase rates for community behavioral health providers**

To create robust community behavioral health services, the governor's budget increases rates for 90-180 day bed providers. This will increase the number of available beds located in communities. When individuals receive behavioral health services closer to home and their support network, their outcomes improve. In addition, space constraints at our state hospitals create a need for behavioral health services in the community. The budget increases rates for teams that support individuals preparing to transition from institutional to community settings, and for community teams that support individuals with severe behavioral health disorders.

This item also appears in the Human Services section of the budget highlights.

*(\$44.9 million GF-S, \$67.7 million GF-F)*

## **Support behavioral health services facilities**

The governor's operating and capital budgets invest in community facilities that provide critical access to behavioral health services. The Department of



Commerce grants assist behavioral health providers opening facilities. Because of high operating costs, maintaining services is difficult so funding is provided to assist these facilities with operating costs and allow community behavioral health clinics to serve individuals regardless of their ability to pay.

This item also appears in the Human Services section of the budget highlights.

*(\$7.2 million GF-S)*

### **Strengthen behavioral health services for youth**

Early intervention is key to preventing or delaying the onset of behavioral health disorders, and the governor's proposed budget addresses this in three ways. One, funding will expand support for youth and young adults at their initial psychotic episode. Two, funding will help community residential services for young adults exiting inpatient behavioral health facilities and who are at high risk for homelessness. And three, stabilization teams will surround youth in crisis with a support system composed of behavioral health professionals, family and community members.

This item also appears in the Human Services section of the budget highlights.

*(\$11.1 million GF-S; \$8.6 million GF-F)*

### **Expand behavioral health programs**

Funding will expand programs and increase rates for teams that support individuals preparing to transition from institutional to community settings, and for community teams that support individuals with severe behavioral health disorders. Both groups provide vital behavioral health services. The governor's budget also extends the diversion programs launched in 2018 as result of the Trueblood settlement agreement contempt fines. This program provides assessments, mental health services, substance abuse treatment, case management, employment, and social services to reduce recidivism and improve the lives of class members.

This item also appears in the Human Services section of the budget highlights.

*(\$18.9 million GF-S, \$9.4 million GF-F)*

### **Department of Commerce** **Establish crisis stabilization for Trueblood Phase 3**

Funding for this project will develop 16 licensed crisis stabilization beds in the Thurston or Mason County region so the state can meet implementation plan expectations for Phase 3 of the Trueblood Settlement Agreement. This community-based approach will provide short-term, prompt attention and support in a respectful environment for individuals experiencing a mental health crisis or an acute behavioral health problem. These crisis stabilization beds will serve as a health care alternative to jail, emergency room settings, or evaluation and treatment center services.

This item also appears in the General Government section of the budget highlights.

*(\$5 million bonds)*

### **Department of Social and Health Services**

#### **Create additional state-run bed capacity**

The department purchased the Cascade Behavioral Health hospital facilities in Tukwila and renamed it Olympic Heritage Behavioral Health in 2023. As patients move to this facility from Western State Hospital, DSHS will add at least 72 beds of new capacity for behavioral health patients by the end of fiscal year 2024. The governor's budget also provides funding to re-open wards at Western State Hospital and Eastern State Hospital, bringing an additional 38 forensic beds online in January 2024.

This item also appears in the Human Services section of the budget highlights.

*(\$186.3 million GF-S, \$1.2 million GF-F)*

## Invest in state hospital staffing

Recruiting and retaining highly qualified staff at the state hospitals has been challenging. Staffing vacancies have been as high as 40% at our state hospitals, and the department requires funding to hire contracted staff to keep state hospital wards open and operating. To remedy this, the governor's budget invests in programs designed to attract and retain staff at our state hospitals. Funding will reimburse staff for the continuing education training they need to maintain their licenses, provide clinical training to competency restoration staff, and hire nurse recruiters. The department will also create a postdoctoral program in psychology at Western State Hospital and create a nursing residency program at Western State Hospital and Eastern State Hospital.

This item also appears in the Human Services section of the budget highlights.

*(\$38.4 million GF-S)*

## Establish Olympic Heritage Behavioral Health

This budget invests in behavioral health by purchasing the Cascade Hospital facilities, now called the Olympic Heritage Behavioral Health facility in Tukwila. This will reduce the number of individuals on the forensic bed waitlist by creating at least 72 beds of new capacity. In addition to the purchase of the facility, there will be capital improvements made to the facility that will strengthen safety and security measures on and outside the wards for staff and patients, improve nursing stations, upgrade heating, ventilation, and air conditioning units, and expand the existing activity areas to promote larger motor activities.

This item also appears in the Human Services section of the budget highlights.

*(\$45 million bonds)*



*DSHS purchased the Cascade Behavioral Health hospital facilities in Tukwila and renamed it Olympic Heritage Behavioral Health in 2023. As patients move to this facility from Western State Hospital, DSHS will add at least 72 beds of new capacity for behavioral health patients by the end of fiscal year 2024.*



*In January 2023, Gov. Jay Inslee joined leaders from the state Department of Social and Health Services to open the Civil Center for Behavioral Health at Maple Lane. The 16-bed behavioral health facility is part of the governor's five-year plan to transform behavioral health care in Washington state by prioritizing community-based care settings and more intimate, therapeutic environments.*

## Design Child Study and Treatment Center to house youth

Additional funding will help the state design an addition to the facility to support approximately 20 youth at the Child Study and Treatment Center. This project will develop a facility-based holistic residential habilitation program. Tailored for youth with complex needs who present challenging support issues, this project will provide options when less restrictive out-of-home treatment options are inappropriate, unavailable or have failed to produce positive outcomes. Specialized 'pod style' housing with shared communal space will mimic a home-like feel. This setup will create a campus to support the unique needs of this demographic, while access to educational, occupational, and therapeutic needs will improve their mental and physical well-being.

This item also appears in the Human Services section of the budget highlights.

*(\$5 million bonds)*

# Behavioral health strategic agenda

## Summary of investments, 2024 operating and capital budgets

Focus Area	Items	Agency	Amount
Create additional state-run bed capacity	Forensic Beds at Western State Hospital and Eastern State Hospital	Department of Social and Health Services - BHA	\$31,059,000
	Maple Lane Phase 1	Department of Social and Health Services - BHA	\$15,558,000
	Olympic Heritage Behavioral Health	Department of Social and Health Services - BHA	\$140,924,000
<b>Total</b>			<b>\$187,541,000</b>
Invest in state hospital staffing	Clinical Contracted Staffing	Department of Social and Health Services - BHA	\$36,346,000
	Compression and Inversion	Department of Social and Health Services - BHA	\$122,000
	Staff Recruitment & Retention	Department of Social and Health Services - BHA	\$1,904,000
<b>Total</b>			<b>\$38,372,000</b>
Increase rates for community behavioral health providers	Adult Family Homes Tiered Rates CBA	Health Care Authority - CBH	\$51,442,000
	Behavioral Health Comparison Rates Phase 3	Health Care Authority - CBH	\$500,000
	Behavioral Health Personal Care - 1915i Waiver	Health Care Authority - CBH	\$31,931,000
	Rate Increase for 90-Day and 180-Day Beds	Health Care Authority - CBH	\$28,765,000
<b>Total</b>			<b>\$112,638,000</b>
Strengthen behavioral health services for youth	Kooth	Health Care Authority - CBH	\$1,490,000
	New Journeys	Health Care Authority - CBH	\$5,000,000
	Young Adult Discharge Facility	Health Care Authority - CBH	\$3,000,000
	Youth Stabilization Teams	Health Care Authority - CBH	\$10,204,000
<b>Total</b>			<b>\$19,694,000</b>

Focus Area	Items	Agency	Amount
Support behavioral health services facilities	Community Behavioral Health Clinics	Health Care Authority - CBH	\$5,000,000
	IBHTF Operations & Tech Assistance	Health Care Authority - CBH	\$2,174,000
<b>Total</b>			<b>\$7,174,000</b>
Expand behavioral health programs	Program of Assertive Community Treatment (PACT) Stabilization	Health Care Authority - CBH	\$16,445,000
	Peer Bridger Expansion	Health Care Authority - CBH	\$1,848,000
	Street Medicine Pilot	Health Care Authority - CBH	\$2,000,000
	Trueblood Diversion Programs	Health Care Authority - CBH	\$8,000,000
<b>Total</b>			<b>\$28,293,000</b>
Capital investments	Olympic Heritage Behavioral Health	Department of Social and Health Services	\$45,000,000
	Child Study and Treatment Center Youth Housing	Department of Social and Health Services	\$5,000,000
	Crisis Stabilization Trueblood Phase 3	Department of Commerce	\$5,000,000
<b>Total</b>			<b>\$55,000,000</b>
<b>Grand Total</b>			<b>\$448,712,000</b>

# Opioids (Fentanyl)

*“We know how serious this problem is. Fentanyl is deadly. We are losing people every day – our friends, family members and neighbors – to this blight. We must act. We can save lives. Prevention works. Treatment works, People can and do get better, and they can recover. We can succeed and save lives with the right resources, focus and leadership.”*

— Gov. Jay Inslee

## Opioids (Fentanyl)

The opioid crisis rages on as the leading cause of accidental death nationwide, with fentanyl driving over 90% of opioid-related fatalities. On average, two people a day died from opioid overdoses in Washington last year, according to the Department of Health. The governor’s supplemental budget proposes \$64 million, adding to more than \$200 million in the 2023-25 budget for addressing substance use disorder. The strategy for these investments is to save lives, prevent overdoses, and bring treatment closer to those who need it.

The proposal also focuses on Tribal communities, whose members are more than four times as likely to be involved in an opioid fatality. Additionally, the plan sets aside funds to improve public safety and dismantle the drug supply network.

The urgency of this comprehensive approach stems from the evolving stages of Washington state’s opioid crisis. The crisis began with a wave of widespread prescription opioid misuse, transitioned to a surge in heroin use, and has now entered its most lethal phase with the emergence of fentanyl. Fentanyl is a synthetic opioid far more potent than heroin. It is often unknowingly mixed into other drugs, leading to a sharp increase in overdose deaths.

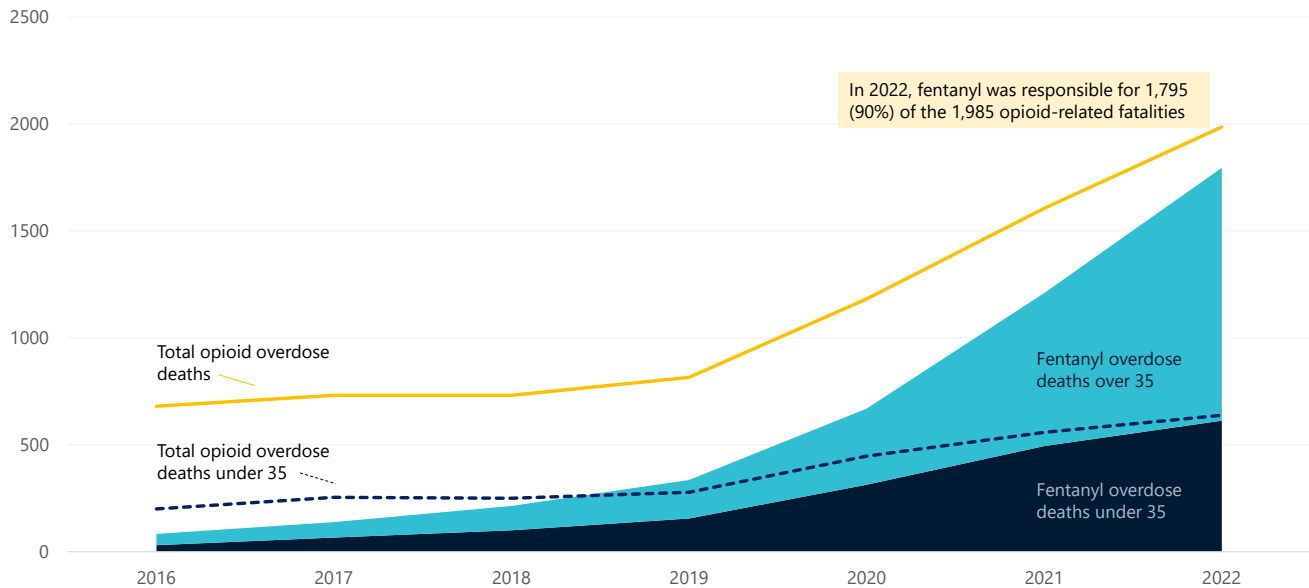
To combat this, the investment will boost five critical areas: enhancing public education and awareness, establishing health engagement hubs, improving overdose prevention and access to naloxone, providing low-barrier access to treatment and expanding access to recovery services.

### **Boost investments in opioid education and awareness programs**

Investment in public education and awareness campaigns is crucial to reduce opioid misuse and prevent overdose fatalities. Given that recovery clinics in Washington have reported substance use starting as early as age 14, this budget also focuses on youth education as an essential element to curbing the epidemic.



## Fentanyl use causes unprecedented rise in overdose deaths across Washington



Source: Department of Health [Opioid and Drug Overdose Data](#)

### Modernize opioid prevention education

The governor is introducing legislation that directs the Office of the Superintendent of Public Instruction (OSPI) to collaborate with Educational Service Districts (ESD), Tribes, public health organizations, and other state agencies. The aim is to update substance use prevention education materials, with a specific focus on outlining the risks of death associated with fentanyl and other opioids. Additionally, this proposal allocates funding for ESDs to enhance behavioral health education and fentanyl prevention, tailored to the needs of students in their regions.

*(\$2.5 million General Fund-State)*

### Expand community and school prevention services

The Health Care Authority (HCA) will expand the Community Prevention and Wellness Initiative (CPWI), which operates in 95 high-risk areas across

Washington. This initiative provides crucial prevention services such as youth leadership programs, educational activities and family support. These services aim to foster healthier communities and enhance the well-being of youth and families. The new funding will enable CPWI to reach additional communities while continuing to support those it currently serves.

*(\$6.1 million GF-S)*

### Opioid/fentanyl public health campaign

The Department of Health has increased funds for its statewide public health campaign, intensifying efforts to educate residents about the risks of opioids and the availability of support services. This initiative will help destigmatize substance use and promote public health.

*(\$3 million GF-S)*

## Respond to fentanyl use around children with a public health approach

The Department of Children, Youth, and Families (DCYF) will support child welfare caseworkers as they respond to the fentanyl crisis by contracting with public health nurses who can serve as credible messengers to at-risk families. The fentanyl epidemic is a public health crisis and the number of fentanyl-related fatalities and near fatalities among children, particularly ages 0 to 3, is increasing. Public health nurses can help reduce the risk of harm to children due to accidental exposure to these drugs. They can also support caseworkers engaging with families on safe sleep practices, child health and other matters of concern in Child Protective Services (CPS) investigations. Finally, these nurses can support families as they navigate toward community-based services. Funding will establish a pilot that contracts public health nurses across the child welfare regions.

This item is also referenced in the Human Services budget highlight.

*(\$1.3 million GF-S)*

## Increase safety and supports for families impacted by the fentanyl crisis

Parental substance use is a factor in a high number of out-of-home placements, particularly for infants and toddlers. However, some cases indicate a safety concern that does not signal an immediate danger prompting removal of the child. Funding provides additional resources to enhance safety planning that will help keep families together safely:

- Contract funding for third-party safety plan participants. This will help CPS workers develop safety plans with families that allow children to remain in the home. Safety plans are most effective when families have natural support such as extended family and friends that help

mitigate safety threats and make sure families are following the safety plan. This pilot will provide a new resource for families who don't have natural supports.

- Provide staff and funding for DCYF to pilot contracted childcare slots for Child Protective Services-involved infants. Childcare can be a core component of a safety plan and this pilot can also serve as a dedicated resource to families at-risk of opioid and other safety threats.
- Target voluntary home visiting services toward families where parental substance use is a risk factor. Piloting contracted home visiting slots can help provide a dedicated, valuable support for families who may be at high risk, but do not meet the legal threshold of risk of imminent physical harm for out-of-home placement.

This item is also referenced in the Human Services budget highlight.

*(\$4.7 million GF-S, \$3,000 GF-F)*

## Expand Health Engagement Hubs

Health Engagement Hubs (HEHs) are one-stop facilities providing comprehensive care for those with opioid use disorder (OUD). These hubs integrate a range of health services, including mental health and substance use treatment. This centralized approach to healthcare delivery facilitates easy access to essential recovery resources for individuals in need.

The Health Care Authority (HCA) will launch six new HEHs across the state by June 2027. These locations are intended to be a culturally-responsive, low-barrier approach to improve the health of people who use drugs and be informed by their input.

*(\$1 million Opioid Abatement Settlement Account-State)*

## Invest in low barrier access to opioid treatment programs

Effective management of opioid use disorder and improved recovery rates hinge on the accessibility of Medication for Opioid Use Disorder (MOUD), previously referred to as Medication Assisted Treatment or MAT.

### Opioid Treatment Program Expansion Grants

This investment reduces treatment barriers by expanding Opioid Treatment Programs (OTPs) in Tribal and rural areas, as well as across most of central and eastern Washington. Due to strict federal regulations, OTPs are the only outpatient facilities authorized for all FDA-approved MOUD forms: methadone, buprenorphine, and naltrexone. This expansion is particularly beneficial for methadone. This is the most powerful MOUD, but requires daily administration in a clinical setting. Often, the challenge of geographical accessibility hinders people accessing methadone treatment.

*(\$5 million bonds)*

### Expand Sublocade access

The state will allocate 2,300 doses of Sublocade, prioritizing smaller providers and certain uninsured individuals. Sublocade is an expensive yet highly effective buprenorphine-based treatment that addresses opioid use disorder. Unique among MOUDs, it's a long-acting injection particularly beneficial for individuals who use fentanyl. This once-a-month dosing method eliminates the need for someone to take daily medication. Sublocade is specifically formulated to ease withdrawal symptoms without causing the euphoric high often linked to opioid misuse.

*(\$3 million Opioid Abatement Settlement Account-State)*



*At CORE Health in Longview, the center provides day care while parents attend behavioral health or substance use disorder treatment onsite. Gov. Jay Inslee met a few happy babies and toddlers during his visit in March 2023.*

### Increase MOUD in state correctional institutions

The governor's proposed budget will expand the use of medications to treat incarcerated individuals who have opioid use disorder and who were receiving treatment before entering the Department of Correction's custody. Maintaining medical treatment for opioid use disorder reduces mortality rates, increases a person's participation in other substance use disorder treatments, and improves recidivism rates.

*(\$4.7 million GF-S)*

### Increase MOUD in jails

The Health Care Authority will expand MOUD services from 19 existing locations to all city, county, and Tribal jails across Washington. This funding will offer local relief until federal funds from the Centers for Medicare and Medicaid Services start in two years.

*(\$7.3 million GF-S, \$81,000 General Fund-Federal)*

## Opioid Recovery and Care Access Center Support

This year set a deadly record in King County with over 1,037 reported overdose fatalities. In response, the new Opioid Recovery and Care Access (ORCA) Center is being established in the Pioneer Square neighborhood of downtown Seattle. The center is dedicated to the safety and recovery of people post-overdose. The ORCA Center is a collaborative project led by the Downtown Emergency Service Center (DESC), in partnership with the University of Washington's Addictions, Drug, and Alcohol Institute (ADAI) and Public Health — Seattle & King County.

*(Operating: \$1.5 million GF-S, Capital: \$3.5 million bonds)*

## Opioid Treatment Facility Pool

Establishes a fund to acquire available facilities that will be used to increase access to opioid use disorder treatment.

*(\$5 million bonds)*

## Strengthen overdose prevention efforts

Funding overdose prevention saves lives and keeps the door open for recovery from substance use disorder. Leveraging the FDA's recent decision to make naloxone available over the counter, the governor is investing in strategies to make naloxone as common as water.

## Disperse Smart Health machines

HCA will pilot approximately 20 Smart Health machines in regions with a high risk of opioid overdose. These machines will dispense essential lifesaving supplies, such as naloxone, and other public health supplies. They also have touch screen and video

conferencing capabilities so the machines can be used later to provide telehealth services in certain settings.

*(\$1.4 million Opioid Abatement Settlement Account)*

## Distribute naloxone for first responders

Naloxone is a fast-acting drug that can reverse opioid overdoses and return normal breathing within a few minutes. It is a life-saving drug and is the best chance for many who accidentally overdose. The governor proposes to fund a dedicated supply of Naloxone for first responders statewide to ensure this life-saving drug is available in emergencies.

*(\$1.3 million GF-S)*

## Enhance access to recovery support

### Expand Oxford House

Oxford Houses of Washington State is a group of self-run, self-supported recovery houses that give recovering individuals the chance to learn a clean and sober way of life. This item supports Oxford House opening six additional homes with up to 50 beds.

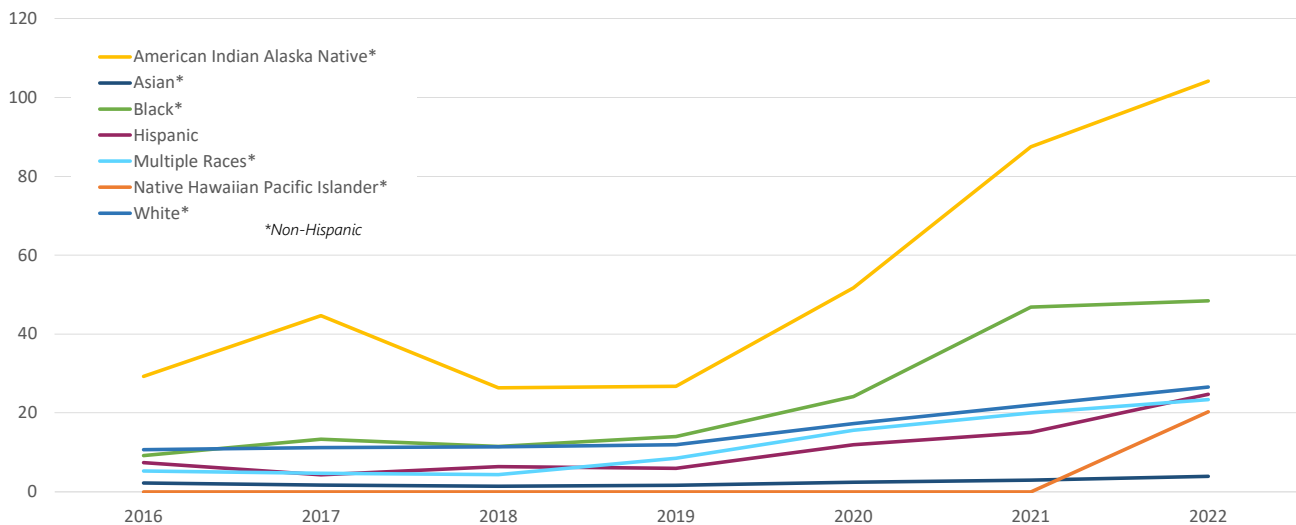
*(\$375,000 GF-S, \$375,000 GF-F)*

## Access Opioid Workforce Development Grants

This spending authority allows the Employment Security Department to access two grants awarded by the U.S. Department of Labor. These grants support disaster-relief employment and training services in Clark, Cowlitz, and Spokane counties, places significantly impacted by the health and economic consequences of opioid use, addiction, and overdose.

*(\$4.4 million GF-F)*

## Statewide age-adjusted rate of opioid overdose deaths per 100,000 population by race and ethnicity



Source: Department of Health [Opioid and Drug Overdose Data](#)

Note: Adjusted death rates level the playing field by using a mathematical formula to account for age differences. This ensures that higher rates in older populations don't skew comparisons, separating the impact of age from actual health risks.

### Support Tribal governments

#### Establish Icelandic Prevention model

The pilot implementation of the Icelandic Prevention Model for Native youth is grounded in the understanding that substance use is largely a social and environmental issue – not just an individual one. This model advocates for community-driven initiatives aimed to reduce substance use and enhance the health and well-being of young people.

(\$670,000 GF-S, \$330,000 GF-F)

#### Support Tribal public health campaign

The governor proposes funding *For Native Lives*, a campaign that raises awareness in tribal communities about opioid misuse prevention, overdose response,

and treatment. Geared to multiple age groups, this campaign educates people on how to use naloxone, find drug treatment, help people who are in recovery and prevent addiction.

(\$2 million GF-S)

#### Fund Tribal Fentanyl Summit

Tribes are enduring opioid overdose fatalities at four times the state death rate for the public. This investment funds an annual summit that brings Tribal leaders, the governor, and state agency leaders together to discuss the impact and resolution of the opioid crisis on Native communities across Washington.

(\$250,000 GF-S, \$500,000 Opioid Abatement Settlement Account)

## Support *Rise Above* operations

Provide operational support to *Rise Above*, a statewide and Native-led nonprofit that empowers Indigenous youth, ages 5 to 18, to lead healthy lives amidst various challenges. The organization uses a unique sports-based programming rooted in pro-social, multigenerational, and culturally-relevant substance use prevention programs.

*(\$750,000 Opioid Abatement Settlement Account-State)*

## Strengthen law enforcement efforts

### Boost multijurisdictional task forces

This funding will backfill the Byrne Justice Assistance Grant (Byrne JAG) program, which will stop providing federal grants in 2025. These funds are crucial for supporting local teams, known as multi-jurisdictional task forces (previously called “drug and gang task forces”). These task forces play a key role in addressing drug distribution.

*(\$2.7 million GF-5)*



# Opioid strategic agenda

## Summary of investments, 2024 supplemental operating and capital budgets

Focus Area	Items	Agency	Amount
<b>Youth and Education</b>	Community and School Prevention Services	Health Care Authority: Community Behavioral Health	\$6,100,000
	Tribal Supports – Icelandic Model	Health Care Authority: CBH	\$1,000,000
	Tribal Fentanyl Summit	Health Care Authority: CBH	\$750,000
	Rise Above Operational Support	Department of Health	\$750,000
	Behavioral Health Supports	Office of Superintendent of Public Instruction	\$2,355,000
	Update Opioid Prevention Standards	Office of Superintendent of Public Instruction	\$125,000
	Opioid/Fentanyl Public Health Campaign	Department of Health	\$3,000,000
	Tribal Public Health Campaign	Health Care Authority: CBH	\$2,000,000
	Child Welfare Public Health Nurse Pilot	Department of Children, Youth and Families: CW	\$1,350,000
	Child Care Contract Infant Slots	Department of Children, Youth and Families: CW	\$1,597,000
	Safety Plan Participants	Department of Children, Youth and Families: CW	\$1,515,000
	Home Visiting Contracted Child Welfare Slots	Department of Children, Youth and Families: EL	\$1,600,000
<b>Total</b>			<b>\$22,142,000</b>
<b>Health Hubs</b>	Health Engagement Hub Acceleration	Health Care Authority: CBH	\$1,000,000
<b>Total</b>			<b>\$1,000,000</b>
<b>Overdose prevention and Naloxone Access</b>	Smart Health Machines	Health Care Authority: CBH	\$1,440,000
	Naloxone for First Responders	Department of Health	\$1,250,000
<b>Total</b>			<b>\$2,690,000</b>

Focus Area	Items	Agency	Amount
<b>Access to Opioid Treatment Programs</b>	Sublocade Access	Health Care Authority: CBH	\$3,000,000
	Opioid Treatment Program Expansion Grants	Department of Commerce (Capital)	\$5,000,000
	MOUD in Jails Program	Health Care Authority: CBH	\$7,361,000
	MOUD in Correctional Institutions	Department of Corrections	\$4,700,000
	Opioid Treatment Facility Pool	Department of Commerce (Capital)	\$5,000,000
	Opioid Recovery and Care Access Center	Health Care Authority: CBH (Operating)	\$1,500,000
	Opioid Recovery and Care Access Center	Department of Commerce (Capital)	\$3,500,000
	<b>Total</b>		
<b>Recovery supports and services</b>	Oxford House Expansion	Health Care Authority: CBH	\$750,000
	Opioid Workforce Development Grant	Employment Security Department	\$4,404,000
<b>Total</b>			<b>\$5,154,000</b>
<b>Strengthening Law Enforcement</b>	Multijurisdictional Task Forces	Department of Commerce	\$2,700,000
<b>Total</b>			<b>\$2,700,000</b>
<b>Grand Total</b>			<b>\$68,747,000</b>

# Housing/Homelessness

*Housing prices remain one of the greatest challenges for many families and workers in Washington. Washington's strong economy has attracted well-paid workers from around the world, but it's also strained the ability of communities to build enough housing. Recognizing the scale of the challenge, Gov. Jay Inslee and legislators went big on housing in 2023. Historic new investments will create more than 13,200 homes for people with lower incomes over the next six years. Legislators expanded emergency housing and shelter options to support about 2,300 people experiencing homelessness. But the need continues to grow. More renters than ever are facing the prospect of eviction, and the number of people living along public rights of way is still too high. Washington has enacted new housing approaches that work and this budget proposes further housing actions.*

## Affordable housing and homelessness

Washington needs over a million additional housing units by 2044 to keep up with the state's growing population, according to a 2023 Department of Commerce [housing need projection](#). The majority of those homes must be affordable to workers and families earning below their area's median wage. About one-third of households in Washington spend **more than** 30% of their income on housing, which is above the traditionally accepted affordability standard.

Demand for housing is already high — the statewide apartment vacancy rate is 3.8%. While it's much lower than the national average of 5.8%, the demand leaves renters vulnerable to increases in rent and high prices. Over the past two years, eviction rates have steadily increased across Washington, especially in our most populous counties.



Gov. Jay Inslee tours the new Franz Anderson Tiny Home Village in Olympia. The 50-plus unit tiny home village sits on a property purchased by the City of Olympia and Thurston County.

Inslee and legislators have recognized the urgency of Washington's housing challenges. They have steadily increased funding for housing since 2013, with notable new investments in 2021 and 2023. The 2023-25 biennial budgets included historic investments totaling over \$1 billion, including \$400 million into the Housing Trust Fund that will construct nearly 13,200 affordable units over the next six years and preserve 1,000 existing affordable units. The operating budget expanded temporary rental assistance, supported homeless youth programs, and prevented shelters from closing due to lapsing federal COVID-19 relief funding.

Legislators also created the Covenant Homeownership program to address historical harms caused by racially restrictive housing laws. A study is underway investigating housing discrimination against marginalized communities in Washington, the role government institutions had in that discrimination, and potential remedies. Based on the study findings, an additional document recording fee would fund a Special Purpose Credit program.

## **Bolster the state's encampment efforts**

Unfortunately, many traditional housing programs take years or decades to complete buildings. To address the growing challenges facing unhoused populations, Inslee launched his 2022 Rights of Way Safety Initiative, moving unhoused communities living on unsafe state-owned rights of way into transitional housing.

The 2023-25 biennial budgets included \$60 million to continue the program and update its scope to an Encampment Resolution program addressing encampments beyond state rights of way, but the funding was not enough to resolve additional encampments. Since the Right of Way Safety Initiative launched in spring 2022, state agencies and local partners have closed 30 encampments along state freeways and moved more than 1,000 people into safer, supportive housing and shelter options.

The Rights of Way Safety initiative builds on existing Rapid Capital Housing Acquisition (RCHA) efforts. RCHA funding has been one of the most crucial components in the state's ability to rapidly purchase property and convert it into suitable housing. The Department of Commerce works with local partners to purchase hotels for conversion, create tiny home villages, and pursue other projects addressing the immediate housing needs of people living in encampments.

In his supplemental budget, the governor proposes to invest \$100 million for RCHA, which would create an additional 1,350 units for people moving out of encampments. This would bring the total units created through this program to more than 3,300.

## **Department of Commerce Enhance the Rapid Capital Housing Acquisition program**

The RCHA program allows the Department of Commerce to quickly purchase property that can be used to house people experiencing homelessness. The emergency housing available through this program includes hotels converted into apartments, tiny home villages, pallet shelters, enhanced shelters with services, and more. The governor's proposed budget would support an estimated 550 units of permanent supportive or transitional housing, 600 manufactured homes and 200 tiny homes or pallet shelters.

The majority of the funding will pay for converting hotels into apartments equipped with kitchens, retrofitting properties and buildings, updating electrical and plumbing systems, and transforming acquired properties into suitable housing environments. In acquiring manufactured home parks, the RCHA program also preserves existing affordable housing so that current tenants — many elderly — can stay in their homes.

*(\$100 million bonds)*

## **Create more housing for people**

## with intellectual and developmental disabilities

A [2022 report on housing needs](#) found many adults with Intellectual and Developmental Disabilities (IDD) in Washington face housing insecurity. Underproduction of affordable housing exacerbates challenging housing conditions for people with intellectual and developmental disabilities. The lack of affordable housing also limits choices for more independent living options and impacts quality of life. To alleviate the problem, the governor's budget funds an additional \$4.5 million for IDD housing that will produce approximately 25 affordable and accessible housing units.

*(\$4.5 million Washington Housing Trust Fund)*

## Department of Transportation Maintain encampment resolution efforts

The governor's supplemental budget includes funding for the Department of Transportation to coordinate efforts to clear debris and hazardous materials from state-owned rights of way and maintain cleared encampment sites. This funding is in addition to \$7 million from the 2023-25 budget and is necessary to continue this work.

This item also appears in the Transportation section of the budget highlights.

*(\$10 million Motor Vehicle Account-State)*

## Department of Natural Resources Bolster the Trust Land Affordable Housing Development project

Housing has not traditionally been pursued by the Department of Natural Resources (DNR). With the growing housing crisis, DNR is looking to advance housing projects on its zoned residential lands that aren't effectively generating revenue for the trust and are best suited for housing development. The governor's budget provides DNR with funding to



*Quinalt artist Stephan Smith invited Jay Inslee to paint a small portion of his new mural outside the Civic Hotel, now home to more than 70 residents moved out of unsafe roadside encampments and into supportive housing through the Right of Way Safety Initiative.*

start improving infrastructure on its Meridian Ave site in Bothell and other sites statewide. This includes connecting up to 150 potential housing units to drinking water and sewer access in areas that greatly need new middle-income housing. This innovation addresses the affordable housing crisis by putting residentially zoned public lands to use in a more meaningful way.

This investment also provides DNR with funding to conduct feasibility studies and pre-design on other DNR lands for potential development and housing partnerships. Ideally, this will generate low- to middle-income housing developments.

*(\$2.3 million bonds)*

## Department of Commerce (Housing Division)

### Create housing emergency fund

Funding would create a new grant for cities, counties and nonprofit organizations supporting individuals needing emergency housing assistance. This support includes short-term rental assistance, covering moving costs and other one-time costs associated with identifying and obtaining housing, or providing temporary shelter during a crisis or when people



have been displaced. Entities that demonstrate how they serve certain populations such as families with children, pregnant individuals or other medically vulnerable individuals will get priority.

The Office of Civil Legal Aid (OCLA) is receiving \$3 million in non-revisable funding to hire additional attorneys. The OCLA provides critical legal aid to low-income tenants facing eviction and has seen a 100% increase in eviction filings.

*(\$2.5 million General Fund-State)*

## Support local housing programs

The document recording fee is a county assessment on property purchases or refinances. It's one of the main sources of revenue used by state and local governments to combat homelessness. The revenue from the document recording fee has declined significantly in recent years and funding in the 2023-25 biennial budget was provided to address this shortfall. However, as costs increase and federal funds lapse, counties still experience resource constraints. Additional funding would provide grants to local governments, preventing the closure of affordable housing and homelessness programs. The department would prioritize grants for local emergency shelters and transitional housing programs that are at the highest risk of closing.

*(\$10 million GF-S)*

## Maintain Landlord Mitigation and Tenant Preservation programs

The Landlord Mitigation program provides landlords with a financial incentive to work with tenants receiving rental assistance. Through the program, landlords can apply for two types of support. One, they can apply to receive up to \$1,000 and a reimbursement of 14 days of lost rent while they make upgrades to units, making them more suitable for living. And two, they can apply to receive up to \$5,000 for damages that the tenant caused.

The Tenancy Preservation portion of the program compensates landlords for back-owed rent during the process of a tenant getting evicted, enabling the tenant to remain housed. The Landlord Mitigation program is funded with a \$3 portion of the document recording fee. Not enough revenue meant the Tenant Preservation program turned away otherwise eligible applicants and has been closed since June 2023 because of insufficient funds. Additional resources will bolster the Landlord Mitigation program and the Tenant Preservation programs. These will serve approximately 240 households, helping individuals remain stably housed.

*(\$7.5 million GF-S)*

## House human trafficking victims

The Office of Crime Victims Advocacy within the Department of Commerce funds programs serving people who have experienced domestic violence, sexual assault, trafficking, and other types of crimes. The proposed funding increases housing support services for these individuals, including rent assistance and other help that advocates provide to reduce housing barriers for victims of labor and sex trafficking. This investment doubles existing housing support funding for human trafficking victims.

*(\$1.5 million GF-S)*

## Design a Youth Direct Cash program

Youth 'direct cash programs' are a proven way to reduce housing instability, boost savings, increase school attendance, and contribute to improved mental health among youth experiencing homelessness. These programs are more cost effective than traditional youth homelessness interventions, require low overhead and are easily accessible. The proposed budget would establish collaboration between key stakeholders and people with lived experience of homelessness by designing a way for Washington youth to have more direct access to cash.

*(\$550,000 GF-S)*



# Housing and homelessness strategic agenda

Summary of investments, 2024 supplemental operating and capital budgets

Focus Area	Items	Agency	Amount
<b>Capital</b>	Rapid Capital Housing Acquisition program	Department of Commerce	\$100,000,000
	Housing for Intellectual & Developmental Disabilities (IDD) Community	Department of Commerce	\$4,500,000
	Trust land affordable housing development project	Department of Natural Resources	\$2,253,000
<b>Total</b>			<b>\$106,753,000</b>
<b>Operating</b>	Housing Emergency Fund	Department of Commerce	\$2,500,000
	Support local housing programs	Department of Commerce	\$10,000,000
	Landlord Mitigation and Tenant Preservation programs	Department of Commerce	\$7,500,000
	Housing for human trafficking victims	Department of Commerce	\$1,500,000
	Youth Direct Cash program	Department of Commerce	\$550,000
	Trust Land Affordable Housing Development	Department of Natural Resources	\$2,000,000
	<b>Total</b>		
<b>Transportation</b>	Rights of Way Initiative	Department of Transportation	\$10,000,000
<b>Total</b>			<b>\$10,000,000</b>
<b>Grand Total</b>			<b>\$140,803,000</b>

# Climate

*“Why do we need to act now? The reason is clear: The number of billion-dollar climate disasters are on the rise – wildfires, droughts, floods, winter storms and more are raging through communities at a higher rate with more intensity than ever before.*

*This year has already been the most expensive in terms of damage from extreme weather events that cost more than \$1 billion each. From Hawaii to Florida, that’s a record 23 climate disasters totaling \$58 billion in damages. And the year isn’t even over.”*

*- Gov. Jay Inslee*

## **Making polluters pay and investing the benefits in Washington communities**

Washington stands as a national leader in fighting climate change, enacting policies that will reduce the harmful pollution that contributes to the climate crisis, while building a clean energy economy.

Washington’s progress includes requirements for 100% clean electricity, cleaner fuels, more efficient buildings that run on clean energy, and enactment of the Climate Commitment Act, which created a cap-and-invest program that reduces climate pollution and generates revenue for investments in clean energy and nature-based climate solutions. In the 2023 legislative session, \$2.1 billion of Climate Commitment Act revenues were appropriated to reduce greenhouse gas emissions and address the impacts of climate change. The state targets many of these investments to the communities that have disproportionately borne the burden of pollution and the climate crisis, ensuring they will benefit as we transition to clean energy.



*Ryan Shepp, a worker at Small Planet Supply, benefited from a Job Skills Program by receiving paid training on laser cutting to help him learn to make custom parts. The business, based in Tumwater, makes products to improve the energy efficiency of buildings, including high-capacity heat pumps for apartment and office complexes.*

While Washington builds a clean energy future in the face of the climate crisis, fossil fuel companies are enjoying record profits and working to weaken our climate laws. For the 2024 legislative session, Gov. Jay Inslee is proposing legislation to require transparency for oil industry profits and hold industry accountable for harm to consumers. Inslee also proposes new investments of \$941 million in climate and clean energy, with \$900 million from Climate Commitment Act revenues. These investments will:

- Create jobs in the clean energy sector and attract innovative clean energy businesses to Washington.
- Reduce harmful air pollution in schools, homes and outdoors, especially in the communities that need it most.
- Reduce energy costs, especially for low-income families.

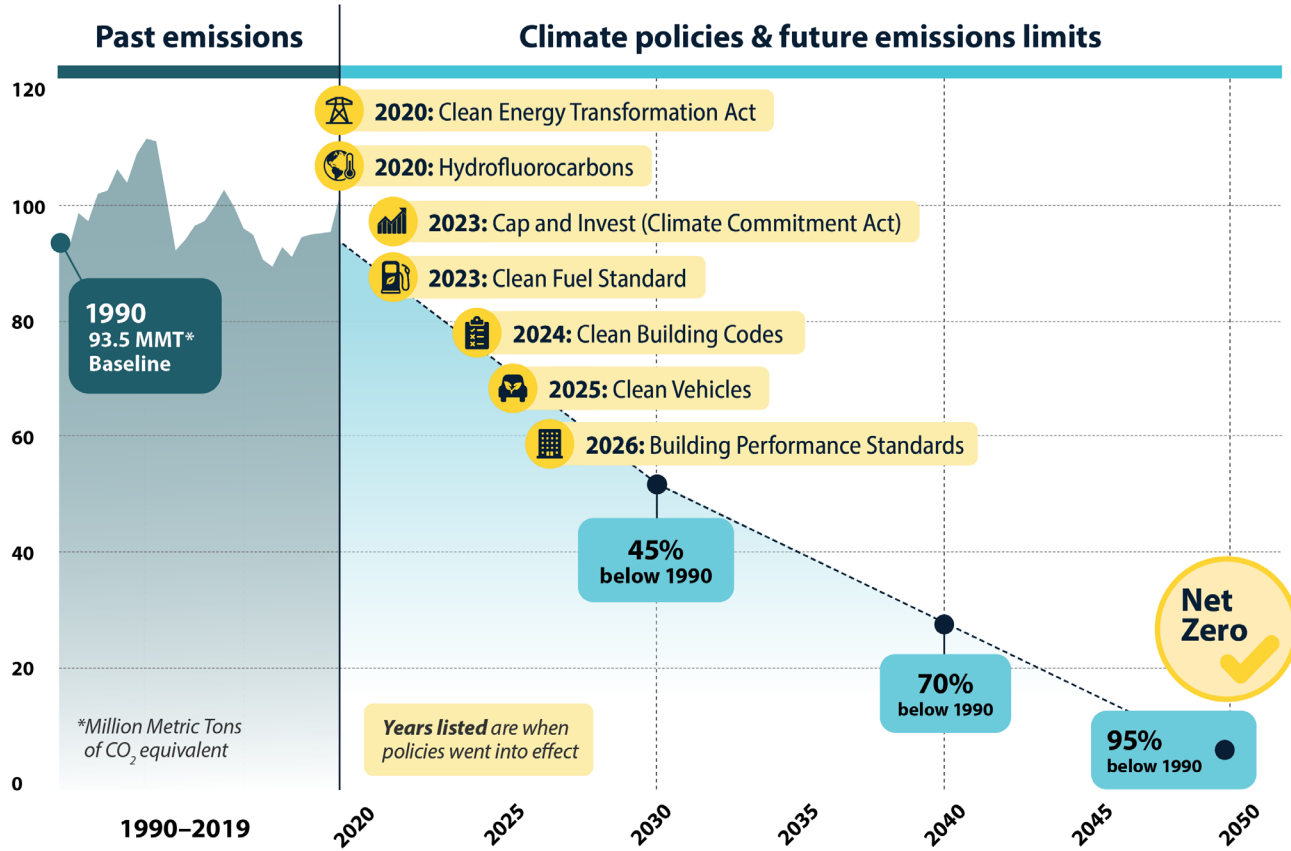
- Expand clean transportation options that reduce dirty smog.

Across these programs, [\\$366 million \(or 41%\) will benefit vulnerable communities and those historically hit hardest by pollution.](#)

## Require transparency and accountability from the oil industry

Long before Washington’s climate policies were enacted, the Washington and others on the West Coast have seen dramatic swings in gas prices. Oil companies have sharply raised prices at the pump while making record profits. In 2022, five oil giants made a record-breaking \$200 billion in profits. Yet, gas prices are simply a black box to consumers, allowing the oil industry to blame their high prices on pollution clean-up laws, even as they make record profits. Inslee

# How Washington is cutting pollution 95% by 2050



proposes legislation to hold polluters accountable by requiring them to release detailed pricing and transaction data. The legislation would also establish a division within the Utilities and Transportation Commission with legal powers to oversee oil industry pricing; enact measures protecting consumers from greenwashing; and impose increased penalties when transportation fuel sellers break the law.

*(\$8.1 million General Fund-State, \$237,000 Motor Vehicle Account)*

## **Facilitate linking our cap-and-invest program with California and Québec**

When the Legislature passed the governor-requested Climate Commitment Act in 2021, it directed the Department of Ecology to pursue linking our cap-and-invest program with similar markets elsewhere if it would benefit Washington and protect overburdened communities. After significant Tribal, community, and stakeholder engagement, Ecology in November 2023 decided to pursue connecting the Washington program to programs in California and Québec. This would create a larger, more liquid carbon allowance market. It would provide price stability and assurances to participating businesses that would incentivize wise, long-term strategies to reduce emissions. A common market would also align the goals and mechanisms Washington uses to decarbonize its economy with our peers, ensuring that the combination is greater than the sum of its parts in influencing climate policy and advancing a clean energy economy.

The Department of Ecology requests legislation that would facilitate linking, while maintaining the strength of Washington's program to reduce climate pollution and advance equity. The legislation is part of a process that includes discussions with California and Québec on how the programs could be connected. It also includes conducting an environmental justice assessment and opportunities for public input and resolving potential issues. The soonest Washington

could operate as part of a linked market would likely be late 2025.

*(\$3.5 million Climate Investment Account)*

## **Reduce dependence on fossil fuels**

As global oil and gas prices continue to rise, gas utility customers will likely see their bills increase. Those who have the means to switch to highly efficient, affordable electric alternatives will do so, burdening vulnerable populations and renters with the remaining costs of stranded gas infrastructure. With our historic, nation-leading climate laws and regulations, we are rapidly decreasing emissions from fossil fuels. Passage of ESHB 1589 (Supporting Washington's clean energy economy) is a critical component to reduce emissions. The legislation charts a path for our state's largest gas utility to responsibly exit the fossil fuel industry by limiting the expansion of methane gas use and sunseting gas infrastructure in a way that minimizes the cost and stress of stranded assets. This would also enable Washingtonians to transition to zero-emission alternatives while maintaining grid reliability and affordability, particularly for low-income ratepayers.

## **Advance environmental justice and reduce the impacts of climate change on those it hurts the most**

### **Protect children's health and improve school air quality**

School buildings struggle to keep up with rising temperatures and wildfire smoke, adversely impacting our children's health. This new program will provide grants to school districts to replace deteriorating heating, ventilation, and air conditioning (HVAC) systems, and undertake energy efficiency upgrades, air filtration enhancements, and general air quality improvements. This will make it easier for kids to learn safely and comfortably. The program will prioritize school districts serving Tribes and vulnerable populations in overburdened communities.

*(\$20 million Climate Commitment Account, \$20 million Common School Construction Account)*





Electric school buses (such as these used by Highline School District), reduce vehicle-based air pollution. This creates safer, cleaner transport for kids.

## Clean school transportation

Diesel school buses pose significant health risks for children, such as increased asthma rates. This program incentivizes the transition of diesel school buses and other student-transport vehicles operated in Washington to electric zero emissions, as well as the necessary charging infrastructure needed for electric zero emissions student transportation. School districts serving Tribes and vulnerable populations in overburdened communities will be prioritized for funding.

*(\$31 million Climate Commitment Account)*

## Create Clean Communities program

The Department of Commerce will expand the Clean Energy Fund to include a Clean Communities program aimed at developing community-driven,

neighborhood-scale sustainability projects in low-income and overburdened communities. State Clean Energy Ambassadors will help government and community leaders of vulnerable and overburdened communities to develop and implement these projects. This includes energy efficiency improvements and renewable energy generation. It will also increase the supply of affordable, energy-efficient housing, zero-emission transportation infrastructure while including active- and micro-mobility, education and engagement, and workforce development.

*(\$110 million Climate Commitment Account)*

## Provide energy vouchers for low- and moderate-income residents

This new program will provide low- and moderate-income Washingtonians with a one-time \$200 credit on residential electricity bills to offset rising oil and gas

prices. This program will reduce the energy burden for hundreds of thousands of Washingtonians. It is intended to complement the \$115 million in building decarbonization investments made by the Legislature last session and the additional \$100 million proposed below for multifamily housing retrofits. These items provide long-term energy bill savings through energy efficiency improvements and installing high-efficiency electric appliances and equipment.

*(\$150 million Climate Commitment Account)*

### **Increase Tribal capacity grants**

State and federal funding opportunities continue to grow under the Climate Commitment Act and new federal funds for clean energy and climate. Tribes generally do not have sufficient staff capacity to meaningfully engage in these climate resiliency and greenhouse gas emission reduction programs. Additional funding will increase capacity for Tribes to address their climate and energy priorities.

*(\$10 million Climate Investment Account)*

### **Facilitate community assemblies**

Funding will support the Department of Social and Health Services to facilitate public assemblies, hosted by community-based organizations. These assemblies elevate community solutions and expertise on funding and policy solutions to transition Washington toward a more equitable and climate-resilient state.

*(\$1 million Climate Commitment Account)*

### **Offer grant writing support**

Established in 2023 through federal funding, the University of Washington's Thriving Communities Technical Assistance Center helps overburdened communities and Tribes access state and federal funding dedicated to advancing environmental justice. State funds will support this program to ensure that Washington Tribes and communities have grant writing support.

*(\$263,000 Climate Commitment Account)*

### **Health Equity Zones**

Established through legislation in 2021, Health Equity Zones focus on creating a mechanism for communities most impacted by health inequities to improve outcomes at a local level. This initiative, with three pilot zones (rural, urban, and Tribal) uses community selected advisory councils to identify priorities and interventions to reduce health disparities. Funds will support the first three zones in identifying and launching initial projects.

*(\$154,000 GF-S, \$150,000 Climate Commitment Account)*

### **Implement the HEAL Act**

The state is working diligently to implement the Healthy Environment for All (HEAL) Act, which directs seven state agencies to work to eliminate environmental and health disparities across Washington. Additional staff and capacity are provided for the Environmental Justice Council and the Department of Health to meet HEAL Act requirements.

*(\$1.2 million Climate Commitment Account)*

### **Frequent accessible transit studies**

The public transportation division within the Department of Transportation will conduct the research outlined in the department's 2023 frequent transit service study. The department will define levels and types of demand-response service and measure access to these services within Washington. The department will also collect data and develop systems to achieve more accurate and precise analysis of disparities in access to public transit. This effort will focus on accessibility and inclusion of people with disabilities, and vulnerable populations in overburdened communities.

*(\$900,000 Climate Transportation Partnership Account)*





Gov. Inslee visits a 12-unit affordable housing project being built by Habitat for Humanity in Lakewood, WA, along with the builders, City of Lakewood officials, and a homeowner-to-be. The new construction is built with help from state funds, and uses energy-efficient materials and features, which will help those who live in the homes save money for years to come..

## Decarbonize the building sector

### Install heat pumps and retrofit affordable multifamily housing

Improving home energy efficiency and indoor air quality for our vulnerable communities is critical to ensuring their health and comfort, particularly for tenants who depend on building owners for home improvements. Organizations that own or develop affordable housing often lack capacity and resources. This funding increases incentives for affordable multifamily buildings, enabling building owners to comply with the Clean Buildings Act by undertaking benchmarking, energy management, operations and maintenance planning, retrofits, energy efficiency upgrades, and installing high-efficiency electric appliances, equipment and heat pumps.

*(\$100 million Climate Commitment Account)*

### Improve access to energy assistance

Rebate and incentive programs for energy efficient appliances and home retrofits are offered by a wide variety of organizations, making it difficult for Washingtonians to know what assistance is available and how to apply. The Department of Commerce will establish a Statewide Building Energy Upgrade Navigator program to help homeowners and building owners access electrification and energy efficiency services and funding. This enables Washingtonians to improve the health and comfort of their living and workspaces while reducing emissions, creating jobs and business opportunities, and growing the building sector workforce.

*(\$7 million Climate Commitment Account)*

### Energy efficiency and campus renewal projects

Eleven projects will help transition state universities

away from fossil fuels and improve energy efficiency, including at the University of Washington, Central Washington University, Eastern Washington University and the Community and Technical Colleges.

*(\$72 million Climate Commitment Account)*

## Advance clean energy in state parks

State Parks will continue to advance its efforts to reduce greenhouse gas emissions. This includes investing in equipment electrification and energy assessments of historic buildings and impacts from climate change on coastal parks.

*(\$1.8 million Climate Commitment Account; \$300,000 Natural Climate Solutions Account)*

## Advance clean transportation and electric vehicles

### Build rapid highway EV charging

The Department of Transportation will build on its successful program installing fast chargers for electric vehicles along state highways to increase access and convenience for drivers. This program leverages and expands federal funding from the Inflation Reduction Act, which aims to install electric vehicle charging stations every 50 miles along interstate highways across the country.

*(\$20 million Carbon Emissions Reduction Account)*

### Work toward zero-emission state fleet

In November 2021, Inslee issued Executive Order 21-04 to fully electrify the fleet of state agency vehicles. The order requires agencies to transition to a 100% zero-emission light duty fleet by 2035, and transition to 100% zero-emission medium- and heavy-duty state fleets by 2040. The governor's budget provides additional funding for state agencies to install the necessary charging infrastructure, maintain chargers and reduce financing costs for electric utility vehicles.

*(\$28 million Carbon Emissions Reduction Account)*

## Electrify Washington State Ferries

Washington State Ferries is converting three Jumbo Mark II vessels from diesel to hybrid electric. Funding will support converting the third of the three vessels. These ferries serve the most densely populated urban areas in the central Puget Sound and produce 26% of the fleet's annual greenhouse gas emissions. Each conversion will reduce emissions by nearly 50,000 metric tons a year with the first vessel scheduled to sail in fall 2024.

This item also appears in the transportation section of the budget highlights.

*(\$11.2 million Carbon Emissions Reduction Account)*

## Support Kitsap Transit electric passenger ferry

Kitsap County Transit is developing a new zero-emission, hydrofoil passenger ferry to operate between Bremerton and Seattle. Hydrofoil boats have the technology to lift up and out of the water. This funding will enable Kitsap Transit to complete design



*U.S. Secretary of Transportation Pete Buttigieg toured the Mukilteo ferry terminal with Gov. Inslee in July. The Mukilteo-Clinton route will feature two hybrid-electric ferries, charged at a station in Clinton in the 15 minutes it takes to load and unload passengers.*

work and secure final approval from the U.S. Coast Guard to construct the electric hydrofoil ferry.

*(\$4 million Carbon Emissions Reduction Account)*

### Provide Tribal grants for electric boats

This new program provides federally recognized Tribes with grants to purchase electric boats and motors. This continues cultural and fishing practices while reducing air pollution.

*(\$5 million Carbon Emissions Reduction Account)*

### Develop clean energy and jobs

#### Leverage federal funding for green jobs and infrastructure

There are many federal grants currently active or expected in the coming years that directly address climate change and technologies used to fight it. Washington has traditionally underperformed in securing these competitive federal resources because it has limited or no ability to provide state matching funds. Meanwhile, there are companies that consider

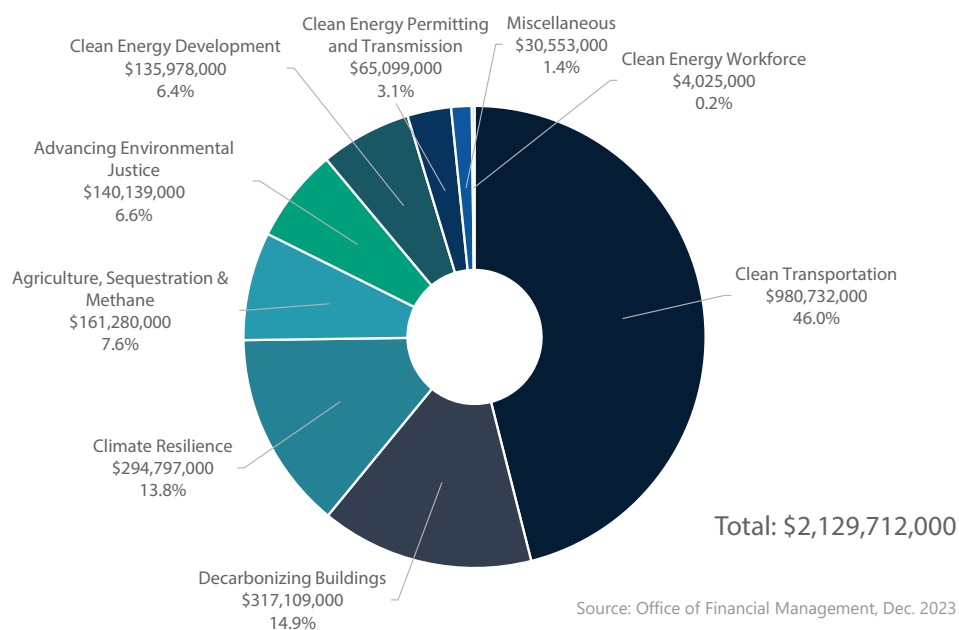
investing and locating in Washington specifically for our clean energy supply and policies, combined with new federal funding. State funding will make Washington more competitive for federal funding opportunities pursued by local governments, Tribes, school districts, utilities, ports, non-profits, private industry, research, and academic institutions. Forty percent of the funds will:

- Pay for grants to support projects that demonstrate high-wage, clean job creation in Washington.
- Provide risk reduction for investments in public and private infrastructure to enhance industrial lands to increase a community's capacity for clean manufacturing.
- Provide investments in workforce development to attract and train the workforce required to grow the clean energy economy.

Funding is also provided for the Department of Commerce to support access to the program and to flexibly administer it.

*(\$136.5 million Climate Commitment Account)*

**How Climate Commitment Act money was allocated in the 2023-25 enacted budget**







*This De-Havilland Dash 8–300, the largest hydrogen-powered plane yet to fly, at Grant County International Airport. The plane is propelled by an electric motor developed by Everett-based magniX running on a hydrogen fuel cell system developed by Spokane Valley-based Plug Power. The airframe is already in popular use; the experiment shows that sustainable aircraft are very nearly ready for commercial use.*

## Support Tribal Clean Energy Innovation and Training Center

Tribes have an important role to play in the transition to clean energy, from owning clean energy resources to working in clean energy jobs. Funding will support a Tribal Clean Energy Innovation and Training Center in partnership with and located at Northwest Indian College. The center aims to support Tribal energy goals and pursue clean energy deployment opportunities that enhance Tribal energy sovereignty and well-being among Tribes. The center will:

- Develop technical training offerings that build the tribal workforce pipeline.
- Research and demonstrate the feasibility of innovative clean energy technologies that also nourish and protect the environment.
- Create a model for tribal clean energy centers that can be adopted by other tribal colleges in the region to establish clean energy deployment and land use best practices built on Tribal knowledge.

*(\$2 million Climate Commitment Account)*

## Accelerate circular economy

Additional grants will be provided through the Department of Commerce’s Industrial Symbiosis

program to advance the reuse of industrial waste that will help achieve statewide waste and greenhouse gas emission reduction targets.

*(\$5 million Climate Commitment Account)*

## Continue Innovation Accelerator pilot

The Innovation Cluster Accelerator program (ICAP) is a pilot program that the Department of Commerce operates. It provides workshops, technical assistance, and grants to develop industries and new and emerging innovation clusters in rural and underserved areas of the state. State investments will continue the program so Washington can make strategic and focused investments to grow the key clean technology and climate sectors.

*(\$2.7 million Climate Commitment Account)*

## Support Nisqually Indian Tribe microgrid system

The Nisqually Tribe spent the past several years developing an energy sovereignty plan for its reservation. A state match will help the Tribe design and develop a microgrid system to power their facilities, transportation facility complex, and adjacent wastewater treatment plant.

*(\$4 million Climate Commitment Account)*



*Gov. Jay Inslee with Erina Dougherty, a graduate of Big Bend Community College in Moses Lake, which led her to a career in maintaining aircraft. She’s now on the crew maintaining the hydrogen-powered Dash 8–300.*

## Expand clean energy education and electrical apprenticeships

Integrating climate solutions and a climate justice curriculum into all of Washington's community and technical colleges gives students across the state better access to the emerging green economy. Funding will continue expanding programs for students to train in clean energy jobs and to support environmental justice initiatives. Additional support through the Department of Labor and Industries will increase access for workers undertaking electrical apprenticeships to support the transition to clean energy.

*(\$2.5 million Climate Commitment Account, \$6 million Workforce Education Investment Account)*

## Support offshore wind supply chain

Offshore wind development is on the rise in the United States, and Washington has an opportunity to manufacture and export components, including turbines and floating platforms. Support will help the Department of Commerce study Washington's needs related to public infrastructure and workforce for the offshore wind supply chain. Funding will also support the Blue Wind Collaborative's work to enhance Washington's participation in the west coast-wide floating offshore wind supply chain.

*(\$750,000 Climate Commitment Account)*

## Provide green hydrogen technical assistance

The Pacific Northwest Hydrogen Association was recently awarded a \$1 billion federal Hydrogen Hub grant. Building on an analysis the Legislature requested in 2022, the Department of Commerce will:

- Develop plans to test hydrogen combustion and resulting nitrogen oxides (NOx) emissions.
- Provide technical assistance for strategic end uses of hydrogen.
- Conduct a feasibility assessment on underground

storage of hydrogen in Washington.

- Create an environmental justice toolkit for hydrogen projects.

*(\$1.1 million Climate Commitment Account)*

## Maximize federal climate and clean energy funding

The passage of the federal Infrastructure Investment and Jobs Act (IIJA), Inflation Reduction Act, and the Creating Helpful Incentives for Semiconductors Act (CHIPS and Science Act) creates enormous opportunity to bring billions of dollars in federal funding to Washington. These funds will advance state goals around climate, clean energy, natural resource protection, good jobs, equity and economic development. While state government will compete for significant grant funds, most dollars from these laws will flow to consumers, businesses, Tribes, local governments, community-based and nonprofit organizations, ports, utilities and others. This will be in the form of grants, loans, rebates, tax incentives, and a new IRS mechanism called Direct Pay for otherwise tax-exempt entities.

Funding will build tools for and support state government and external partners across Washington to maximize the federal dollars coming in. Climate Commitment Act funds and our strong climate, clean energy, and equity policies make Washington especially competitive for success, with the right tools and strategies in place to make it happen.

## Provide federal grant writing and technical support

Many entities need additional capacity and technical support to make the most of federal funds. Funding is provided for Department of Commerce staff and third-party contractors to support grant writing and reporting, as well as tax advice and assistance, to organizations, Tribes and local governments across the state.

*(\$12 million Climate Commitment Account)*



Fish passage projects like this one on Baxter Creek in Cowlitz County replace culverts and restores access to valuable habitat for salmon. (Photos: Washington State Recreation and Conservation Office)

## Develop website and outreach for grants and incentives

Those seeking state and federal funding need an accessible, one-stop shop to find opportunities that fit their needs. With new entities now eligible, there is a need to make sure people know about the opportunities, especially low-capacity organizations and communities not well-served by existing systems. The Department of Commerce will build a web portal that helps grant seekers find all state and federal grant and incentive opportunities in the energy, climate, and clean technology sectors. Funding is also provided for a marketing and outreach campaign. This will encourage more people and organizations to participate.

*(\$4 million Climate Commitment Account)*

## Support grant writing and build database

The state has a dual role as a grant seeker and a facilitator of others seeking federal funding. There is a strong need for increasing capacity and tools to better track and apply for federal funding opportunities. Funding is provided for federal flexible grant-writing capacity at the Office of Financial Management to assist state agencies. Funding is also provided for a database that allows state agencies to track federal

funding opportunities, ensuring they are not missed.

*(\$2 million Climate Commitment Account)*

## Hire federal funding coordinator

A coordinator is needed to maximize the benefits of federal funding to Washington — both among state agencies and with external partners. Funding is provided for a position in the Office of the Governor to play this essential strategic role. This person will maximize federal funding to meet the state’s goals, which includes leveraging the use of Climate Commitment Act funds.

*(\$300,000 GF-S)*

## Make Washington more resilient to the effects of climate change

### Expand salmon habitat restoration and fish passage efforts

Additional grants will be provided through the Recreation and Conservation Office for salmon recovery projects through the Salmon Recovery Funding Board, the Puget Sound Restoration and Protection program, and the Brian Abbot Fish Passage Barrier Board.

*(\$58 million Natural Climate Solutions Account)*



## Install stormwater retrofits

The Department of Transportation will install stormwater retrofits to reduce pollution in stormwater while improving water quality and protecting coho salmon and other aquatic species.

*(\$15 million Natural Climate Solutions Account)*

## Improve Washington coast restoration and resiliency

This item enhances grant funding to improve coastal resiliency to the impacts of climate change.

*(\$7.6 million Natural Climate Solutions Account)*

## Develop forest carbon storage and sequestration projects

The Recreation and Conservation Office will establish a program to support private, Tribal, and local government landowners as they conduct management practices that go beyond regulatory requirements and increase long-term carbon storage.

*(\$5 million Natural Climate Solutions Account)*



Stormwater retrofits — like this one being installed in Vancouver, WA — reduce pollution in stormwater runoff and protect coho salmon and other aquatic wildlife.

## Upper Green River forest carbon storage

The Tacoma Public Utilities (TPU) main water source is the upper Green River watershed. A large private timberland holding has become available for purchase. TPU will begin to purchase these lands and manage older forests to protect water quality, increase carbon storage, and improve aquatic habitat for salmon.

*(\$25 million Natural Climate Solutions Account)*

## Enhance forest health and fuel reduction

The Department of Fish and Wildlife will undertake additional forest health and fuel reduction projects on agency-managed lands. This reduces wildfire risk, enhances biodiversity and increases forest resiliency.

*(\$2 million Natural Climate Solutions Account)*

## Promote agricultural carbon storage and sequestration

The Department of Agriculture will work with farms to promote management practices that increase soil health and carbon sequestration.

*(\$5 million Natural Climate Solutions Account)*

## Support farmers' use of green fertilizer

Green nitrogen fertilizer uses green hydrogen in its production rather than fossil fuels used in conventional fertilizer. The Department of Agriculture will facilitate a work group to develop recommendations for establishing a grant program that supports farmers purchasing green fertilizer produced in Washington.

*(\$250,000 Climate Commitment Account)*

## Support local sequestration and remediation projects

Grants will be provided for prairie sequestration projects in Tumwater and for property acquisition

along the Duwamish River for a future project. This project will prevent flooding, reduce stormwater pollution, and restore habitat.

*(\$3.2 million Natural Climate Solutions Account)*

### Trust Land Transfer program

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. It also provides revenue to K-12 trust beneficiaries by depositing the timber or lease value of transferred parcels into the Common School Construction Account. The land value of the transferred properties is then used to purchase replacement trust lands that have better income potential for trust beneficiaries.

*(\$8 million Natural Climate Solutions Account)*

### Conserve and restore kelp and eelgrass

The Department of Natural Resources is implementing legislation to conserve and restore kelp forest and eelgrass meadows. DNR will use additional funding to support remote sensing, stressor studies, and imagery and survey work.

*(\$593,000 Natural Climate Solutions Account)*

### Expand water use management efforts on state trust lands

The Department of Natural Resources holds over 3,000 water rights as it manages more than 1.1 million acres of agricultural land. The department will expand efforts to monitor and ensure compliance with water usage regulations by lessees and fund infrastructure improvements aimed at more efficient use, conservation, and protection of water rights. Additionally, the department will complete a water rights audit of the Odessa Subarea, where nearly 4,000 acres are directly impacted by climate change and increasing drought conditions.

*(\$500,000 Natural Climate Solutions Account, \$500,000 State Bonds, \$431,000 Resource Management Cost Account)*

### Modernize surface water mapping

Healthy riparian areas along the state's rivers and streams safeguard water quality, support healthy habitat for fish and wildlife and build resilience for our communities. The Department of Ecology will undertake a complete remapping of the state's surface water over the next five years, yielding more accurate data and mapping.

*(\$2.7 million Natural Climate Solutions Account, \$557,000 GF-S)*



*Logo that will appear alongside projects and programs funded through Climate Commitment Act dollars.*

# Climate strategic agenda

Summary of investments, 2024 Supplemental

Focus Area	Items	Agency	Amount
<b>Advancing Environmental Justice</b>	Energy Vouchers for Low Income Residents	Commerce	\$150,000,000
	Clean Energy Community Decarbonization	Commerce	\$110,000,000
	Equitable Access to Clean Air & Improving Classroom Air Quality	OSPI	\$40,000,000
	Electric School Bus Grants	Ecology	\$31,430,000
	Flexible Tribal Capacity Grants for Climate and Clean Energy Work	Ecology	\$10,064,000
	Petroleum Supply and Pricing Bill	Ecology, Dept of Licensing, UTC	\$8,392,000
	Community Assemblies	Dept of Social and Health Services	\$1,000,000
	Frequent Accessible Transit Studies	WSDOT	\$900,000
	Implementing HEAL Act	Health	\$734,000
	Environmental Justice Council	Health	\$444,000
	Health Equity Zones	Health	\$304,000
	Grant writers at UW Thriving Communities Technical Assistance Center	University of Washington	\$263,000
	Reducing Barriers to Grant Programs	Commerce	\$253,000
<b>Subtotal:</b>			<b>\$353,784,000</b>
<b>Building Decarbonization</b>	Retrofit and Heat Pump Installation for Low Income Multifamily Households	Commerce	\$100,000,000
	UW Seattle - Centralized Chilled Water Capacity Improvements	University of Washington	\$14,000,000
	Secondary Geothermal Module	Central Washington University	\$12,464,000
	UW Tacoma - Gas Boiler Replacements	University of Washington	\$8,400,000
	CBPS SBCTC Statewide: Utility Submeters for Clean Buildings Act	Community/Technical College System	\$8,374,000
	UWMC - Montlake Campus HVAC Systems Renewal	University of Washington	\$8,000,000
	Clean Energy Navigator	Commerce	\$7,000,000
	UW Bothell - Central Plant Optimization & Gas Boiler Replacements	University of Washington	\$6,500,000
Energy Efficiency Improvements	Eastern Washington University	\$5,166,000	

Focus Area	Items	Agency	Amount
	Science Building Carbon Reduction	Central Washington University	\$4,509,000
	Clean Energy & Climate Adaptation	Parks	\$2,100,000
	Community & Technical College Energy Efficiency Program	Community/Technical College System	\$2,000,000
	UWMC - NW Campus Central Utility Plant Planning	University of Washington	\$2,000,000
	Buy Clean Buy Fair	Commerce	\$1,112,000
	District Energy Systems	Community/Technical College System	\$724,000
	State Building Code Council Legal Fees	Enterprise Services	\$500,000
<b>Subtotal:</b>			<b>\$182,849,000</b>
<b>Clean Energy &amp; Workforce Development</b>	Green Jobs and Infrastructure Catalytic Funds: Federal Match	Commerce	\$84,000,000
	Green Jobs and Infrastructure Catalytic Funds: Clean Tech Manufacturing	Commerce	\$52,500,000
	Electrical Apprenticeships	Labor & Industries	\$6,000,000
	Circular Economy Acceleration	Commerce	\$5,000,000
	Nisqually Indian Tribe Microgrid System	Commerce	\$4,000,000
	Next Generation Science Standards	OSPI	\$4,000,000
	Innovation Accelerator	Commerce	\$2,678,000
	Tribal Clean Energy and Innovation Training Center	Commerce	\$2,000,000
	Career Launch Enrollment-Climate degree programs	SBCTC	\$1,500,000
	Green Hydrogen Technical Assistance	Commerce	\$1,077,000
	Integrating Climate Solutions into Education	SBCTC	\$950,000
	Green Bank Staffing	Commerce	\$800,000
	C-Pacer Technical Assistance	Commerce	\$534,000
	Offshore Wind Supply Chain Technical Analysis	Commerce	\$500,000
	Transmission Planning & Advocacy	UTC	\$497,000
	Tacoma Power Pumped Storage Feasibility Analysis	Commerce	\$350,000
	Offshore Wind Marine and Coastal Planning	Ecology	\$338,000
	Blue Wind Collaborative through Maritime Blue	Commerce	\$250,000
<b>Subtotal:</b>			<b>\$166,974,000</b>

Focus Area	Items	Agency	Amount
<b>Clean Transportation</b>	State Highway EV Charger Deployment	WSDOT	\$20,000,000
	State Fleet Electrification - Vehicle Procurement	Enterprise Services, Dept of	\$14,000,000
	State Fleet EV Infrastructure	Enterprise Services, Dept of	\$14,000,000
	Electrification Washington State Ferries	WSDOT	\$11,200,000
	Tribal Grants for Electric Fishing Boats	Commerce	\$5,000,000
	Kitsap Transit: Design and Shore Power for Electric Passenger Ferry	WSDOT	\$4,000,000
	2026 FIFA World Cup: Low Carbon Transportation Planning	WSDOT	\$1,000,000
	Clean Energy & Climate Adaptation	Parks	\$500,000
	City of Seattle: Solar EV chargers	Commerce	\$360,000
			<b>Subtotal:</b>
<b>Climate Resilience and Adaptation</b>	Salmon Recovery Funding Board	Recreation and Conservation Office	\$25,000,000
	Upper Green River Forest Carbon Storage	Recreation and Conservation Office	\$25,000,000
	Brian Abbot Fish Passage Barrier Board	Recreation and Conservation Office	\$22,000,000
	Stormwater Retrofits & Improvements	WSDOT	\$15,000,000
	Estuary and Salmon Restoration Program	Recreation and Conservation Office	\$11,000,000
	Trust Land Transfer	Natural Resources	\$8,000,000
	WA Coastal Restoration & Resilience Initiatives	Recreation and Conservation Office	\$7,560,000
	Community Forest Projects	Recreation and Conservation Office	\$5,780,000
	Agricultural Carbon Storage and Sequestration	Agriculture	\$5,000,000
	Forest Carbon Storage and Sequestration	Recreation and Conservation Office	\$5,000,000
	Modernize Surface Water Mapping	Ecology	\$3,307,000
	City of Tumwater Carbon Sequestration Prairie Restoration	Commerce	\$2,000,000
	Forest Health and Fuel Reduction	Fish and Wildlife	\$2,000,000
	Water Rights Audit and Management	Natural Resources	\$1,431,000

Focus Area	Items	Agency	Amount
	Seattle Public Utilities Silver Bay Logging Property Acquisition on the Duwamish River	Commerce	\$1,250,000
	Kelp and Eelgrass	Natural Resources	\$593,000
	Climate Lead Position	Agriculture	\$262,000
	Green Fertilizer Workgroup	Agriculture	\$250,000
<b>Subtotal:</b>			<b>\$140,433,000</b>
<b>Federal Funding Support</b>	Grant Writing Support for External Partners	Commerce	\$8,140,000
	Website/Portal + Marketing and Outreach	Commerce	\$4,000,000
	Technical Support for Federal Clean Energy Funding	Commerce	\$3,860,000
	State Grant Writing Support, Tracking/Management Database	Office of Financial Management	\$2,000,000
	Federal Funding Coordinator	Governor's Office	\$300,000
<b>Subtotal:</b>			<b>\$18,300,000</b>
<b>CCA Administration</b>	Climate Pollution Reduction	Ecology	\$3,563,000
	Carbon Market Linkage Bill	Ecology	\$3,500,000
	External Communications	Ecology	\$1,000,000
	Agency Administrative / Compensation Updates	Ecology, University of Washington, EFSEC	\$790,000
<b>Subtotal:</b>			<b>\$8,853,000</b>
<b>Grand Total:</b>			<b>\$941,253,000</b>



# Human Services/Operating

## Health Care Authority – Community Behavioral Health

### Increase rates for community behavioral health providers

To create robust community behavioral health services, the governor’s budget increases rates for 90-day and 180-day bed providers. This will increase the number of available beds located in communities. When individuals receive behavioral health services closer to home and closer to their support network, their outcomes improve. In addition, space constraints at our state hospitals create a need for behavioral health services in the community. The budget increases rates for teams that support individuals preparing to transition from institutional to community settings, and for community teams that support individuals with severe behavioral health disorders.

This item also appears in the Behavioral Health Policy Brief.

*(\$44.9 million General Fund-State, \$67.7 million General Fund-Federal)*

### Support behavioral health services facilities

The governor’s operating and capital budgets invest in community facilities that provide critical access to behavioral health services. The Department of Commerce grants help behavioral health providers open facilities. Because of high operating costs, maintaining services is difficult, so funding will assist these facilities with operating costs and allow community behavioral health clinics to serve

individuals regardless of their ability to pay.

This item also appears in the Behavioral Health Policy Brief.

*(\$7.2 million GF-S)*

### Strengthen behavioral health services for youth

Early intervention is key to preventing or delaying the onset of behavioral health disorders, and the governor’s proposed budget addresses this in three ways. One, funding will expand support for youth and young adults at their initial psychotic episode. Two, funding will help community residential services for young adults exiting inpatient behavioral health facilities and who are at high risk for homelessness. And three, stabilization teams will surround youth in crisis with a support system composed of behavioral health professionals, family, and community members.

This item also appears in the Behavioral Health Policy Brief.

*(\$11.1 million GF-S; \$8.6 million GF-F)*

### Expand behavioral health programs

Funding will expand programs and increase rates for teams supporting individuals preparing to transition from institutional to community settings, and for community teams supporting individuals with severe behavioral health disorders. Both groups provide vital behavioral health services. The governor’s budget also extends the diversion programs launched in 2018 as result of the Trueblood contempt

finances. This program provides assessments, mental health services, treatment for substance use disorder, case management, employment, and social services to reduce recidivism and improve the lives of class members. This item also appears in the Behavioral Health Policy Brief.

*(\$18.9 million GF-S, \$9.4 million GF-F)*

## Health Care Authority – Other

### Support Health Care Cost Transparency Board

Funding for the Health Care Cost Transparency Board will expand its capacity. It will also improve the Health Care Authority's (HCA) ability to analyze health care data and support the board's work. These investments will provide the board with data so it can more effectively complete its work to inform policymakers about innovative policies to control health care costs.

*(\$545,000 GF-S, \$636,000 GF-F)*

### Restore program integrity savings

The department will restore the savings the state assumed the HCA would have in the 2023–25 budget. HCA implemented a way to save money by benchmarking rates for hospitals and clinics, reducing preventable inpatient admissions, and eliminating pharmacy price gouging within the Medicaid program. These cost-saving measures are included in managed care rates that would otherwise be higher, which is why this budget savings figure is not needed.

*(\$107 million GF-S, \$238 million GF-F)*

### Offer Tribal administrative support

Tribal administrative support at the Health Care Authority will help Tribes with Medicaid service billing, data collection and contract support. This unique investment also includes a state program so that Urban Indian Health Organizations can bill the state for administrative costs. This will increase equity with Indian Health Service clinics.

*(\$638,000 GF-S, \$324,000 GF-F)*

### Implement Medicaid compensation for doulas

Recent statewide reports and research highlight significant demographic inequities and poor preventable outcomes in maternal mortality. To address these demographic inequities and provide adequate perinatal health care, doula services that provide personalized support before, during and after pregnancy are needed. Funding will offer broader access to doula care by implementing a doula benefit to Medicaid clients. The doula benefit will provide a Medicaid reimbursement for doula services that aim to reduce maternal mortality and poor pregnancy outcomes, particularly for pregnant persons of color.

*(\$332,000 GF-S, \$491,000 GF-F)*

### Invest in health care waivers

The HCA recently renewed the Medicaid Transformation Waiver for an additional five years so that Washingtonians can access new services to keep them healthy. The waiver provides safety, food, nutrition, and housing to qualified individuals who would otherwise

not have access to these life-saving services. In addition to these investments, the federal government has approved continuous health care coverage for children aged 0-6 whose families have an income level up to 312% of the federal poverty limit.

## **Department of Children, Youth and Families – Child Welfare**

### **Increase foster care and supervised independent living rates**

The Department of Children, Youth, and Families (DCYF) will provide funding to increase the foster care maintenance payment basic rate, and payments for youth in Extended Foster Care who are in Supervised Independent Living. The current basic rate does not cover the cost of living that foster parents incur while providing care for children in foster care or by young adults working to successfully transition to adulthood through Supervised Independent Living.

*(\$4.9 million GF-S, \$3.3 million GF-F)*

### **Continue with system improvements**

Parties recently reached a settlement agreement in *D.S. v. Department of Children, Youth, and Families*. The agreement requires DCYF to make system changes and offer services and supports to class members. Funding will support the reforms in the settlement agreement, complete stakeholder facilitation and pay plaintiffs' legal fees. DCYF is also required to review and revise shared planning meetings and family team decision making policies and practices, and has completed an implementation plan that incorporates

stakeholder feedback. Funding will help DCYF make changes to the Family Team decision making process, revise policies and practices, and provide quality assurance as it conducts shared planning meetings – all with the goal of improving the system.

*(\$5.7 million GF-S, \$718,000 GF-F)*

### **Help hard-to-place dependent children and youth**

The department will increase the emergent placement services (EPS) rate to ensure beds are available for the children and youth who may need them. EPS is a contracted, short-term placement option for children and youth in foster care when there is no other placement available. That means they might be placed in an EPS placement for up to 15 days while the caseworker develops a transition plan and identifies a more permanent placement for them. A DCYF-contracted analysis by Western Washington University identified a need to increase rates to reflect the salaries and wages we need to better recruit and retain EPS staff.

*(\$2.7 million GF-S)*

### **Fill a funding gap for a program combining family-centered drug treatment with housing**

The department will offer one-time funding to support the Rising Strong nonprofit in Spokane while DCYF works to develop a sustainable operating model and seeks to expand the program model to other regions of the state. This organization provides family-centered drug treatment and housing programs for families experiencing substance use disorder.

The operating model is not due until July 1, 2024, which presents a funding gap for fiscal year 2025 since decision makers will not be able to fund the operating model until the legislative session begins in January 2025.

*(\$1.4 million GF-S)*

### **Respond to fentanyl use around children with a public health approach**

The agency will support child welfare caseworkers as they respond to the fentanyl crisis by contracting with public health nurses who can serve as credible messengers to at-risk families. The fentanyl epidemic is a public health crisis and the number of fentanyl-related fatalities and near fatalities among children, particularly ages 0 to 3, is increasing. Public health nurses can help reduce the risk of harm to children due to accidental exposure to these drugs. They can also support caseworkers engaging with families on safe sleep practices, child health and other matters of concern in Child Protective Services (CPS) investigations. Finally, these nurses can support families as they navigate toward community-based services. Funding will establish a pilot that contracts public health nurses across the child welfare regions.

This budget item is also referenced in the Opioids and Fentanyl brief.

*(\$1.3 million GF-S)*

### **Increase safety and supports for families impacted by the fentanyl crisis**

Parental substance use is a factor in a high number of out-of-home placements, particularly for infants and toddlers. However, some cases indicate a safety concern that does

not signal an immediate danger prompting removal of the child. Funding provides additional resources to enhance safety planning that will help keep families together safely:

- Contract funding for third-party safety plan participants. This will help CPS workers develop safety plans with families that allow children to remain in the home. Safety plans are most effective when families have natural support such as extended family and friends that help mitigate safety threats and make sure families are following the safety plan. This pilot will provide a new resource for families who don't have natural supports.
- Provide staff and funding for DCYF to pilot contracted child care slots for child protective services-involved infants. Child care can be a core component of a safety plan and this pilot can also serve as a dedicated resource to families at-risk of opioid and other safety threats.
- Target voluntary home visiting services toward families where parental substance use is a risk factor. Piloting contracted home visiting slots can help provide a dedicated, valuable support for families who may be at high risk, but do not meet the legal threshold of risk of imminent physical harm for out-of-home placement.

This budget item is also referenced in the Opioids and Fentanyl brief.

*(\$4.7 million GF-S, \$3,000 GF-F)*

## Department of Children, Youth and Families – Juvenile Rehabilitation

### Update body scanners

The proposed budget will provide funding for DCYF to replace the body scanners at juvenile rehabilitation (JR) facilities with body scanners that comply with new Department of Health rules. As a trauma-informed practice, DCYF uses body scanners instead of strip searches to prevent contraband coming into JR facilities. The Department of Health will implement these rules in January 2024, which will prohibit the use of body scanners that emit radiation on minors but allow low radiation body scanners on adult incarcerated individuals. The purchase of zero-radiation body scanners for minors and a low radiation body scanner for adult incarcerated individuals will reduce people's exposure to radiation and lower contraband in these facilities.

*(\$967,000 GF-S)*

### Enhance security at Echo Glen Children's Center

The department will provide funding to backfill the base funding DCYF has used to contract private security guards at Echo Glen Children's Center since July 1. Funding will also continue the contract until the center can complete the perimeter fence. Incarcerated youth have recently escaped from this facility and that presents an immediate need to enhance the safety of the community, staff, and incarcerated youth. The Echo Glen campus is not currently fenced and only part of it is bordered by natural wetlands and forests. The enacted

capital budget includes funding for a perimeter fence that will be complete in May 2025. There is a need to enhance additional security until fence construction is complete.

*(\$9 million GF-S)*

## Department of Children, Youth and Families – Early Learning

### Clarify how we count children receiving Early Support for Infants and Toddlers services

The department will clarify and codify how to count a child who is receiving Early Support for Infants and Toddlers (ESIT) services. Currently, the DCYF and local ESIT providers are limited from counting eligible children for the full number of months they receive services. That's because child counts are based on whether the child was served within a month prior to the count day. The count day has historically been the first school day of the month, but that is not in state law. Legislation and funding will help these groups count a child receiving ESIT services within the same month as the monthly count day, which is set as the last business day of the month.

*(\$4.4 million GF-S)*

### Improve pre-kindergarten program connections

DCYF will use funding to provide consultation to the Office of the Superintendent of Public Instruction. Chapter 420, Laws of 2023 (2SHB 1550) requires this consultation so it can better support connections among Transition to Kindergarten programs and local early learning



providers. This will help DCYF meet the bill requirements by hiring staff, contracting with community organizations, and supporting statewide and regional partnerships.

*(\$1.3 million GF-S)*

### **Increase Early Childhood Education and Assistance Program rates**

The department will increase the rate that providers get paid for offering school and working day slots in the Early Childhood Education and Assistance (ECEAP) program. ECEAP will become an entitlement program in the 2026-27 school year, which means all eligible early learners will be entitled to a slot in the program. Since the pandemic, these providers have rebuilt staff and their operating capacity, and a sustainable slot rate is critical to ensure there are enough slots available for the entitlement. This budget targets a 6% rate increase on school day slots and a 10% rate increase on working day slots.

*(\$10 million GF-S)*

## **Department of Children, Youth and Families – Program Support**

### **Transition to a better child welfare information system**

DCYF will provide funding and staff resources to procure and implement the initial stages of a Comprehensive Child Welfare Information System (CCWIS). The department currently uses a child welfare case management system called FamLink. Its complexity limits the department's ability to make system changes when new rules come out, or when it needs

to change the system's functions to support day-to-day case management work. The current system also struggles to communicate with other state IT systems. The agency can access additional federal funds that support prevention programs once CCWIS is complete.

*(\$12.7 million GF-S, \$12.7 million GF-F)*

### **Comply with a class-action settlement**

The agency will provide funding to conduct hearings for incarcerated youth under age 25 who are serving their sentence at a DCYF facility before getting transferred between certain facilities. Parties reached a settlement agreement in *Ta'afulisia et al. v Washington State Department of Children, Youth and Families et al.* that requires DCYF to provide youth hearings before they get transferred to a DOC-operated adult corrections facility. Funding is also provided to the department to conduct hearings for youth before they transfer from a DCYF-community partial confinement facility to a DCYF-total confinement facility.

*(\$3.4 million GF-S, \$176,000 GF-F)*

### **Support workers experiencing duty-related trauma**

It's crucial to provide staff with resources that support their safety and offer peer support. DCYF has limited resources to respond to staff safety incidents and support workers experiencing duty-related trauma. Front line child welfare and juvenile rehabilitation staff experience emotionally and physically demanding work in their regular duties, which includes being exposed to critical and traumatic incidents. These pose a potential risk to

employee health and well-being. This funding will build staff safety and resilience through prevention training, crisis response, and mental health support.

*(\$2.1 million GF-S, \$24,000 GF-F)*

### **Support a program for current and former foster youth**

The department will backfill a declining federal grant to maintain the Independent Living program. This will also make permanent the adolescent transition case staff who support transition planning for adolescents exiting DCYF systems of care. Independent Living (IL) is DCYF's primary program that assists youth involved in the child welfare system to transition successfully into adulthood. It is exclusively funded by a federal grant that is allocated to states based on their relative share of children and youth in foster care. The number of children and youth in foster care is declining, while the number of youth in IL is increasing, resulting in a shortfall of federal funds needed to maintain the program. The 2021-23 biennial budget funded the statewide adolescent transition case staff one-time only.

*(\$3.1 million GF-S)*

### **Expand program that teaches adulthood skills**

The agency will maintain and expand the LifeSet program so that it includes additional counties. This program is a comprehensive, community-based intervention model designed to serve young people 17-22 years old who have been involved in the foster care, juvenile justice, and mental health systems. This demographic often finds itself without the necessary skills and resources to make a successful transition to

adulthood. Funding will support these young people by adding two teams in fiscal year 2024, one team in fiscal year 2025, and one team in fiscal year 2026. Together, that will create six LifeSet teams in the state. A contract is in place with community organizations in King and Yakima counties to deliver LifeSet.

*(\$169,000 GF-S, \$203,000 GF-F)*

## **Department of Social and Health Services – Economic Services Administration**

### **Reduce in-person and call center wait times**

This funding will increase staffing and enhance IT systems to reduce the amount of time customers wait when they call or come into a Community Services Office for public assistance benefits. Currently, customers may experience wait times of almost two hours, which can be a barrier for some households to accessing or maintaining critical benefits. Funding additional staff will increase the number of customers helped, while IT enhancements will make the phone systems easier to navigate.

*(\$10.1 million GF-S, \$5.5 million GF-F)*

### **Replace stolen cash and food benefits**

The department will replace cash and food benefits when they have been stolen electronically through card skimming or cloning, which happens when someone illegally installs a device on ATMs or point-of-sale terminals that captures private data or records someone's PIN. This nationwide problem can devastate households that depend on these program benefits to feed their family, especially

if the theft impacts whether they can meet their basic needs that month. To ensure households maintain access to the funds they rely on for food and rent, this funding will cover the costs to replace these stolen benefits. This action will benefit approximately 1,900 households each year and help Department of Social and Health Services (DSHS) hire the right number of staff to process these issues.

*(\$893,000 GF-S, \$21,000 GF-F)*

### **Expand community collaboration on poverty reduction efforts and elevate customer voices**

DSHS will use funding to create the statewide Customer Voice Council so that it can learn from the voices of those who receive or have received public assistance benefits. These voices will advise local community partnerships (referred to as Local Planning Areas or LPAs) and the Community Services Division as the agency develops and evaluates services. In addition to creating the council, the LPAs will expand their strategic planning to focus on poverty reduction efforts that help community members reach and maintain stability. Funding will bring in additional staff to establish the council and help broaden the LPA's focus, so we can ensure that programs and services better meet the needs of users.

*(\$99,000 GF-S, \$63,000 GF-F)*

### **Improve the Medicaid determination process**

This funding will fully automate how to verify assets for Medicaid eligibility determinations by updating the system the agency uses (Asset Verification IT system) to do this. In 2021, DSHS established a partially automated process

to verify assets, meeting federal requirements. However, new guidance requires states to fully automate this process. Funding will help DSHS fully integrate this system into the Automated Client Eligibility System. This will create staff workflow efficiencies, a better applicant experience and a more accessible renewal process, while lowering the number of people who lose access to their benefits.

*(\$1.6 million GF-S, \$1.6 million GF-F)*

### **Increase food security for children during summer**

DSHS will increase food security for children by funding administrative support for the federal Summer Electronic Benefit Transfer (Summer EBT) program by summer 2024. This program increases food benefits by \$40 per child during the summer for families that fall under 185% of the federal poverty level. As an example, that would be a household income of approximately \$46,000 per year for a family of three in 2023. This would also apply to families with school- aged children who would typically receive free or reduced priced meals during the school year. This funding increases the family's ability to ensure their children can access nutritious meals while they are on summer break. The program is intended to increase food security for roughly 800,000 children in Washington each summer, bringing roughly \$96 million in federal benefits to our communities.

*(\$9.6 million GF-S, \$9.6 million GF-F)*

### **Expand access to program benefits**

The agency will increase access to cash assistance by allowing households the chance to remain on the Temporary Assistance for Needy Families program longer. This would

let families stay in the program beyond 60 months if they are not required to participate in employment and training activities, are addressing a temporary situation that prevents them from working, or are satisfactorily participating in employment and training activities. This extension begins July 1, 2024, and will serve over 400 households per month, and is expected to reach more than 700 households in future years.

*(\$4.6 million GF-S)*

## **Department of Social and Health Services – Behavioral Health Administration**

### **Create additional state-run bed capacity**

The department purchased the Cascade Behavioral Health hospital facilities in Tukwila and renamed it Olympic Heritage Behavioral Health in 2023. As patients move to this facility from Western State Hospital, DSHS will add at least 72 beds of new capacity for behavioral health patients by the end of fiscal year 2024. The governor’s budget also provides funding to re-open wards at Western State Hospital and Eastern State Hospital, bringing an additional 38 forensic beds online in January 2024.

This item also appears in the Behavioral Health Policy Brief.

*(\$186.3 million GF-S, \$1.2 million GF-F)*

### **Invest in state hospital staffing**

Recruiting and retaining highly qualified staff at the state hospitals has been challenging. Staffing vacancies have been as high as 40% at our state hospitals, and the department requires

funding to hire contracted staff to keep state hospital wards open and operating. To remedy this, the governor’s budget invests in programs designed to attract and retain staff at our state hospitals. Funding will reimburse staff for the continuing education training they need to maintain their licenses, provide clinical training to competency restoration staff, and hire nurse recruiters. The department will also create a postdoctoral program in psychology at Western State Hospital and a nursing residency program at Western State Hospital and Eastern State Hospital.

This item also appears in the Behavioral Health Policy Brief.

*(\$38.4 million GF-S)*

## **Department of Social and Health Services – Developmental Disabilities Administration**

### **Improve access to case management services**

DSHS will increase case management staffing to better serve people with developmental disabilities and their families. Currently, case managers work with an average of 75 clients. This high workload means it’s challenging to meet clients’ diverse and complex needs. Funding for 48 more case management staff members will deepen the partnership case managers have with clients and help identify services and resources the client needs to meet their goals.

*(\$2.9 million GF-S, \$2.2 million GF-F)*

### Support parents of children with special needs and/or disabilities

It's crucial to increase funding for parent support programs, including the parent-to-parent coalition and the Informing Parents program. These programs provide emotional support services and information to families of children with special needs or disabilities. Services include information and referrals to community resources, trained 'helping parents' who are matched with other parents, overall training, and public awareness and outreach for people with special needs or disabilities.

*(\$400,000 GF-S)*

## Department of Social and Health Services – Aging and Long -Term Support Administration

### Transition to a new rate methodology

DSHS will transition to a new rate methodology called the Patient Driven Payment model, which the federal Centers for Medicare and Medicaid Services requires for nursing facilities. Funding will minimize the effects of rate changes on nursing facility payments during the transition to the new methodology.

*(\$3.3 million Nursing Facility Quality Enhancement Account, \$3.3 million GF-F)*

### Stabilize access to specialty dementia care

The agency will adjust the rate add-on for specialty dementia care from \$43.48 per client per day to \$55.00 per client per day. Currently, the rate add-on is less than other comparable

rates, which creates a disincentive for facilities to accept dementia care patients. This rate adjustment will ensure that Medicaid dementia care patients are prioritized and accepted at long-term care facilities.

*(\$2.3 million GF-S, \$2.6 million GF-F)*

### Expand supportive housing program

DSHS will expand the Governor's Opportunity for Supportive Housing program by 175 slots. This program serves Medicaid clients who are ready to discharge from the state's behavioral health hospitals or community behavioral health facilities and prefer to live independently. Clients can live in their own apartment rather than in a residential setting such as an adult family home, nursing home or assisted living facility. The program provides rental subsidies, supportive social work and personal care for clients who need help with day-to-day activities.

*(\$6.5 million GF-S, \$2.1 million GF-F)*

### Address shortfall in senior nutrition and food programs

Washingtonians will benefit from efforts to maintain access to senior nutrition and food programs provided through community sites, senior food pantries, mobile food pantries, Meals on Wheels, and other nutrition services. Federal funding expanded senior nutrition and food programs during COVID-19, but the federal expansion has ended. This funding replaces the loss of federal funding so we can provide over a million meals to approximately 18,000 senior citizens.

*(\$7 million GF-S)*



## Department of Health

### Expand access to birth centers

The Department of Health (DOH) will support new birth centers in areas that lack access to these services with a new grant. Over the last several years, multiple hospitals in Washington have closed their labor and delivery units. This has left some pregnant individuals, mostly in rural communities, with no or very limited options to give birth. These closures lead to increased negative birth outcomes in the counties that already have the highest maternal health risk. Birthing centers staffed by certified midwives or certified nurse midwives provide safe alternatives for low-risk labor and delivery. Grant funding will support new birth centers in these areas, offering a more equitable and accessible solution to this health disparity.

*(\$2.4 million GF-S)*

### Address credential backlogs

The agency must address credential backlogs by reducing the time it takes someone to complete a health care licensing process. Funding will also help the department continue the Health Care Licensing Management System information technology project. This new IT system will replace the existing licensing management system and help streamline the licensing process. Health care providers often must wait too long to get their credential approval, which further exacerbates the health care workforce shortage.

*(\$3.2 million GF-S, \$19.6 million Information Technology Investment Revolving Account)*

### Maintain public health cloud technology

The department will maintain public health information technology infrastructure in a cloud-based environment. The department moved critical public health data systems to cloud-based servers with federal funding during the pandemic. Funding will sustain these investments in fiscal year 2025. The department will continue to explore new funding strategies to maintain information technology investments within the department's existing state, local and federal funding.

*(\$15.9 million GF-S, \$13 million GF-F)*

### Bolster 988 Crisis Lifeline

The 988 Lifeline is a national network of local crisis centers that provide free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day and seven days a week. In September, crisis call centers in Washington received over 10,000 calls, texts and chat messages. The governor's budget provides funding to cover increased call center costs due to the contact volumes. Initial funding is provided to create the technology platform all 988 crisis call centers in Washington use to receive, triage, and provide service referrals for callers in crisis.

This item also appears in the Behavioral Health Policy Brief.

*(\$21.2 million Statewide 988 Behavioral Health and Suicide Prevention Line Account)*

### **Support safe drinking water**

Residents in the Lower Yakima Valley relying on private wells have been exposed to harmful elevated nitrates in their groundwater. The Department of Health will work with other state and local entities to provide education, outreach, well testing and alternative water sources to affected residents.

*(\$2 million Model Toxics Control Act – State)*

### **Department of Veterans Affairs**

#### **Expand training for certified nursing assistants**

The agency will expand the certified nursing assistant training program to all four veterans homes. This program combines classroom instruction and hands-on training at the veterans homes to recruit, hire and train certified nursing assistants. By training its own direct care workforce, the department can address its staffing shortages and admit new residents. Funding will also allow five certified nursing assistants to participate in a new apprenticeship program so they can become licensed practical nurses.

*(\$108,000 GF-S, \$260,000 GF-F, and \$30,000 General Fund-Local)*

### **Employment Security Department**

#### **Staff the Paid Family and Medical Leave program**

The state needs additional staff at the Employment Security Department (ESD) to increase the Paid Family and Medical Leave program's capacity to process claims and respond timely to customer inquiries. The program provides a vital benefit to Washington

workers when they need to take time off work to care for a family member, themselves or a new child. When someone's claim is delayed, workers must take time off without knowing if or when they will receive compensation. Funding additional staff should help the program process claims more quickly and reduce call center wait times.

*(\$5.7 million Family and Medical Leave Insurance Account-State)*

#### **Complete the Paid Family and Medical Leave system**

The department will add IT staff to complete all remaining required components of the Paid Family and Medical Leave (PFML) program by April 2026. ESD has not completed all PFML program system requirements due to a tight turnaround to meet its initial implementation dates. Some of the outstanding items to implement have come up in audit findings. Funding provides a dedicated team of IT staff to complete the remaining components, establish and collect overpayments, crossmatch with other programs to reduce duplicating benefits, and allow Tribes the choice to participate in the PFML program.

*(\$7.3 million Family and Medical Leave Insurance Account-State)*

#### **Unemployment Insurance program overpayment interest waiver**

It's crucial to make system changes to waive the interest on Unemployment Insurance overpayments from COVID-19 (between Feb. 2, 2020, and Sept. 4, 2021). The Unemployment Insurance program experienced a dramatic increase in claims during the pandemic and sent out roughly 137,000 overpayments.

ESD is currently working to waive as many of the non-fraudulent overpayments as possible but cannot waive or delay the interest. This funding helps ESD make the system changes, providing additional financial relief to Washingtonians who experienced impacts to their employment during the pandemic.

*(\$961,000 Unemployment Compensation  
Administrative Account-Federal)*

## Department of Labor and Industries

### Support electrician apprenticeships

The enacted 2023-25 biennial operating budget included \$6 million in one-time funding to partially fund programs that provide general journey electricians with apprenticeship education and job training. State law changed July 1, 2023, and now requires someone seeking an electrical license to complete an apprenticeship. To help electrical programs with the cost of classroom instruction, funding will increase the total investment to \$12 million, increasing the capacity for electrical apprentices.

*(\$6.0 million Workforce Education Investment  
Account-State)*

### Relieve electrical inspection workload

The department will increase the number of electrical inspectors to address the growing workload and backlog of the Electrical Inspection program. State law requires the Department of Labor and Industries to inspect all electrical installations within 48 hours of the request to ensure the project is up to code. The number of requested inspections is increasing, which has strained the inspection program's ability to meet the timelines. This

can jeopardize the public's safety and delay construction projects. Funding for 10 electrical inspectors will reduce the backlog and increase the number of inspections electricians can complete in a timely manner.

*(\$1.9 million Electrical License Account-State)*

## Department of Corrections

### Reduce solitary confinement

DOC recently committed to reducing solitary confinement in state prisons by 90% over the next five years. To reach this goal, the department developed a road map to reduce the number of individuals going into solitary confinement, shorten their lengths of stay, and support them in successfully reentering the general population. Funding supports prevention and diversion efforts for individuals at risk for behaviors that may put them into restrictive housing. It will also help develop alternatives to solitary confinement, more opportunities for treatment and pro-social activities for quality out-of-cell time, and establish a five-year phase-in of staff to escort individuals when they get out-of-cell-time.

*(\$18.5 million GF-S)*

### Change correctional culture

This budget will help the department continue to expand its new approach to corrections called the Washington Way. In collaboration with the Amend program at the University of California in San Francisco, the department is implementing reforms to address the unique mental and physical health concerns of individuals and staff in correctional facilities.

Reforms include efforts to:

- Bring conditions within the facility as close to conditions in the community as possible and increase the participation of incarcerated people in the decision-making process for their environment.
- Increase the interaction and engagement between staff and incarcerated people to promote positive relationships and better understand individual needs and risks.

*(\$3.1 million GF-S)*

### **Invest in successful reentry**

Successfully reentering the community from prison can be challenging and it's important that the individual gets support from the department when leaving incarceration. Funding will help the department invest in these areas:

- Coordinating reentry for incarcerated people who are impacted by court decisions or sentencing rule changes due to legislation that led to the person unexpectedly and rapidly reentering their community.
- Expanding health care discharge planning resources for the highest-need individuals in state prisons. This will help them connect to the proper care in their community.
- Joining Reentry 2030, a national initiative to transform reentry services by the end of the decade.

*(\$5.2 million GF-S)*

### **Expand health services for transgender individuals**

The department has committed to modifying policies, practices, and procedures so it can better provide gender-affirming medical and mental health care services to transgender incarcerated individuals. This expands on an existing program that oversees housing safety and other needs of transgender, intersex, non-binary, and gender non-conforming individuals. This is the result of an October 2023 settlement agreement with Disability Rights Washington.

*(\$13 million GF-S)*

### **Reduce overtime and caseloads**

Increased staffing to reduce overtime in facilities and community caseloads improves safety for incarcerated individuals, staff, and the public. Reducing mandatory overtime will positively impact staff fatigue, morale, and retention rates, leading to increased safety of incarcerated people. Investing in supervision staff will increase how much support the department can offer supervised individuals in the community and reduce recidivism rates.

*(\$13.1 million GF-S)*

# Human Services/Capital

## Behavioral health

### Department of Social and Health Services

#### Establish Olympic Heritage Behavioral Health

This budget invests in behavioral health by purchasing the Cascade Hospital facilities, now called the Olympic Heritage Behavioral Health facility in Tukwila. This will reduce the number of individuals on the forensic bed waitlist by creating at least 72 beds of new capacity. In addition to the purchase of the facility, there will be capital improvements made to the facility that will strengthen safety and security measures on and outside the wards for staff and patients, improve nursing stations, upgrade heating, ventilation, and air conditioning units, and expand the existing activity areas to promote larger motor activities.

*(\$45 million bonds)*

### Department of Social and Health Services

#### Design Child Study and Treatment Center to house youth

Additional funding will help the state design an addition to the facility supporting approximately 20 youth at the Child Study and Treatment Center. This project will develop a facility-based holistic residential habilitation program. Tailored for youth with complex needs who present challenging support issues, this project will provide options when less

restrictive out-of-home treatment options are inappropriate, unavailable or have failed to bring positive outcomes. Specialized ‘pod style’ housing with shared communal space will mimic a home-like feel. This setup will create a campus to support the unique needs of this demographic, while access to educational, occupational, and therapeutic needs will improve their mental and physical well-being.

*(\$5 million bonds)*

## Safety and Security

### Department of Corrections

#### Fund statewide assessments

This budget supports the Department of Corrections’ ability to address an incarcerated individual’s physical, mental, and emotional security and well-being. This happens by funding statewide assessments of security electronic systems, fire alarm stabilization, and perimeter fence detection systems. Consultants will assess these systems statewide and create a list of priority items in each facility that need to be fixed or replaced. The list includes an assessment of the system’s operations, the system’s condition, how long each system should remain in service, technology updates it needs, and any compliance issues with the system. The assessment will also include cost estimates to better inform the state of how the systems should be replaced.

*(\$2.5 million bonds)*



## **Department of Children, Youth, and Families**

### Upgrade Echo Glen security

Funding will continue increasing security measures at Echo Glen Children's Center and ensure the safety and security of incarcerated youth, the community, and staff. The current budget includes funding to add fencing to the three sides that do not border the natural wetlands, and adds security video surveillance. This additional capital investment will further address safety and security through secure fencing on the last remaining side of campus, a secure control room, a single point of entry in the administrative building, and improvements to the staff and visitor parking lot.

*(\$5.6 million bonds)*

# Education/Operating

## K-12 Education

The governor's proposed 2024 supplemental budget prioritizes Washington's special education students and provides much needed support to school district staff. These investments will continue to support the growing needs of Washington students and school employees.

### Support a livable wage and benefits for classified staff

Improve paraeducator compensation

School districts employ nearly 32,000 paraeducators across Washington. They are critical members of a student's learning and instructional support team, often supporting special education students. The governor recognizes this important work and is committed to supporting school districts' capacity to recruit and retain this workforce. The proposed budget includes an additional \$64 million for a \$3 per hour wage increase, adjusted by the regionalization factors currently applicable to basic education funding. This equates to an approximate 11% wage increase on average.

*(\$64 million General Fund-State, \$161,000 Washington Opportunity Pathways Account [OPA])*

Secure benefits for contracted bus staff

The School Employees Benefits Board (SEBB) administers health insurance and other benefits for employees of Washington's school districts. Because some districts contract out their student transportation services, those

employees are not eligible for SEBB benefits. The governor's proposed budget would fund legislation (Substitute House Bill 1248) to allow contract bus drivers and related staff to opt-in to SEBB coverage and retirement benefits. This ensures that people who work for schools have the opportunity to receive health and retirement benefits.

*(\$425,000 GF-S)*

### Support Washington's most vulnerable students

Respond to special education needs

The 2024 supplemental budget builds on significant progress that the state has made during the governor's time in office. The enacted 2023-25 budget increased the special education funding cap from 13.5% to 15% of each district's average annual enrollment. The governor now proposes further increases to the cap, up to 17.25%. This will further help fully fund services for districts with high populations of students with special needs. Special education support has more than doubled under Inslee's leadership and with this \$17 million investment, the state will be funding nearly \$4.4 billion for special education.

*(\$17 million Education Legacy Trust Account, \$9,000 OPA)*

Washington strives to have the most prepared teachers and the most inclusive special education program in the nation. Because students learn best from dedicated and prepared educators, the budget also makes

strategic investments to expand the teacher workforce. The governor calls for \$7.3 million to provide wages and support for teacher residency. Teacher candidates with a bachelor's degree can work while earning their special education endorsement to become fully certificated. This program will draw from a pool of candidates with emergency certifications who may have been working as substitute teachers, among other roles. Through mentorship, coaching, and professional development opportunities, Washington will continue to strengthen its teacher workforce.

*(\$7 million Workforce Education Investment Account [WEIA])*

#### Increase student food security

The governor is committed to supporting students' nutritional needs. Recent legislation requires eligible schools to participate in a federal food program called the Community Eligibility Provision (CEP). This program provides free meals to all students in schools with large populations of low-income students. However, federal funds do not cover the full cost of these meals. To further support students, the governor proposes an additional \$30 million to fully fund the CEP expansion, for a total investment of \$132 million this biennium. In total, 550,000 students will now receive school meals at no out-of-pocket cost to the student through the CEP.

*(\$30 million GF-S)*

#### Support behavioral health and opioid use prevention

As the nation continues to navigate the impacts of the opioid epidemic and record high overdose deaths, the governor proposes

increased funding to educate students about this topic. With this support, the Office of the Superintendent of Public Instruction (OSPI) will consult with the nine Educational Service Districts, other state agencies, and local public health leaders to review and update the health standards related to substance abuse. OSPI will also make education materials available for school district use. Schools will receive the most current information and tools to supplement the programs they already implement, including information about the risk of death from fentanyl and other opioids. This investment is also referenced in the Opioids Policy Brief.

*(\$125,000 GF-S)*

Funding is also provided to Educational Service Districts to hire staff and trainers that provide school-based behavioral health services.

This investment is also referenced in the Opioids Policy Brief.

*(\$2 million GF-S)*

### Invest in Washington's future workforce

#### Enhance climate-based education

An effective K-12 education means arming students with the tools they need to tackle the challenges facing our society when they graduate. The governor's budget builds on an existing \$6 million investment by providing an additional \$4 million to continue support for Next Generation Science Standards (NGSS). OSPI will integrate climate change content in state learning standards and develop curriculum resources. Funding for NGSS will promote teacher development in climate science education and bolster support for community-based organizations to partner with schools,

Tribes, and educational service districts. Additionally, these resources will provide students with early exposure to key topics such as climate justice, renewable energy, and waste reduction, creating the next generation of good environmental stewards throughout the state.

*(\$4 million GF-S)*

Prepare students from all backgrounds for high-demand careers

This proposed budget includes a \$3 million annual investment that will continue to provide Washington's students with the unique opportunity to gain information technology certifications while they're enrolled in middle and high school. Washington is home to world-class technology firms, and these funds will further serve to connect Washington students with high-paying jobs that require in-demand technical skills. To date, this program has provided more than 625,000 certifications and credentials to students and educators in Washington.

Equity-focused at its core, this investment provides a career entry point for students, regardless of their socioeconomic background. To date, the program has 42% female enrollment, which is significantly higher than the tech sector where women comprise about 25% of the workforce. The program also has 29% Latino/Hispanic enrollment, which is significantly higher than the 6.3% Latino/Hispanic employment rate in the U.S. technology sector.

*(\$3 million WELA)*

An additional \$3 million is provided for the Rally for College initiative. The program gives students of all backgrounds the skills and

knowledge they need to make the most of high school and prepare for a rewarding college experience. Not all students are aware of their options after high school. This equity-focused investment will provide students with advisors and coaches to make college admissions less confusing and more achievable for students, regardless of their socioeconomic background, race, gender, or immigration status.

*(\$3 million GF-S)*

## Higher education

The governor's proposed higher education investments continue to prioritize student supports as well as the state's workforce needs. This proposed budget aims to increase postsecondary enrollment, expand workforce development opportunities, and address persistent equity gaps in postsecondary enrollment and completion.

### Expand investment in postsecondary enrollment

Increase access to Washington College Grant  
Washington continues to lead the nation in the financial aid resources available to students from low- and middle-income households. The governor's proposed budget further enhances the Washington College Grant program by removing the Free Application for Federal Student Aid (FAFSA) as a barrier for families who qualify for the Supplemental Nutrition Assistance Program (SNAP) and other Washington food assistance programs.

*(\$239,000 WELA)*

Additionally, funding will help align the maximum timeframes when students are eligible to receive the Washington College

Grant, College Bound Scholarship, and Passport to Careers programs with the federal Pell Grant program. Currently, students can receive federal Pell Grant funds for approximately six full-time years, which equates to about 12 semesters or 18 quarters. In contrast, state financial aid recipients have a maximum use limit of four full-time years of eligibility for the College Bound Scholarship, and five full-time years for the Washington College Grant and the Passport to Careers programs. Aligning time frames across these programs will ensure Washingtonians can access consistent and predictable financial aid support, making postsecondary education more accessible.

*(\$1 million WELA)*

Support Shelton Promise at The Evergreen State College

The governor's proposed budget takes additional steps to support students' pursuit of postsecondary education by establishing the Shelton Promise pilot program at The Evergreen State College. With federal and state financial aid as a foundation, the program will guarantee that students in Mason County's Shelton School District have a chance to attend nearby Evergreen State College and attain a four-year degree without significant debt. The program will use local data and 'lessons learned' from successful college promise programs around the country to help students and their families find their way to a postsecondary credential.

*(\$738,000 WELA)*

Increase support for other education initiatives

The governor proposes increasing support for the Washington Award for Vocational

Excellence (WAVE) scholarship program. The WAVE scholarship rewards students involved in career and technical education at Washington high schools or community and technical colleges. The funding will restore scholarship awards to the maximum amount, covering the true cost of postsecondary education and incentivizing students to pursue a postsecondary credential.

*(\$500,000 WELA)*

Similarly, the Early Achievers Grant program aims to help individuals employed as childcare providers and early learning educators earn a credential in early childhood education. The governor proposes increasing funding to cover recruitment, advising, and student support activities at community and technical colleges.

*(\$2.4 million WELA)*

### **Increase investment in training and workforce development**

Continue training opportunities in health care

The governor proposes continued funding to support the Behavioral Health Teaching Facility at the University of Washington Medical Center. Scheduled to open in 2024, the teaching facility will support individuals struggling with serious physical and behavioral health problems. Additionally, the hospital will provide interdisciplinary training and workforce development to Washington's next generation of behavioral health workers, furthering the governor's commitment to transform the state's behavioral health system.

*(\$12 million GF-S, \$8 million WELA)*



The proposed budget also includes funding to develop a postbaccalaureate dental therapy certificate. Washington established the profession of dental therapy in 2023. The new dental therapy credential will increase dental education on the east side of the state and the availability of dental care for underserved communities.

*(\$127,000 WELA)*

Expand the Regional Initiatives in Dental Education (RIDE) program

The RIDE Program is a part of the University of Washington's School of Dentistry program and trains dentists to meet the oral health needs of rural and underserved populations in the state. The funding would double the four-year enrollment of RIDE dental students and help support a cohesive Eastern Washington Regional Training Center for dentistry in the University of Washington-Gonzaga University Health Sciences Building in Spokane.

*(\$2.5 million GF-S)*

Maintain career-connected learning

Since launching the Career Connect Washington initiative in 2017, the governor has committed to providing Washington students with career-connected learning opportunities so they are prepared for high-demand, high-wage jobs. The governor continues this commitment by increasing investments in this student-centered initiative. In addition to sustaining existing Career Launch programs to meet enrollment demand, the governor proposes allocating a portion of Climate Commitment Act funding to develop clean energy training programs across the state.

This item also appears in the Climate and

Energy Policy Brief.

*(\$3.8 million WELA, \$1.5 million Climate Commitment Account [CCA])*

Invest in additional workforce development

The governor's proposed budget includes funding to continue expanding the electrical and computer engineering program at Western Washington University. This program was established to address local workforce needs.

*(\$886,000 WELA)*

Additionally, the governor proposes funding to support the community and technical college system as it adjusts to addressing climate change. Community and technical colleges will work to incorporate climate justice and solutions-focused elements into the curriculum as well as enhance green workforce development programs.

This item also appears in the Climate and Energy Policy Brief.

*(\$950,000 CCA)*

### **Address equity gaps in higher education**

Increase degree completion in computer science and engineering

The Allen School Scholars program at the University of Washington provides workshops, academic advising, and seminars throughout the year to emerging leaders from low-income households and underserved communities who are pursuing a degree in computer science and engineering. The governor's proposed funding for the program would continue the one-time funding provided during the 2023 legislative

session, and help create a diverse, highly-skilled workforce.

*(\$330,000 WELA)*

Support Washington's first MESA university center

MESA (Mathematics, Engineering, Science Achievement) is a nationally recognized program aimed at helping educationally disadvantaged students excel in math and science and graduate with science, technology, engineering, and mathematics (STEM) degrees. Washington's first MESA University Center was established at Eastern Washington University with one-time funding provided in the 23-25 biennial budget. The governor's proposed 2024 supplemental budget includes continued funding for the center to establish a STEM Education Center. This center will provide training and professional development to

K-12 teachers and prepare students for STEM careers.

*(\$2.1 million WELA)*

Aid students experiencing basic needs insecurity

As the governor continues to prioritize poverty reduction efforts across the state, this supplemental funding would support students experiencing basic needs insecurity. Funding provided to Central Washington University and The Evergreen State College will support critical needs at each institution, including staffing campus food pantries and hiring full-time benefits navigators and student advocates.

*(\$471,000 WELA)*

# Education/Capital

## K-12 education

### Office of the Superintendent of Public Instruction

Construct new and modernize existing schools

Partner with school districts to construct and modernize schools throughout the state. Increase the state percentage of construction cost for schools that pass bonds and levies, benefiting school districts statewide. Funding level changes reflect a decrease in expected eligible projects, changes in funding sources, and an increase to the state-funded cost per square foot. The construction cost allocation (the state-funded cost per square foot) has increased from \$272 per square foot to \$350 per square foot for fiscal year 2025 in the 2024 supplemental budget.

*(\$91 million Common School Construction Account)*

### Office of the Superintendent of Public Instruction

Conduct improvements at small district and Tribal compact schools

Assist statewide Tribal compact schools and school districts with less than 1,000 students through a competitive grant program, funding building system repairs and project planning statewide.

*(\$177 million Common School Construction Account)*

### Office of the Superintendent of Public Instruction

Increase access to clean air in schools

School buildings struggle to keep up with rising temperatures and wildfire smoke. This new program will provide grants to school districts for heating, ventilation, and air conditioning (HVAC) systems, air filtration enhancements, and general air quality improvements, making it easier for kids to learn safely and comfortably.

*(\$20 million Climate Commitment Account, \$20 million Common School Construction Account)*

## Higher education four-year institutions

The governor plans to invest more capital funds into colleges and universities through funds made available by the Climate Commitment Act. This extra funding will help these schools lower their impact on the environment and will make for more sustainable campuses and institutions. To learn more about how the state is fighting climate change, refer to the Climate and Energy brief.

### University of Washington

Support Energy Renewal program  
Support energy renewal and decarbonization efforts across all three campuses and UW Medical Center facilities.

*(\$38.9 million Climate Commitment Account)*

### **Eastern Washington University**

Invest in energy improvements

Modernize aging infrastructure to reduce annual building energy use and greenhouse gas emissions by 38%. This will happen by replacing HVAC systems and air handlers.

*(\$5.2 million Climate Commitment Account)*

### **Central Washington University**

Invest in green building energy

Construct a second geothermal well system (building on the initial geothermal well that was funded in the enacted budget) and re-engineer three large science buildings to connect to it. This is part of CWU's plan to switch from centralized natural gas boilers to modular renewable energy through geothermal electric heating and cooling.

*(\$12.5 million Climate Commitment Account)*

### **Central Washington University**

Reduce science building carbon emissions

Funding would bring the campus' Science 1 building in closer compliance with the Clean Buildings Performance Standard by providing a comprehensive overhaul of the mechanical systems and components. This includes the building's chiller, air handling units, fume hoods, lab equipment, and lighting. Science 1 currently has the second highest energy use intensity rating on campus, second only to the boiler plant, and this funding will greatly reduce that rating.

*(\$4.5 million Climate Commitment Account)*

### **Community and technical colleges**

#### **State Board for Community and Technical Colleges**

Gather energy performance data through utility meters

Install energy submeters in individual buildings to ensure the state board is compliant with energy performance standards established in the Clean Buildings Act.

*(\$8.5 million Climate Commitment Account)*

# Natural Resources/Operating

## State Parks and Recreation Commission, Department of Fish and Wildlife and Department of Natural Resources

### Prevent wildfires and restore habitat

Wildfires impact public lands, causing extensive damage to habitat and infrastructure. Funding will help State Parks and Fish and Wildlife restore wildlife habitat when this happens. These efforts create healthy and vibrant habitat with native vegetation and prevent noxious weed infestations. However, frequent and intense wildfires, declining forest health, and expanding human populations next to forests increase the risk of debris flow after a wildfire. With this funding, the Department of Natural Resources will assess the potential for debris flow in recently burned areas, monitor rainfall effects on burned slopes, and model 'debris flow potential' to provide emergency managers and communities with early warnings.

*(\$2.7 million General Fund-State)*

### Fund wildfire response

The Department of Natural Resources responded to more than 1,000 wildfires that burned 102,942 acres of land in 2023. While Washington had less acres burned and less fire occurrences in 2023 than in the previous 10-year average, a few significant fires posed serious threats and destructive impacts to improved property. Two of the most damaging wildfires, the Gray and the Oregon, occurred

in Spokane County during August. Additional funding will cover the costs of suppressing these fires.

*(\$20.8 million GF-S, \$19.4 million Budget Stabilization Account, \$8.8 million General Fund-Federal, \$2.5 million other)*

## Department of Ecology

### More federal support for grants

The Department of Ecology received increased federal funding for environmental and public health initiatives, partially from the federal Infrastructure Investment and Jobs Act and Inflation Reduction Act. New funding will support water infrastructure improvements, pollution cleanup, and efforts to address the climate crisis across Washington. More specifically, the National Estuary program's grant award will support a diverse set of stormwater pollution prevention and restoration projects in and around Puget Sound.

*(\$34.5 million GF-F)*

### Protect state waters

A recent U.S. Supreme Court decision considerably narrowed the federal Clean Water Act's scope. This reduced federal protection for various water bodies, including many wetlands. Despite this, Washington's Water Pollution Control Act still safeguards all state wetlands and waters from pollution. To ensure continued protection, the Department of Ecology will develop a program to require permits for projects that impact water bodies no longer



protected by the federal Clean Water Act. Funding will help the department develop the new permit and absorb the increased workload associated with reviewing the 50-100 new projects seeking state authorization.

*(\$2.4 million Model Toxics Control Operating Account)*

### **Minimize harmful nutrients in water to protect fish**

Excess nutrients in Puget Sound significantly degrade water quality, disrupt the food chain, and harm orca and salmon populations. These nutrients come primarily from wastewater treatment plants and agricultural runoff, lowering oxygen levels in the water and making it harder for fish to breathe. The Department of Ecology will continue recommending how to develop a new program that reduces excess nutrient contamination more efficiently. The program would provide wastewater treatment plants with the ability to offset their nutrient contamination by purchasing credits. Revenue from these credit purchases would fund projects that quickly reduce nutrients. The department will research the types of projects that would qualify, engage with communities, Tribes, and other stakeholders, and develop the technical materials to create the program.

*(\$410,000 Model Toxics Control Account)*

### **Recreation and Conservation Office**

#### **Assess data studies for outdoor recreation**

The Recreation and Conservation Office provides statewide leadership and funding to protect and improve the best of Washington's natural and outdoor recreation resources, using

data to inform decisionmakers and policy. Funds will help the office update its economic analysis of outdoor recreation in Washington. It will also help the office work with federal partners and identify how to replace or enhance recreation opportunities associated with the drawdown of reservoirs if the lower Snake River dams are removed.

*(\$1.2 million GF-S)*

### **Department of Fish and Wildlife**

#### **Maintain salmon recovery**

Salmon populations continue to struggle against climate change, habitat loss, pollution, and other factors. While recent legislative efforts have shored up salmon recovery, the governor's proposed funding reflects the wide range of recovery efforts needed to address this complex issue. WDFW will increase surveys and monitoring for coastal salmonids on the Olympic Peninsula. The agency will also improve fish production investments for fish health, Endangered Species Act compliance, fish tagging and marking capacity, and hatchery facility maintenance. The department will support non-native predator suppression in Lake Washington and advance ecosystem restoration projects in the Whidbey Basin.

*(\$6.6 million GF-S, \$13.4 million GF-F)*

### **Department of Natural Resources**

#### **Support department activities with federal grants**

The Department of Natural Resources (DNR) received multiple new federal funding grants and increases to existing federal grant awards. The funding supports department activities such as managing landslide risk,

assessing mineral deposits, collecting lidar data, increasing urban tree cover, and reducing the risk of wildfire in at-risk communities.

*(\$36.6 million GF-F)*

### **Create pilot program to manage target shooting**

Target shooting on lands managed by the DNR is a significant safety and lead contamination issue because the action is often dispersed and unauthorized. DNR will pilot the development of two designated shooting ranges with capital budget funding, initiate a stakeholder process to determine potential locations for future ranges, and address the lead pollution in highly contaminated areas. The agency aims to manage target shooting effectively, enhance safety and mitigate environmental impacts.

*(\$710,000 GF-S, \$473,000 Model Toxics Control Operating Account)*

### **Mitigate European Green Crab**

European Green Crab is an ecologically destructive invasive species and poses a significant threat to marine areas in Washington, including Puget Sound, Willapa Bay, and Grays Harbor. DNR will employ staff, acquire necessary equipment, and implement an annual work plan to safeguard state-owned aquatic lands. This includes Aquatic Reserves, Natural Resources Conservation Areas, and other high-value marine habitat.

*(\$857,000 GF-S)*

## **Department of Agriculture**

### **Enhance emergency food and strengthen food resiliency**

Food insecurity is not reducing in scale or scope despite the pandemic ending. Food bank use has increased 33% from this time last year and the sustained rise in food prices impacts food banks just as it impacts individual households. The Emergency Food Assistance program is our state's long-standing program for distributing emergency food funding to underserved communities and supporting hunger relief organizations. This investment provides stopgap funding to ensure hunger relief organizations can keep helping people in need. Federal funding also includes the capacity to invest in supply chains that support regional food system resiliency.

*(\$9.3 million GF-S, \$10.2 million GF-F)*

### **Minimize invasive species, pests and agricultural disease**

Eradicating invasive species is critical to protecting the state's forestry and agricultural sectors. Based off the department's 2023 trapping information, it needs additional support to control current spongy moth and Japanese beetle issues. The agency proposes to create an emergency response account it can use when it declares an agricultural pest or disease emergency or quarantine. This increases the department's ability to rapidly respond to emerging threats and builds resilience for agricultural industries.

*(\$3.6 million GF-S, \$351,000 GF-F)*

## **Advance agriculture**

The department supports the viability and vitality of agriculture in the state. However, Washington's agriculture industry faces a severe labor shortage and new challenges from climate change, supply chain disruptions and evolving markets. In response, the department will focus on improvement in a few key areas. It will study emerging markets to help hemp producers navigate a complex regulatory landscape. It will also offer farmers and ranchers in crisis the appropriate financial-focused outreach and education. Finally, the department will partner with four established education programs (such as Future Farmers of America) to invest in agricultural leadership programs that build adaptation, resiliency, and diversity for career success in the agriculture industry.

*(\$1.3 million GF-S)*

# Natural Resources/Capital

*Note: Some of the items in this section also appear Climate breakout sections of Budget Highlights.*

## Improve air quality

### Department of Ecology

Support the Electric School Bus program

Grants will help school districts transition diesel-run school buses and other student transport vehicles to zero emission vehicles. These grants will also support fueling the infrastructure we need to increase zero-emission student transportation.

*(\$32.4 million Carbon Emissions Reduction Account-State)*

## Develop housing

### Department of Natural Resources

Develop affordable housing

DNR will develop housing on DNR lands zoned 'residential' or that are best suited for housing development. The department will sell, auction, or lease underperforming trust lands to another government entity or public housing authority. Funding may be used for land improvements, including infrastructure, architecture and engineering feasibility and site plans, and permitting for site improvements.

*(\$2.3 million bonds)*

## Clean up toxics

### Department of Ecology

Support settlement cleanup

This funding will help continue cleanup efforts and habitat restoration among four contaminated sites in western Washington.

*(\$2.2 million Cleanup Settlement Account-State)*

Support Eastside Fire and Rescue PFAS cleanup

The department will investigate and clean up per-and polyfluoroalkyl substances (PFAS) at Eastside Fire and Rescue headquarters in Issaquah. Funding will help prepare an Interim Action work plan that includes treating carbon in groundwater and removing contaminated soil.

*(\$2 million Model Toxics Control Capital Account-State)*

## Protect salmon and habitat

### State Conservation Commission

Match federal funds for Regional Conservation Partnership program

Funding will add matching funds for federally-approved projects related to the Regional Conservation Partnership program. This action will better restore and sustain soil, water, wildlife, and related natural resources on regional or watershed scales.

*(\$3 million bonds)*

## Recreation and Conservation Office

Fund Salmon Recovery Funding Board programs

The agency will implement the Salmon Recovery Act and provide funding for projects that protect or restore salmon habitat, and for other salmon recovery programs and activities across the state. While other grant programs concentrate on a particular geographic region or bring in other non-salmon values, this is the only grant program in Washington that focuses exclusively on protecting and restoring salmon habitat statewide. Projects are developed locally and

evaluated to assess if and how well each will implement the priorities listed in federally-adopted salmon recovery plans.

*(\$25 million Natural Climate Solutions Account – State)*

Protect coastal habitat

The agency will restore aquatic and terrestrial habitat on the Washington coast to protect the stronghold of salmon populations and provide jobs. Projects strengthen communities through job creation, more work options for local contractors, flood control, habitat access improvement, climate resiliency and more.

*(\$7.6 million Natural Climate Solutions Account – State)*

Support Estuary and Salmon Restoration program

Funding will protect and restore the Puget Sound nearshore ecosystem for salmon recovery. The program is managed cooperatively by the Department of Fish and Wildlife, the Recreation and Conservation Office, and the Puget Sound Partnership.

*(\$11 million Natural Climate Solutions Account – State)*

Maintain Brian Abbott Fish Barrier Removal Board projects

The agency will fund fish barrier removal projects on the biennial project list that the Brian Abbott Fish Barrier Removal Board prioritizes. The board prioritizes projects based on watershed and transportation project considerations that will benefit barrier removal efforts the most.

*(\$22 million Natural Climate Solutions Account – State)*

## **Improve carbon storage and sequestration**

### **Recreation and Conservation Office**

Upper Green River Forest carbon storage

The Tacoma Public Utilities will acquire 15,000 acres of industrial timberland in its drinking water watershed in the Upper Green River. This land comes from willing landowners to help Washington grow older, structurally-complex forest. The goals are to increase carbon storage, protect water quality, improve habitat for forest-related biodiversity, and improve aquatic habitat to support returning salmon and other aquatic species.

*(\$25 million Natural Climate Solutions Account - State)*

Protect forest lands

The department will protect and enhance community forest lands by acquiring land and developing collaborative models of community-based forest management. Forest lands typically span at least five acres, can sustain natural vegetation, and often have the capacity to be reforested.

*(\$5.8 million Natural Climate Solutions Account - State)*

Increase forest carbon storage and sequestration

Grants for private, Tribal, and local government forest landowners will help these groups holistically take care of forests by using cost-effective strategies that go beyond standard requirements. Taking care of forests this way extends how long the forest can continue capturing and storing carbon.

*(\$5 million Natural Climate Solutions Account - State)*



## Support recreation

### Parks and Recreation Commission

Construct full-service park in Nisqually

The commission will construct a new park entrance as part of the new full-service park in partnership with the Nisqually Indian Tribe. The park will be open for day use and a variety of overnight accommodation opportunities.

*(\$3.7 million bonds)*

### Department of Fish and Wildlife

Acquire Sekiu Boat Ramp

Purchasing Sekiu boat ramp property in northwest Clallam County will offer Washingtonians long-term boating access for public recreational fishing at the oldest operating fishing resort in the state.

*(\$2.7 million bonds)*

## Department of Natural Resources

Invest in YMCA Camp Colman

DNR will address the impact of tidal gate removal and restore fish passage on YMCA Camp Colman at Whiteman Cove. These investments will also support an environmental learning center predesign.

*(\$2.1 million bonds)*

Establish recreational target shooting sites

The department will develop site, permit, and construct two near-term designated target shooting sites, one in either Clallam County or Jefferson County, and one in Stevens County. These shooting sites will provide safe locations for responsible target shooters to engage in their activity at the Department of Natural Resources lands.

*(\$1.9 million bonds)*

# General Government/Operating

## Office of the Secretary of State

### Increase voter education

Funding will expand the reach of critical, accurate, and reliable information about voting and elections in Washington.

*(\$500,000 General Fund-State)*

## Department of Commerce

### Improve digital equity access

The department's Digital Navigator Grant program provides funding to community organizations across the state that help individuals, groups or households with internet adoption and using computer devices. This includes providing real time assistance and laptops, computers, hot spot devices and other digital supportive devices.

These efforts will help individuals access governmental services, telehealth, social connectivity and education. Funding will increase the number of available grants communities can apply for.

*(\$5.5 million GF-S)*

### Respond rapidly to drinking water issues

Local communities rely on access to safe drinking water. When their water gets contaminated, it's vital that communities can access emergency funds to address the situation. The department will support rapid drinking water testing and emergency

water supplies. This applies to overburdened communities or areas with vulnerable populations that face combined multiple environmental harms and health impacts from contaminated water supplies.

*(\$1 million Model Toxics Control Account)*

## Office of the Attorney General

### Establish permanent Sexual Assault Kit Initiative (SAKI) unit

The Sexual Assault Kit Initiative (SAKI) unit significantly contributed to sexual assault kit testing and investigations. This unit helped solve outstanding sexual assault cases across Washington and bring justice to victims of serious crimes. The Office of the Attorney General will establish a permanent SAKI unit to continue this momentum and success.

*(\$801,000 GF-S)*

## Office of the Governor

### Support equitable access

The Office of Equity will receive funding for additional staff to better engage agencies. These entities need more support to make sure employees and communities have equally effective communication and meaningful access to state information and services. The state's investment advocates for all Washingtonians to have full access to information and services – regardless of disability, primary language, or digital access status.

*(\$857,000 Gov Central Service Account)*

## Office of Financial Management

### Fund a report on accessing equitable care

Funding will support OFM as it completes a comprehensive state report on how individuals access equitable care for pregnant people. This includes pre-natal, labor and delivery, and postpartum care. This report will also recommend where and what services we need to best serve Washingtonians, specifically those who face greater obstacles to accessing adequate care. While lower than the national average, there are still 14.9% of women in Washington who can't access adequate prenatal care, which is 0.4% *above* the national average of 14.5%. The preterm birth rate among American Indian/Alaska Native women is 52% higher than all other women in the state — unable to access care at nearly two times the rate of all mothers (26% already receive inadequate prenatal care). While we have reports from national organizations that identify areas of need in Washington, we know these only tell a portion of the story.

*(\$274,000 GF-S)*

### Bolster One Washington program

With coordination from multiple state agencies, the One Washington program will replace the state's 40-year-old financial system with a new, cloud-based system called Workday. The additional project amounts include funding for software licenses and subscriptions, technology pool funding for agencies, and expertise and skills in critical roles. This will help agencies meet the July 2025 go-live date. This additional project funding continues the Legislature's project investment from previous budgets.

*(\$95 million other)*

## Consolidated Technology Services

### Manage Artificial Intelligence (AI) strategy

With the pressing need to respond to imminent artificial intelligence growth, Washington needs to be ready to manage, use, and mitigate potential opportunities or risks with such technologies. Consolidated Technology Services (WaTech) will provide policies, frameworks, use cases, and guidance on how to safely and effectively use this emerging technology. The program will develop a statewide AI strategy and oversight process that will guide state agencies and local governments through this ever-changing landscape.

*(\$939,000 GF-S)*

### Support technology modernization

Consolidated Technology Services (WaTech) works with agencies to adopt innovative technology and modernize outdated applications. Increasing this funding source will help agencies more quickly solve business problems and invite more state agencies to submit ideas for short-term, low-risk, high-reward projects to update their outdated applications.

*(\$2 million GF-S)*

### Implement Electronic Health Records program

Consolidated Technology Services (WaTech) will start the implementation of an enterprise electronic health records solution. WaTech will coordinate this effort with three health and human services agencies. This will provide seamless services for Washingtonians and

communities by communicating and using data effectively across agencies to support client and community services.

*(\$13.6 million GF-S)*

## **Department of Enterprise Services**

### **Reduce state office space**

OFM set a 20% office space reduction goal for leases expiring in fiscal years 2024 and 2025 because of underused office space and a broader acceptance of hybrid work. State agencies have exceeded this goal and reduced this subset of leases by more than 400,000 square feet.

To further this work and achieve the state's 30% office space reduction target for leases expiring in fiscal years 2026 and 2027, the Department of Enterprise Services will hire three new real estate professionals. These employees will help state agencies identify available space and identify opportunities for agencies and staff to consolidate and downsize. This effort aligns with the state's goal to embrace hybrid work and increase efficiency by reducing office space leases and consolidating into state-owned facilities.

*(\$942,000 GF-S)*

## **Governor's Office of Indian Affairs**

### **Hire staff for Governor's Tribal Leaders Social Services Council**

The Governor's Tribal Leaders Social Services Council (GTLSSC) was created to facilitate communication between tribal governments and state agencies to resolve social services delivery issues. These groups can use the meetings to discuss resolutions across multiple agencies and identify overlapping barriers.

The council has reached the point where it needs the support of a project manager and administrative assistance to organize and track the complex work ahead.

*(\$158,000 GF-S)*

## **Office of Minority and Women's Business Enterprises**

### **Support LGBTQ small-business certification**

The Office of Minority and Women's Business Enterprises (OMWBE) will extend certification to LGBTQ-owned small businesses. In consultation with the LGBTQ Commission, OMWBE identified the need to address the economic disparities and social discrimination that disproportionately affects the LGBTQ community business owners in our state. Expanding business certification encourages entrepreneurship and economic stability among LGBTQ-owned small businesses and provides opportunities for them to access state contracts through the supplier diversity systems.

*(\$300,000 GF-S)*

### **Fund a disparity study**

OMWBE will conduct an updated disparity study to assess Washington's progress toward creating a diverse supplier base. The first disparity study in 2019 revealed a pressing need to increase our support of minority and women-owned businesses. The new study will focus on how COVID-19 impacted minority and women-owned small businesses and provide a fresh outlook on how to increase supplier diversity contracts to meet statewide goals.

*(\$1.2 million GF-S)*

## Criminal Justice Training Commission

### Corrections Regional Academy

The Criminal Justice Training Commission is currently funded to provide four Corrections Officers Academy (COA) classes annually in Burien. To meet the increased demand for basic corrections officer training in eastern Washington, funding is provided for one additional class to be held in Spokane in fiscal year 2024 and two additional classes in fiscal year 2025 and each year thereafter. These additional classes will provide training for 36 more students in fiscal year 2024 and 72 more students in fiscal year 2025 and each year after.

*(\$1.3 million General Fund-State,  
\$237,000 General Fund-Local)*

## Eastern Washington State Historical Society

### Acquire new collections

The Eastern Washington State Historical Society (EWSHS) will add two geographically and culturally significant collections to Washington during the 2023-2025 biennium. This includes:

- A 31-piece collection of artworks from the celebrated Spokane artist, Harold Balazs, known for his striking abstract sculptures.
- A treasury of Southern Plateau Tribal beadwork artifacts. This includes 3,000 objects and 4,000 historic photographs.

By obtaining these once privately held collections, Washington will enrich its communities and get access to these artworks and artifacts for cultural preservation and educational purposes.

*(\$500,000 GF-S, \$350,000 Other)*

## Washington State Arts Commission

### Bolster the Governor's Arts and Heritage Awards

Since 1966, the Governor's Arts and Heritage Awards acknowledged individuals and organizations for their significant contributions to arts and cultural heritage in Washington. This funding will award each honoree a \$10,000 grant and give the Arts Commission resources to organize and plan the annual event.

*(\$300,000 GF-S)*

## Retiree health care and pension benefits

Increase retiree health benefits

The funding rates for state employee and school employee health insurance benefits support an increase in the retiree health insurance subsidy. The monthly cap of \$183 is increased to \$193 in the governor's budget, and funding is included to raise the base percentage covered from 50% to 60%. These increases reflect a commitment to healthcare support for retired public servants who are managing increased costs in a variety of areas.

*(\$8.5 million GF-S)*



### **Simplify pension process when beneficiary dies**

Funding will support legislation that would ensure pension benefits continue through the end of the month when a retiree or beneficiary dies. The change simplifies administrative processes for families, particularly for those whose health coverage costs are deducted from their retirement benefits.

*(\$4.9 million GF-S)*

# General Government/Capital

## Strengthen communities

### Department of Commerce

#### Strengthen Rapid Capital Housing Acquisition

Acquire approximately 1,350 housing units, including tiny homes and pallet shelters. Tiny homes and pallet shelters would temporarily house chronically homeless individuals encamped on public rights of way until they could be safely transitioned to permanent housing solutions. The Rapid Capital Housing Acquisition program is also enhanced to acquire manufactured home parks and allow existing tenants — mostly elderly — to maintain their existing affordable homes on these sites.

*(\$100 million bonds)*

#### Create housing for people with intellectual and developmental disabilities

Build approximately 25 affordable and accessible housing units for people with intellectual and developmental disabilities. This would provide affordable housing, more independent living options and increase their quality of life.

*(\$4.5 million Washington Housing Trust Fund-State)*

#### Invest in broadband

Leverage approximately \$1.2 billion in federal Broadband Equity, Access, and Deployment (BEAD) funding allocated for Washington. These funds will increase digital equity and

connectivity toward the [Internet for All](#) goal. This investment will advance the state's broadband access goals in unserved and underserved areas by getting infrastructure funds out to communities, public partnerships and private partnerships that are ready to invest in broadband.

The governor's 2024 capital supplemental budget includes spending for federal State Digital Equity Capacity Grant program. This will offer Washington the chance to promote the achievement of digital equity, support digital inclusion activities, and build capacity for the department as it implements the federal BEAD grants. Meanwhile, state funding will support technical assistance to subgrantees and increase Tribes' and public entities' participation and access to the BEAD grants.

*(\$100.6 million General Fund-Federal, \$13.9 million Public Works Assistance Account)*

#### Support BIPOC communities

Fund 14 community-led capital projects that serve underserved communities statewide. Black, Indigenous and communities of color (BIPOC) communities in urban and rural areas that are disproportionately affected by poverty will benefit from this investment. The Communities of Concern Commission developed this list of projects.

*(\$10.4 million bonds)*

Establish crisis stabilization for Trueblood Phase 3

Funding for this project will be used to develop 16 licensed crisis stabilization beds in the Thurston or Mason County region so the state can meet implementation plan expectations for Phase 3 of the Trueblood Settlement Agreement. This community-based approach will provide short-term, prompt attention and support in a respectful environment for individuals experiencing a mental health crisis or an acute behavioral health problem. These crisis stabilization beds will serve as a health care alternative to jail, emergency room settings, or evaluation and treatment center services.

*(\$5 million bonds)*

### **Department of Enterprise Services**

Upgrade critical fire systems

Replace ailing fire alarm systems at the Temple of Justice, Old Capitol Building, Governor's Mansion, Perry Street Child Care Center and Dolliver Building.

*(\$2.7 million bonds)*

Enhance Capitol Campus security and safety

Add and/or improve fencing, gates, and bollards at the executive residence (Governor's Mansion), enhancing security for residents and guests. These upgrades will allow the Washington State Patrol and other security personnel to fully implement a comprehensive security plan (including physical, electronic, and video components) that is not currently possible.

*(\$1.6 million bonds)*

### **Military Department**

Renovate Camp Murray Building 34

Additional funding will help the department use vacated space to expand the medical readiness detachment (Building 34) at Camp Murray. This project aims to repurpose existing space to create a controlled storage area for medical records to meet HIPAA requirements, climate-controlled storage for Class VIII medical supplies and medications, and a certified lab and blood testing area. These efforts will create functional space while bringing the facility closer to National Guard standards.

*(\$1.2 million bonds; \$495,000 GF-F)*

# Transportation

## Washington State Ferries

Gov. Inslee's 2024 supplemental budget continues to invest in Washington's ferry system to improve service reliability across a crucial marine highway. It includes workforce strategies to fill necessary crew positions, and it examines the state's role in passenger-only ferry service. In addition to existing funding to convert two vessels to hybrid-electric power, the budget funds the conversion of a third Jumbo Mark II vessel to hybrid-electric power. The governor's policy brief on climate and energy also outlines significant investments in a greener, healthier transportation system.

### Improve reliability through workforce

#### Add dispatch staff

The governor's budget allocates funding to expand staff and hours for ferry dispatch. Dispatch staff address crew relief requests, which have increased and often occur after hours. Ferries cannot operate without the right number and types of crew members to comply with established standards and bargaining agreements. Dispatch staff respond to relief requests and recruit employees to fill necessary crew shifts. This funding will help prevent service interruptions by increasing dispatch staff and hours.

*(\$935,000 Puget Sound Ferry Operations Account-State)*

#### Add vessel crew staff

To improve service reliability and on-time performance, the system will use these funds to add an ordinary seaman and an engineer

room oiler to each 'watch' or shift. With this additional staffing, crews will be better equipped for unexpected absences. This investment in additional crew will help prevent service disruption, minimize delays and maintain reliable schedules for passengers.

*(\$16.2 million Puget Sound Ferry Operations Account-State)*

### Expand the AB to Mate development program

Washington State Ferries (WSF) faces a serious shortage of licensed deck officers. This budget item helps train more officers through the AB to Mate workforce development program. The program reduces career growth barriers and encourages qualified, internal, unlicensed deck crew (Able-bodied Seamen or ABs) to become licensed mates. The agency will use the funding to grow the program from 24 to 72 participant spots. It will also allow the program to train more crew to become licensed deck officers, filling a critical requirement for reliable ferry service.

*(\$4.2 million Puget Sound Ferry Operations Account-State)*

### Support the Wiper to Oiler promotion program

This item widens the worker candidate pool by expanding the wiper internship program from 10 to 26 internships and lowers barriers to engine room jobs at Washington State Ferries. The Wiper to Oiler program supports recruitment by adding entry-level wiper positions and providing on-the-job training for

promotion to the oiler position. With lower credentialing requirements and a pathway for advancement, the program appeals to a broader pool of skilled workers who can help fill immediate and future crew positions.

*(\$988,000 Puget Sound Ferry Operations Account-State)*

**Expand MITAGS training scholarships**

WSF will use this funding to grow its training scholarship program with the Marine Institute of Technology and Graduate Studies (MITAGS). The program helps build a sustainable, diverse workforce pipeline by making maritime education and licensure available to more people. The scholarship pays for the 2.5-year program, offsets living expenses, and is available to individuals with little to no maritime experience. This budget increases the current scholarship cohort from 10 to 12 people, and it adds a third cohort of 12 candidates. The growing scholarship program helps a continuous stream of skilled, qualified crew members become licensed deck officers who can fill critical ferry positions.

*(\$454,000 Puget Sound Ferry Operations Account-State)*

**Double capacity for out-of-state recruitment**

To strengthen the ferry workforce, Washington continues to recruit and train qualified out-of-state mariners. The governor’s budget includes funding to double the existing program from 10 to 20 training seats. This increases the opportunity to recruit skilled crew members from the global pool of candidates.

*(\$933,000 Puget Sound Ferry Operations Account-State)*

**Build forward-thinking solutions**

**Implement a San Juan Island crew shuttle**

Currently, WSF contracts a vessel to transport crew members from Anacortes to Friday Harbor in time to relieve the previous crew and return crews to the mainland at the end of their shifts. The governor’s budget provides funding to continue this service, which has proven effective in ensuring crew members can get to and from work in a timely manner. This will reduce the likelihood of missed or delayed sailings due to lack of crew.

*(\$330,000 Puget Sound Ferry Operations Account-State)*

**Maintain Kitsap Transit passenger-only ferry**

This item continues a contract with Kitsap Transit to provide supplemental passenger-only ferry service between Bremerton and Seattle. Two ferries served this route before the COVID-19 pandemic, but it has since been limited to one vessel and a reduced service schedule. WSF will continue to supplement service with the Kitsap passenger-only ferry so that travelers have more reliable service and more options.

*(\$1 million Puget Sound Ferry Operations Account-State)*

**Conduct state study of passenger-only ferry service**

With this funding, the state will revisit and evaluate options for providing passenger-only ferry service to support existing ferry service routes and expand options for travelers. WSF will first examine opportunities to provide



passenger-only service on the interisland ferry route between the San Juan Islands. An additional \$5 million is set aside in unallotted status to support funding capital recommendations for the interisland route.

*(§2.25 million Puget Sound Ferry Operations Account-State, \$5 million Puget Sound Capital Construction Account)*

### **Study the next class of vessels**

The department will initiate a vessel design to replace the aging Issaquah class ferries with a new automobile hybrid electric ferry intended to operate on the Vashon-Southworth-Fauntleroy route. The funding will support predesign studies and development of a request for proposal for procurement of up to four vessels. The predesign study will account for changes in technology and staffing needs.

*(§1.5 million Puget Sound Capital Construction Account)*

### **Electrify ferries**

WSF is converting three Jumbo Mark II vessels from diesel to hybrid electric. Funding will support converting the third of the three vessels. These ferries serve the most densely populated urban areas in the central Puget Sound region and produce 26% of the fleet's annual greenhouse gas emissions. Each conversion will reduce emissions by nearly 50,000 metric tons a year with the first vessel scheduled to sail in fall 2024.

This item also appears in the Climate and Energy Policy Brief.

*(§11 million Carbon Emissions Reduction Act)*

### **Public safety**

Public safety is another key focus of this supplemental budget. There were 750 traffic fatalities in 2022, making it the deadliest year on Washington roadways in over three decades. In 2023, 578 fatalities were already reported by September. This points to an alarming trend and the governor's budget includes strategies to make our roadways safer. It invests in developing a pilot program to change speeding behaviors, and continues to resolve unsafe conditions on state-owned rights of way. It also provides funding for the Washington State Patrol (WSP) to improve enforcement, investigations and emergency response.

### **Washington State Patrol**

#### **Restore vacancy savings to fill critical roles**

The 2023-25 budget included \$63.6 million in assumed trooper and non-field force vacancies. Yet, WSP is filling these vacancies quickly and the governor's budget restores \$30.9 million to fund approximately 80 troopers and 100 non-field force positions. This investment will bolster the agency workforce and ensure that resources can be used appropriately to staff this essential work and put more troopers on our roadways.

*(§30.9 million State Patrol Highway Account-State)*

**Add third trooper class**

The budget also provides funding for the WSP to hire and host a third trooper class to graduate additional cadets. Funding will supply training and trooper vehicles. This will support the agency workforce by increasing the pipeline of trained, qualified troopers.

*(\$9.5 million State Patrol Highway Account-State)*

**Make state toxicology staffing improvements**

The state toxicologist provides laboratory services to support the investigation of alleged crimes, such as driving under the influence. For more than 20 years, this role has been performed by the Forensic Laboratory Services Bureau (FLSB) director or the Toxicology Laboratory Division (TLD) commander. During this time, the responsibilities of all three positions have grown. The governor’s budget includes funding to right-size staffing by creating a new standalone state toxicologist position. This role will focus on technical personnel, instrumentation, methods, and quality assurance for the FLSB and TLD. It will also work to reduce the number of backlogged toxicology cases, improve turnaround time, and increase the number and amount of drugs the laboratory can detect.

*(\$383,000 Highway Safety Account-State, \$127,000 Death Investigations Account-State)*

**Invest in Rapid DNA**

Rapid DNA technology supports criminal investigations by quickly obtaining a forensic DNA profile from a biological sample. The Federal Bureau of Investigation approves its use for offender samples and arrestee samples.

Samples submitted to Washington’s Crime Laboratory can take days or weeks to test, but Rapid DNA can produce a profile in 90 minutes. This investment permanently adds two forensic scientist positions whose work to process Rapid DNA will support criminal investigations.

*(\$940,000 General Fund-State)*

**Fund local fire department training**

Many local fire departments do not have the resources to send their firefighters to the State Fire Marshal’s Fire Training Academy. This budget item provides access to staff and training resources through the Fire Training Academy’s Regional Direct Delivery program (RDDP). Through this program, the State Fire Marshal’s Office travels to local fire departments to connect with local firefighters and conduct and certify training.

*(\$675,000 GF-S)*

**Department of Transportation**

**Implement speed camera test pilot**

The governor’s budget provides funding to establish an automated traffic safety camera pilot program along state highways. This initiative aims to comprehensively evaluate the efficacy of automated traffic safety camera technology, specifically focusing on its impact on speeding behavior. One-third of all fatalities involve speeding, and policies and programs to change speeding behaviors can save lives. Central to the initiative are critical components such as selecting appropriate technology, strategically placing cameras in high collision or high fatality locations, implementing signage

for motorists, conducting outreach efforts, and gathering comprehensive data on speed variations before, during, and immediately after motorists pass a speed camera.

*(\$1 million Motor Vehicle Account-State)*

### **Maintain encampment resolution efforts**

The governor's supplemental budget includes funding for the Department of Transportation to coordinate efforts to clear debris or hazardous materials from state-owned rights of way and maintain cleared sites. This funding is in addition to \$7 million from the 2023-25 budget and is necessary to continue this work. This item also appears in the Affordable Housing and Homelessness Policy Brief.

*(\$10 million Motor Vehicle Account-State)*

## **Department of Transportation**

Additional Department of Transportation items appear in Public Safety, above.

### **Remove fish passage barriers**

The governor's budget continues to support the department's work to meet the requirements of the 2013 *U.S. v. Washington* court injunction by including an additional \$150 million dedicated to removing fish passage barriers on WSDOT roadways. This funding is a critical step to tackle the escalated construction costs associated with culverts and meet the requirements of the injunction, mandating the correction of state-owned culverts that impede salmon and steelhead migration.

*(\$150 million, Move Ahead Washington Account-State)*

## **Department of Licensing**

### **Increase access to identification**

The governor's budget provides funding to support the Department of Licensing's proposed legislation to remove barriers to getting an identification card. This legislation makes it simpler for young people to get adult approval to apply for an intermediate driver's license, simplifies, expands the eligibility for those who can qualify to receive an at-cost identicard, and gives direction for a study on providing identicards at reduced costs. This will help Washingtonians access the valid identification they need to travel, obtain gainful employment, and access public resources.

*(\$100,000 Highway Safety Account-State)*

### **Prepare for Real ID**

Beginning May 7, 2025, the Department of Homeland Security will require individuals to have a Real ID compliant document to board a domestic flight or enter a restricted federal facility. In preparation, the budget provides funds for DOL to conduct a public outreach campaign that alerts Washingtonians about the new requirement, and to hire staff to serve the influx of customers who need to acquire compliant identification.

*(\$2.7 million Highway Safety Account-State)*