



Washington state budgets FY 2019-21: Selected impacts on cities

For more information, visit fiscal.wa.gov

	Final budget	Final adopted supplemental budget
Operating budget – Shared revenues		
Liquor profits (Liquor Revolving Account)	\$98.9 million	\$98.9 million
Liquor taxes (Liquor Excise Tax Account)	\$64.1 million	\$67.4 million <ul style="list-style-type: none"> Slight increase due to accounting updates
Marijuana excise tax	\$30 million with the intent to fund at \$20 million per fiscal year in subsequent fiscal biennia	\$30 million
Streamlined sales tax (SST) mitigation	\$18.6 million: \$2.2 million for final payment under mitigation formula, plus \$16.4 million for continued mitigation after October 2019	\$7.3 million: \$1.9 million for fiscal year 2020 and \$5.4 million for continued mitigation for 2020 after October 2019 <ul style="list-style-type: none"> Creates a new shared revenue source of Manufacturing and Warehousing Jobs Centers Account with approximately \$6.7 million distributions for 2021 (HB-1948) Vetoed
Municipal Criminal Justice Assistance Account	\$42.1 million	\$40.3 million <ul style="list-style-type: none"> Slight decrease due to accounting updates
City-County Assistance Account (6050)	\$33.2 million	\$35.5 million <ul style="list-style-type: none"> Slight increase due to accounting updates
Fire Insurance Premium Tax	\$10.5 million	\$10.9 million <ul style="list-style-type: none"> Slight increase due to accounting updates
Operating budget – Programs		
COVID-19 Response	N/A	\$74.1 million: Emergency response funding from Department of Natural Resources for 2020 and 2021 for responding to emergencies including fire suppression and COVID-19 \$200 million: State funding to state agencies and local governments to respond to COVID-19 – funds pulled from the rainy-day fund: \$25 million earmarked for unemployment assistance programs
Pensions	LEOFF 2 transfer: \$300 million from LEOFF 2 pension fund to Benefits Improvement Account (HB 2144) Final rates: <ul style="list-style-type: none"> PERS employer rate: 12.52% PSERS employer rate: 11.76% LEOFF employer rate is 5.65%	No changes (see below for PERS 1 COLA)

	Final budget	Final adopted supplemental budget
PERS 1 COLA	No PERS 1 COLA	One-time PERS 1 COLA funded through a 0.12% increase in employer paid surcharge (HB 1390)
Training for law enforcement	19 BLEA classes each FY – Two classes must be held in Spokane (current practice)	<ul style="list-style-type: none"> • \$1.04 million: Funding for two additional BLEA classes in 2020 and 2021 – Three classes each year must be held in Spokane • \$985,000 to implement the correctional officer certification program (HB 2499) • \$524,000: De-escalation training program • \$100,000: De-escalation program curriculum
Mental health field response grants	\$4 million: \$3 million for <i>Trueblood</i> phase one regions	\$4 million: \$3 million for <i>Trueblood</i> phase one regions
Law enforcement diversion grant program (HB 1767)	\$2.4 million to Washington Association of Sheriffs & Police Chiefs to implement grant program	\$2.4 million to Washington Association of Sheriffs & Police Chiefs to implement grant program
Crisis intervention training	\$899,000 for <i>Trueblood</i> phase one regions	\$899,000 for <i>Trueblood</i> phase one regions
Municipal Research and Services Center	\$5.9 million	\$5.9 million
Auto theft prevention authority	\$8.2 million	\$8.2 million
Cybersecurity audits	\$2.8 million for state and local government audits	\$2.8 million for state and local government audits
Public defense grants	\$900,000 to cities per biennium	\$900,000 to cities per biennium
Drug & gang prevention	\$1 million grant program	\$1 million grant program
Gun violence intervention	N/A	\$600,000: Grants for law enforcement agencies to implement group violence intervention strategies – with priority given to Yakima and south King County
Centralized background check system (HB 2467)	N/A	<p>\$8.9 million: Funding for WSP to establish centralized system for firearm background checks</p> <p>\$400,000: Funding for WSP to develop implementation plan for centralized system for firearm background checks</p> <p>\$666,000: For courts to support the development of the WSP centralized system for firearm background checks</p> <p>\$192,000: Legal services to implement the centralized system for firearm background checks</p>
Sex offender address registration	\$10 million	\$10 million
Impaired Driver Safety Account	\$1.3 million	\$1.4 million
Public health	\$73 million, plus additional \$22 million for foundational public health (HB 1497)	\$28.0 million: \$6.0 million increase for foundational public health

	Final budget	Final adopted supplemental budget
Community-based behavioral health treatment system	\$152.1 million: <ul style="list-style-type: none"> • \$51.3 million for community long-term inpatient beds • \$1.5 million for mental health drop-in facilities • \$19 million for substance use disorder enhancements • \$8.8 million for community treatment services • \$45 million for behavioral health grants • \$26.5 million for enhanced discharge placements 	\$152.1 million: <ul style="list-style-type: none"> • \$51.3 million for community long-term inpatient beds • \$1.5 million for mental health drop-in facilities • \$19 million for substance use disorder enhancements • \$8.8 million for community treatment services • \$45 million for behavioral health grants • \$26.5 million for enhanced discharge placements
Model ordinance for siting of behavioral health facilities	Mandates Commerce to develop a model ordinance within existing funds, but provides \$396,000 for a paid administrator to coordinate	Mandates Commerce to develop a model ordinance within existing funds, but provides \$396,000 for a paid administrator to coordinate
Medication Assisted Treatment (MAT)	N/A	\$50,000: Funds study to review options for providing MAT to other correctional facilities across the state
Sexual assault kit testing	N/A	\$2 million: Funding to assist law enforcement and community agencies seeking resolution to cases tied to previously unsubmitted sexual assault kits and provide support to survivors of sexual assault offenses
Storage of Sexual Assault Kits (HB 2318)	N/A	\$50,000: Funding to develop a proposed case review program
Model Toxic Control Account (MTCA) transfers to operating budget	Transfers \$35 million at the end of FY19 from MTCA to the general fund and \$38 million from State Toxics Control Account to the general fund	Transfers \$35 million at the end of FY19 from MTCA to the general fund and \$38 million from State Toxics Control Account to the general fund
Stormwater Permit Assistance	N/A	\$750,000 for Ecology to provide funding to local governments to: <ul style="list-style-type: none"> • Address stormwater permit requirements • Assist small businesses • Provide local source control monitoring associated with the Puget Sound
Climate resiliency	N/A	<ul style="list-style-type: none"> • \$50 million for the Climate Resiliency Account Vetoed • \$2.3 million for Ecology rulemaking to strengthen climate considerations in SEPA
Net ecological gain vs. No net loss assessment	N/A	\$256,000 for a contract between DFW and the Washington Academy of Sciences to study changing impact standards across state and local environmental and land use laws and regulations
Road Map to Washington's Future Task Force	N/A	\$350,000 for workgroup to recommend updates to the Growth Management Act in light of the Road Map to Washington's Future report Vetoed

	Final budget	Final adopted supplemental budget
Housing & homelessness	<p>\$44.1 million</p> <ul style="list-style-type: none"> \$14.5 million additional for Housing & Essential Needs (HEN) program <p>\$200,000 grants for municipal labor programs that lead to full-time employment and stable housing for homeless individuals</p>	<ul style="list-style-type: none"> \$60 million for competitive grants for cities and counties for temporary local shelter capacity \$40 million in the Housing Trust Fund from Operating Budget \$15 million ongoing annual increase for HEN \$15 million per year for three years O&M for Permanent Supportive Housing \$10 million for preservation of affordable multifamily housing \$5 million for housing preservation grants \$1 million for diversion services for families and individuals at risk of losing housing or recently homeless \$1 million for transition housing pilot for homeless youth \$607,000 for foreclosure prevention \$500,000 for homeless youth diversion \$400,000 for grants for services for youth in crisis \$400,000 for apprenticeship program for homeless youth in King County \$200,000 study on homelessness needs of Clallam County \$80,000 for identification assistance for the homeless
Green economy	\$150,000 to Commerce to create a blueprint for next steps to develop the green economy in Washington State	\$150,000 to Commerce to create a blueprint for next steps to develop the green economy in Washington State
Local Solid Waste Financial Assistance	<p>\$10 million for Local Solid Waste Financial Assistance grants</p> <p>\$2.1 million for statewide litter collection programs and recycling programs to address Chinese market restrictions</p> <p>\$1.4 million for HB 1543 (Ecology to create market development center and locals to implement contamination reduction plans)</p>	<p>\$17 million for Local Solid Waste Financial Assistance grants Vetoed</p> <p>\$10 million for Local Solid Waste Financial Assistance grants</p> <p>\$2.1 million for statewide litter collection programs and recycling programs to address Chinese market restrictions</p> <p>\$1.4 million for HB 1543 (Ecology to create market development center and locals to implement contamination reduction plans)</p>
Capital budget		
Public Works Trust Fund	\$95 million: \$10 million is earmarked for specific projects	\$95 million
Stormwater Financial Assistance Program	\$44 million	\$49 million

	Final budget	Final adopted supplemental budget
Remedial Action Grants	\$50 million	\$32.6 million
Drinking Water State Revolving Fund Loan Program	\$46 million	\$46 million
Water Pollution Control Revolving Loan Program	\$204 million	\$204 million
Centennial Clean Water Grant Program	\$30 million	\$30 million
Community Economic Revitalization Board	<ul style="list-style-type: none"> • \$8.6 million for Public Facility Construction Loan Account • \$3.45 million for Broadband Infrastructure Program 	<ul style="list-style-type: none"> • \$18.6 million for Public Facility Construction Loan Account • No changes to Broadband Infrastructure Program
Broadband Grant and Loan Program	\$21.5 million of the Public Works Trust Fund	\$21.5 million of the Public Works Trust Fund <ul style="list-style-type: none"> • Changed distribution formula to provide additional grants
Washington Wildlife & Recreation Program	\$85 million	\$85 million
Youth athletic facilities	\$12 million	\$12 million <ul style="list-style-type: none"> • Proviso added that identifies specific projects to be funded
Fish Barrier Removal Board	\$26.5 million, of which \$24.7 million is for identified projects	\$26.5 million, of which \$24.7 million is for identified projects <ul style="list-style-type: none"> • Proviso added requiring the development of a comprehensive statewide culvert remediation plan that prioritizes barrier correction on a watershed basis • Remediation plan must be consistent with the injunction order • Funding provided to WDFW to staff this effort with direction to WSDOT to participate
Puget Sound restoration and salmon recovery grants	\$59.5 million for Puget Sound acquisition and restoration, including estuary/salmon restoration \$14.1 million for Washington Coastal Restoration Initiative \$25 million (plus \$50 million in federal funds) for Salmon Recovery Funding Board (SRF) grants	\$59.5 million for Puget Sound acquisition and restoration, including estuary/salmon restoration \$14.1 million for Washington Coastal Restoration Initiative \$25 million (plus \$50 million in federal funds) for Salmon Recovery Funding Board (SRF) grants
Healthy Housing Remediation Program	\$5 million for contaminated property redevelopment grants for affordable housing	\$5 million for contaminated property redevelopment grants for affordable housing
Aquatic Lands Enhancement Account	\$6.6 million	\$6.6 million

	Final budget	Final adopted supplemental budget
Housing Trust Fund	<ul style="list-style-type: none"> • \$10 million for modular housing grants • \$10 million to grants to match private affordable housing contributions • \$57 million for competitive housing projects for developmental disabilities, veterans, farmworkers, homeownership, and low-income populations • \$46 million for identified projects • \$35 million for supportive housing • \$10 million for affordable housing production and preservation grants/loans 	<ul style="list-style-type: none"> • \$35 million for supportive housing • \$10 million for modular housing grants • \$10 million to grants to match private affordable housing contributions • \$10 million for affordable housing production and preservation grants/loans • \$7 million for ultra-high efficient affordable housing projects grants/loans • \$50 million for identified projects • \$5 million for grants to provide cottage villages used as shelters • \$55.6 million for competitive housing projects for developmental disabilities, veterans, farmworkers, homeownership, and low-income populations
Behavioral health facilities	<p>\$117.9 million:</p> <ul style="list-style-type: none"> • \$47 million for Commerce competitive grant for expanding community-based behavioral health services • \$70.9 million for community-based projects for a variety of behavioral health services <p>\$120.7 million mental health facilities:</p> <ul style="list-style-type: none"> • \$25 million for two state-constructed community civil bed facilities; one providing 16 state-operated civil beds and one providing 48 mixed-use beds of which 16 beds would be state-operated civil beds • \$58 million for ward renovations at Eastern State Hospital and Western State Hospital • \$1 million for predesign and siting of a new forensic hospital • \$28.7 million for construction of two new forensic wards • \$8 million for a new Treatment and Recovery Center at Western State Hospital 	<p>\$126.1 million:</p> <ul style="list-style-type: none"> • \$73.2 million: \$26.2 million increase in Commerce competitive grants for expanding community-based behavioral health services (\$20 million of which is a re-appropriation from a canceled Multicare project in Auburn) • \$51.9 million for community-based projects for a variety of behavioral health services • \$1 million: Additional funds for the State Taxable Building Construction Account
<i>Transportation budget</i>		
Transportation Improvement Board (TIB)	\$253.6 million	<p>\$244.5 million:</p> <ul style="list-style-type: none"> • \$4.5 million reduction in the Complete Streets Program • \$4.6 million reduction based on historical underspending and agency savings
Safe Routes to Schools Grants	\$29.2 million	\$36.5 million
Fish passage	\$100 million for state-owned fish passage barrier	\$275 million for state-owned fish passage barrier correction,

	Final budget	Final adopted supplemental budget
	<p>removal – DOT must coordinate with Fish Barrier Removal Board on watershed approach</p> <p>See Fish Barrier Removal Board (\$26.5 million) <i>under Capital budget</i></p> <p>\$350,000 for city culvert inventory/assessment</p>	<p>retaining proviso language to coordinate with Fish Barrier Removal Board on watershed approach</p> <p>New provisos:</p> <ul style="list-style-type: none"> • Directing DOT to consider factors while complying with injunction, including presence of other barriers • DOT and Fish Barrier Removal Board must develop statewide comprehensive plan
Bicycle and pedestrian safety grants	\$25 million	\$38.3 million
Freight Mobility Strategic Investment Board	\$43.7 million	<p>\$36.9 million:</p> <ul style="list-style-type: none"> • \$7.5 million reduction in capital spending authority • \$7.4 million reduction due to legislative project adjustments <p>Other increases due to additional maintenance funding</p>
Gas tax distributions to local governments (statutory)	\$518 million	\$508 million (distributions are statutorily defined)
Transfers from the General Fund (Operating Budget)	N/A	No transfers