



Washington legislative enacted budgets FY 2021-23: Selected impacts on cities

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	Enacted 2019-21 budget	Enacted 2021-23 budget
Operating budget – Shared revenues		
Liquor profits (Liquor Revolving Account)	\$98.9 million	\$98.9 million
Liquor taxes (Liquor Excise Tax Account)	\$67.4 million	\$76.5 million
Marijuana Excise Tax	\$30 million	\$40 million
Municipal Criminal Justice Assistance Account	\$40.3 million	\$45.1 million
City-County Assistance Account (6050)	\$35.5 million	\$39.9 million
Fire Insurance Premium Tax	\$10.9 million	\$9.8 million
Operating budget – Programs		
City assistance	-	\$20 million to provide one-time funds distributed based on population for costs to cities related to police reform bills passed in 2020-2021.
COVID-19 response	<p>\$74.1 million: Emergency response funding from Department of Natural Resources for 2020 and 2021, including for fire suppression and COVID-19.</p> <p>\$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.</p>	*COVID-19 financial assistance appropriations are listed throughout the budget matrix.
Pensions	<p>LEOFF 2 transfer: \$300 million from LEOFF 2 pension fund to Benefits Improvement Account. (HB 2144)</p> <p>Final rates:</p> <ul style="list-style-type: none"> • PERS employer rate: 12.52% • PSERS employer rate: 11.76% • LEOFF 2 employer rate: 5.65% 	<p>\$320,000: LEOFF 2 ombuds to assist members regarding benefits.</p> <p>\$286,000: Funding to implement policy to hold public pensions harmless for COVID-related work reductions. (SB 5021)</p> <p>Final rates:</p> <ul style="list-style-type: none"> • PERS employer rate: 10.07% • PSERS employer rate: 10.21% • LEOFF 2 employer rate: 5.12%
PERS 1 COLA	One-time PERS 1 COLA funded through a 0.12% increase in employer paid surcharge. (HB 1390)	No new PERS 1 COLA provided.
Paid Family & Medical Leave Program	-	<ul style="list-style-type: none"> • \$168.8 million: Appropriates federal ARP funds to implement temporary expansion of Paid Family & Medical Leave eligibility for COVID-19 response. (HB 1073) • \$3.7 million: Funding to implement expansion of PFML eligibility and report on program use. (SB 5097)

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Miscellaneous HR & Labor provisions of interest	-	<ul style="list-style-type: none"> \$1.8 million: Funding to implement changes to exemptions and opt-in provisions of Long-term Services & Supports program. (HB 1323) \$30.5 million: Funding for implementing the Long-term Services & Supports program.
Municipal Research and Services Center	\$5.9 million	\$5.9 million
Training for law enforcement	<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 	<ul style="list-style-type: none"> \$3 million: Funding for five additional BLEA classes in 2022 and 2023. Three classes each year must be held in Spokane. Funds 15 BLEA classes per year. \$1.45 million: Funding for the correctional officer certification program.
Police reform	-	<ul style="list-style-type: none"> \$530,000 for law enforcement professional development. (HB 1001) \$111,000 for developing model policy for police tactics & equipment. (HB 1054) \$62,000 for developing protocol for addressing impeachment disclosures. (HB 1088) \$605,000 for developing use of force model policy. (HB 1310) \$920,000 for developing training for officer duty to intervene. (SB 5066) \$4.6 million for managing state oversight and accountability of law enforcement. (SB 5051) \$5.8 million deadly force data collection. (SB 5259)
Mental health field response grants	\$4 million, including: <ul style="list-style-type: none"> \$3 million for <i>Trueblood</i> phase one regions. 	\$10 million, including: <ul style="list-style-type: none"> \$7 million for <i>Trueblood</i> phase one and phase two regions.
Law enforcement diversion grant program (HB 1767)	\$2.4 million: Washington Association of Sheriffs & Police Chiefs to implement grant program.	\$2 million to the HCA to implement a MOU with CJTC to provide funding for community grants.
Law enforcement behavioral health & suicide prevention program	-	\$814,000 for three pilot programs administered through WASPC.
Office of Independent Investigations (HB 1267)	-	\$22.1 million, including: <ul style="list-style-type: none"> \$19.7 million for the Office of Independent Investigations. \$1.8 million for the Office of Financial Management. \$670,000 for the CJTC.
Crisis intervention training	\$899,000: <i>Trueblood</i> phase one regions.	\$1.8 million: <i>Trueblood</i> phase one regions.
Drug & gang prevention	\$1 million grant program	\$1 million grant program
Impaired driver safety account	\$1.4 million	\$1.7 million
Public defense grants	\$900,000 to cities.	\$900,000 to cities.
<i>State v. Blake</i> decision	-	\$83.5 million, including: <ul style="list-style-type: none"> \$44.5 million in grants to assist counties with costs of resentencing

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		<p>and vacating sentences.</p> <ul style="list-style-type: none"> • \$23.5 million to establish a legal financial obligation aid pool for counties to repay defendants affected by court ruling. • \$11 million to counties to help pay public defense costs related to vacating sentences. <ul style="list-style-type: none"> ○ \$10.2 million for the Office of Public Defense to provide grants to assist counties provide counsel for clients and contract directly with attorneys to represent clients impacted by <i>State v. Blake</i>. ○ \$800,000 to the Office of Public Defense to provide training, technical assistance, data analysis, and quality oversight specific to <i>State v. Blake</i>. • \$1.2 million to the Office of Civil Legal Aid to provide outreach and education to help resolve civil matters surrounding legal financial obligations and vacating the sentences of individuals impacted by <i>State v. Blake</i>. • \$3.3 million for the Department of Corrections for staffing, release assistance, and food and housing assistance. <p>\$88.4 million: <i>(Due to the timing of the passage of SB 5476, the amounts below were <u>not</u> included in the most recent version of the operating budget)</i></p> <ul style="list-style-type: none"> • \$82.1 million to the Health Care Authority to develop programs and services around the state. <ul style="list-style-type: none"> ○ \$45 million to implement a statewide recovery navigator program. ○ \$8.7 million to establish Clubhouse services in every region of the state. ○ \$12.5 million to implement a homeless outreach stabilization team program. ○ \$5 million to expand opioid use disorder medication in jails. ○ \$1 million to expand opioid treatment network programs. ○ \$2.8 million to develop regional recovery navigator program plans. ○ \$1 million to provide short-term housing vouchers to individuals with substance use disorders. ○ \$5.1 million to develop and implement the recovery services plan.

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		<ul style="list-style-type: none"> ○ \$1 million for improving access to services, family navigator services, and establishing the Recovery Oversight Committee. ● \$4.5 million to the Administrative Office of the Courts for municipal and district therapeutic courts. ● \$1.5 million to Commerce to provide grants to recovery residences for individuals with substance use disorders. ● \$300,000 to the CJTC to develop training for law enforcement on interacting with individuals with substance use disorders.
Foundational public health	\$28.0 million, including: <ul style="list-style-type: none"> ● \$6.0 million increase for foundational public health. 	\$174.8 million
Community-based behavioral health treatment system	\$152.1 million, including: <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. 	\$138.6 million: Maintain enhancements of services initially funded in 2019.
Comprehensive public health districts (HB 1152)	-	\$472,000
State 988 behavioral health crisis response system (HB 1477)	-	\$39.4 million, including: <ul style="list-style-type: none"> ● \$38.6 million to the Health Care Authority. ● \$600,000 to the Office of Financial Management. ● \$245,000 to the Department of Revenue.
Stormwater Permit Assistance	\$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. 	-
Housing and homelessness	<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. ● \$73.3 for HEN program. ● \$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 	<ul style="list-style-type: none"> ● \$1 billion for rental and utility assistance, including: <ul style="list-style-type: none"> ○ \$280.3 million for newly created Eviction Prevention and Rental Assistance Program at Commerce. (HB 1277) ● \$187 million for foreclosure prevention assistance. ● \$130.7 million for HEN program. ● \$58 million for grants to support O&M costs of permanent supportive housing. ● \$35 million for grants to local governments to increase shelter capacity. ● \$31.3 million in eviction prevention services. (SB 5160) ● \$23 million to expand the HOME Investment Partnership

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	<p>individuals at risk of losing housing or recently homeless.</p> <ul style="list-style-type: none"> • \$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. 	<p>Program to house homeless or those at-risk of becoming homeless.</p> <ul style="list-style-type: none"> • \$15 million to support unhoused youth and young adults. • \$10 million for housing needs of those with intellectual and developmental disability. • \$7.5 million for consolidated homeless grant program. • \$6 million for grants to local government for costs in providing emergency non-congregate sheltering through September 2021. • \$6 million for homeless families and youth services. • \$4 million for community beds, permanent and temporary, for those with mental illness. • \$2 million for transitional housing pilot for homeless youth.
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.	-
Water Banking Grant Program	-	\$10 million for Ecology to create a pilot grant program for public entities to bank water rights.
Growth Management Act Planning Grants	-	<p>No new money provided in final budget.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> • HB 1117 did not pass but a proviso directs OFM to report to the Legislature as to how to incorporate a net ecological gain standard into state land use, development, and environmental laws. • HB 1099 did not pass but a proviso directs creation of optional model climate elements for cities to consider. • Commerce to convene a task force on GMA and SEPA reform. • HB 1220 passed but was not funded so GMA amendments are optional until funded. • The city assistance appropriation was restricted and excludes planning under GMA.
Climate resiliency	\$2.3 million for Ecology rulemaking to strengthen climate considerations in SEPA.	\$125 million for wildfire preparedness, prevention, and protection.
Local Solid Waste Financial Assistance	<ul style="list-style-type: none"> • \$10 million for Local Solid Waste Financial Assistance grants. • \$2.1 million for statewide litter collection programs and recycling programs to address Chinese market restrictions. • \$1.4 million for Ecology to create market development center and locals to implement contamination reduction plans. (HB 1543) 	<ul style="list-style-type: none"> • \$14 million for Local Solid Waste Financial Assistance grants. • \$331,000 for WSU to use WRRLCA funds to conduct an organic waste study, including municipal compost use and carbon sequestration.

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Utility Assistance	-	<ul style="list-style-type: none"> \$1 billion is allocated to rental and utility assistance (See also Housing and homelessness)—however, the funding appears to be indented mostly for rental assistance. It remains unclear how these funds will be distributed between rental and utility assistance and the specific programs and qualifications needed to receive the assistance. \$100 million provided for Low Income Utility Assistance. Federal funding is provided to assist low-income families with home energy, water and wastewater costs: <ul style="list-style-type: none"> \$80 million provided for energy assistance. \$20 million provided for water and wastewater assistance.
Capital budget		
Public Works Trust Fund (PWTF)	\$95 million	\$129 million Broadband funding also noted under Broadband grants and loans .
Electrification of transportation	-	\$5.5 million for competitive grants as part of Clean Energy V funds.
Stormwater Financial Assistance Program	\$49 million	\$75 million
Remedial Action Grants	\$32.6 million	\$71.2 million
Drinking Water State Revolving Fund Loan Program	\$46 million	\$45 million, including: <ul style="list-style-type: none"> \$11 million in state match funds.
Water Pollution Control Revolving Loan Program	\$204 million	\$315 million
Centennial Clean Water Grant Program	\$30 million	\$40 million
Community Economic Revitalization Board	\$18.6 million: Public Facility Construction Loan Account \$3.5 million: Broadband Infrastructure Program	\$25 million: CERB Capital Construction funds \$25 million: CERB administered broadband infrastructure
Broadband grants and loans	\$21.5 million of the Public Works Trust Fund <ul style="list-style-type: none"> Changed distribution formula to provide additional grants. 	\$60 million dedicated to Public Works Board Broadband Infrastructure program: <ul style="list-style-type: none"> \$14 million provided exclusively for loans. \$46 million provided exclusively for grants. \$326 million for the Statewide Broadband Office: <ul style="list-style-type: none"> \$50 million for state grants to local governments to leverage as match funds to leverage federal broadband funding opportunities. \$276 million in federal coronavirus relief funds to provide grants for local broadband infrastructure projects. \$5 million for broadband equity and affordability grants.
Puget Sound Restoration and Salmon Recovery Grants	<ul style="list-style-type: none"> \$59.5 million for Puget Sound acquisition and restoration, including estuary/salmon restoration. 	<ul style="list-style-type: none"> \$68.5 million for Puget Sound acquisition and restoration, including estuary/salmon restoration.

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	<ul style="list-style-type: none"> \$14.1 million for Washington Coastal Restoration Initiative. \$25 million (plus \$50 million in federal funds) for Salmon Recovery Funding Board (SRF) grants. 	<ul style="list-style-type: none"> \$80 million (including \$50 million in federal funds) for Salmon Recovery Funding Board (SRF) grants. \$10.3 million for Washington Coastal Restoration Initiative. \$9 million for municipal WWTP Puget Sound nutrient reduction grants, with provisos on exclusion and priority. \$11.5 million to address PFAS at two water treatment facilities.
Urban and Community Forest Grant Program	\$925,000 (pilot)	\$16.3 million
Floodplains by Design Grant Program	\$50.4 million	\$50.9 million
Aquatic Lands Enhancement Account	\$6.6 million	\$9.1 million
Washington Wildlife & Recreation Program	\$85 million	\$100 million
Youth athletic facilities	\$12 million <ul style="list-style-type: none"> Proviso added that identifies specific projects to be funded. 	\$11.2 million for specific projects.
Fish Barrier Removal Board	\$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. 	\$26.8 million to fund identified projects and related agency administration.
Housing Trust Fund	<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. 	\$175 million, including: <ul style="list-style-type: none"> \$20 million for competitive preservation grants or loans. \$10 million for community housing and cottage communities for shelters. \$5 million for housing for those with developmental disabilities. \$15 million for identified projects. \$100,000 for DSHS study on community-based housing needs of adults with intellectual and developmental disabilities.
Healthy Housing Remediation Program	\$5 million for contaminated property redevelopment grants for affordable housing.	\$10.9 million for contaminated property redevelopment grants for affordable housing.
Additional investments in housing and shelters	-	<ul style="list-style-type: none"> \$93.8 million for rapid housing acquisition grants to purchase or rent real property for shelters, permanent supportive housing, or low-income housing.

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		<ul style="list-style-type: none"> • \$25.7 million for rapid capital housing and homelessness projects. • \$42 million in utility improvement or connection grants to local government and PUDs to new affordable housing projects. • \$10 million to preserve at-risk affordable multifamily housing. • \$5 million for rural housing rehabilitation loans. • \$5 million for Landlord Mitigation. • \$2.5 million for planning grants to provide upfront environmental analysis and code adoption for transit-oriented development to increase housing inventory. • \$900,000 for public building to homeless housing conversion pilot program in Grays Harbor County.
Energy efficiency upgrades for public buildings	-	<p>\$56.3 million for Clean Energy V – Investing in Washington’s Clean Energy program:</p> <ul style="list-style-type: none"> • \$17.6 million provided solely for grid modernization grants. • \$11 million provided solely for projects that advance community resiliency, clean and renewable energy technologies, support renewable energy sources, and support state decarbonization goals pursuant to CETA. • \$5 million provided for competitive grants. • \$5.5 million in grant funding to support innovative approaches to electrification of transportation systems. • \$10 million provided for building electrification projects. <p>\$10 million for Weatherization Plus Health program</p>
Community-based behavioral health beds	-	<p>\$71.4 million for community-based behavioral health services facilities competitive grant program.</p> <ul style="list-style-type: none"> • \$11.6 million for six enhanced, long-term placement facilities. • \$10 million for enhanced, long-term placement residential care facilities for adult with dementia. • \$2 million for one withdrawal management and stabilization facility. • \$2 million for one crisis triage and stabilization facility. • \$12 million for two 16-bed crisis triage and stabilization facilities in King county. • \$2 million for two mental health peer respite centers. • \$18 million for developing bed capacity for 90-day or 180-day civil commitments. • \$2.4 million for behavioral grants to address regional needs. • \$9.4 million for three intensive, long-term placement behavioral health treatment centers. • \$2 million for grants to increase behavioral health services for

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		minors.
Transportation budget		
Fish passage	<p>\$275 million for state-owned fish passage barrier correction, 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. 	<p>\$1.1 billion, including:</p> <ul style="list-style-type: none"> \$400 million from federal American Rescue Plan Act and \$726.3 million for state-owned fish passage barrier correction, retaining proviso language to coordinate with Fish Barrier Removal Board on watershed approach to include local culverts. <p>\$400,000 to finalize city culvert inventory work and report to Legislature.</p>
Transportation Improvement Board (TIB)	<p>\$244.5 million, including:</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. 	<p>\$224.3 million, including:</p> <ul style="list-style-type: none"> \$4.1 million to Small City Pavement and Sidewalk Program. \$14.7 million to Complete Streets Program. \$2.5 million designated for continued Relight WA assessment.
Safe Routes to Schools Grants	\$36.5 million	\$36.7 million
Bicycle and Pedestrian Safety Grants	\$38.3 million	\$32.6 million
Freight Mobility Strategic Investment Board	<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>	<p>\$31.8 million</p> <ul style="list-style-type: none"> Appropriations are provided solely for current projects. Includes provision that Board may not initiate new calls for new projects until directed by the Legislature. <p>Directs FMSIB to coordinate with WSDOT as the agency updates its federally compliant freight plan. The Board is also tasked with identifying highest priority freight investments for the state and must submit a preliminary report to the Legislature by December 1, 2021.</p>
Gas tax distributions to local governments (statutory)	\$508 million (Distributions are statutorily defined.)	<p>\$467.4 million (Distributions are statutorily defined.)</p> <ul style="list-style-type: none"> Decrease likely due to sharp decline in demand as result of pandemic.
Local Stormwater Charges	\$6.1 million to pay local government assessed fees for highway stormwater runoff mitigation.	\$7.5 million to pay local government assessed fees for highway stormwater runoff mitigation.
Homeless encampments	\$2 million to address homeless encampments on WSDOT-owned rights-of-way in coordination with Seattle and Tacoma.	<p>\$5 million to address homeless encampments on WSDOT-owned rights-of-way in coordination with local governments, including:</p> <ul style="list-style-type: none"> \$1 million in coordination with the City of Tacoma. \$1 million in coordination with the City of Seattle.
Transportation equity initiatives	-	\$215,000 provided to JTC to convene a study on the impacts of current and historical city transportation investments on designated populations.