

ESSB 5187 - H AMD TO H AMD (H-1823.1/23) **538**

By Representative Corry

NOT ADOPTED 04/03/2023

1 On page 85, line 12, increase the general fund-state
2 appropriation for fiscal year 2024 by \$100,000

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4 On page 85, line 31, correct the total.

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6 On page 93, after line 19, insert the following:

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8 "(14) \$100,000 of the general fund-state appropriation for
9 fiscal year 2024 is provided solely for the office of financial
10 management to collect information from all state agencies and
11 institutions of higher education on expenditures for diversity,
12 equity, and inclusion programs and initiatives, including on
13 staffing for such programs and initiatives, in the most recent
14 fiscal year for which data is available. The office of financial
15 management must compile the information into a report and submit the
16 report to the appropriate legislative committees no later than
17 January 1, 2024."

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19 On page 323, after line 37, insert the following:

20 "(39) Appropriations in this section and the outlook for this
21 biennium assume passage of House Bill No....(H-1846.1/23) (delaying
22 the ECEAP entitlement date by one year)."

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24 On page 378, line 5, decrease the general fund-state
25 appropriation for fiscal year 2024 by \$563,000

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1 On page 378, line 6, decrease the general fund-state
2 appropriation for fiscal year 2025 by \$5,363,000

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4 On page 378, line 21, correct the total.

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6 On page 391, beginning on line 3, strike all of subsection (hh)

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8 Renumber the remaining subsections consecutively and correct any
9 internal references accordingly.

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11 On page 393, line 5, decrease the general fund-state
12 appropriation for fiscal year 2024 by \$1,008,000

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14 On page 393, line 6, decrease the general fund-state
15 appropriation for fiscal year 2025 by \$1,072,000

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17 On page 393, line 7, correct the total.

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19 On page 395, beginning on line 13, strike all of subsection (10)

20
21 Renumber the remaining subsections consecutively and correct any
22 internal references accordingly.

23
24 On page 395, line 29, decrease the general fund-state
25 appropriation for fiscal year 2024 by \$231,694,000

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27 On page 395, line 30, decrease the general fund-state
28 appropriation for fiscal year 2025 by \$58,321,000

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30 On page 395, line 37, correct the total.

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32 On page 400, line 23, after "rate of" strike "22.98" and insert
33 "17.73"

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1 On page 400, line 24, after "year and" strike "17.23" and insert
2 "17.73"

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4 On page 400, line 26, after "rate of" strike "22.94" and insert
5 "21.94"

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7 On page 400, line 27, after "year and" strike "22.94" and insert
8 "21.44"

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10 On page 409, line 17, after "rate of" strike "22.34" and insert
11 "17.09"

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13 On page 409, at the beginning of line 18, strike "16.59" and
14 insert "17.09"

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16 On page 409, line 19, after "staff and" strike "19.44" and
17 insert "18.44"

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19 On page 409, line 20, after "2023-24 and" strike "19.44" and
20 insert "17.94"

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22 On page 409, line 30, decrease the general fund-state
23 appropriation for fiscal year 2024 by \$57,161,000

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25 On page 409, line 31, decrease the general fund-state
26 appropriation for fiscal year 2025 by \$207,665,000

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28 On page 409, line 34, correct the total.

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30 On page 410, line 1, after "section are" strike "3.7" and insert
31 "3.1"

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33 On page 410, line 2, after "year, and" strike "3.9" and insert
34 "2.1"

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2 On page 410, line 20, after "allocations at" strike "22.34" and
3 insert "17.09"
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5 On page 410, line 21, after "year and" strike "16.59" and insert
6 "17.09"
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8 On page 410, at the beginning of line 23, strike "19.44" and
9 insert "18.44"
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11 On page 410, line 23, after "year and" strike "19.44" and insert
12 "17.94"
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14 On page 411, beginning on line 26, strike all of subsection (8)
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16 On page 415, line 11, decrease the general fund-state
17 appropriation for fiscal year 2024 by \$33,730,000
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19 On page 415, line 12, decrease the general fund-state
20 appropriation for fiscal year 2025 by \$8,465,000
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22 On page 415, line 17, correct the total.
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24 On page 419, line 28, decrease the general fund-state
25 appropriation for fiscal year 2024 by \$845,000
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27 On page 419, line 29, increase the general fund-state
28 appropriation for fiscal year 2025 by \$19,000
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30 On page 419, line 34, correct the total.
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32 On page 423, line 8, decrease the general fund-state
33 appropriation for fiscal year 2024 by \$279,000
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1 On page 423, line 9, decrease the general fund-state
2 appropriation for fiscal year 2025 by \$157,000

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4 On page 423, line 10, correct the total.

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6 On page 425, line 21, decrease the general fund-state
7 appropriation for fiscal year 2024 by \$1,102,000

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9 On page 425, line 22, decrease the general fund-state
10 appropriation for fiscal year 2025 by \$198,000

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12 On page 425, line 23, correct the total.

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14 On page 426, line 13, decrease the general fund-state
15 appropriation for fiscal year 2024 by \$3,370,000

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17 On page 426, line 14, increase the general fund-state
18 appropriation for fiscal year 2025 by \$330,000

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20 On page 426, line 18, correct the total.

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22 On page 429, line 15, decrease the general fund-state
23 appropriation for fiscal year 2024 by \$7,125,000

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25 On page 429, line 16, decrease the general fund-state
26 appropriation for fiscal year 2025 by \$1,389,000

27
28 On page 429, line 18, correct the total.

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30 On page 430, line 31, decrease the general fund-state
31 appropriation for fiscal year 2024 by \$14,167,000

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33 On page 430, line 32, decrease the general fund-state
34 appropriation for fiscal year 2025 by \$2,760,000

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On page 430, line 34, correct the total.

On page 433, line 25, decrease the Washington opportunity pathways account-state appropriation by \$5,595,000

On page 433, line 26, correct the total.

On page 434, beginning on line 3, strike all of subsection (3)

On page 491, line 19, decrease the workforce education investment account-state appropriation by \$967,000

On page 491, line 20, correct the total.

On page 493, line 7, decrease the general fund-state appropriation for fiscal year 2024 by \$21,977,000

On page 493, line 8, decrease the general fund-state appropriation for fiscal year 2025 by \$21,977,000

On page 493, line 14, correct the total.

On page 505, line 26, decrease the workforce education investment account-state appropriation by \$21,051,000

On page 505, line 29, correct the total.

On page 506, line 3, after "2025," strike "\$175,823,000" and insert "\$154,772,000"

On page 520, beginning on line 18, strike all of section 703

1 Renumber the remaining sections consecutively and correct any
2 internal references accordingly.

3
4 On page 543, after line 18, insert the following:

5
6 "NEW SECTION. **Sec. 763. COMPENSATION–VACCINE BOOSTER INCENTIVE**
7 **–PARTICIPATION ASSUMPTION**

8 General Fund–State Appropriation (FY 2024). (\$19,286,000)

9 The appropriations in this section are subject to the following
10 conditions and limitations: Funding is for reductions in the
11 expected cost of vaccine booster incentives for both represented and
12 nonrepresented employees in general government state agencies. The
13 underlying budget assumes an 80 percent participation rate in the
14 incentive, far higher than the 44 percent rate of the population of
15 Washington. This act assumes participation in the vaccine booster
16 incentive program will be 50 percent. Agency allotments shall be
17 adjusted for general fund-state amounts appropriated in part VII of
18 this act for unused vaccine booster incentive payment, and those
19 amounts placed in unallotted status and remain unexpended."

20
21 Renumber the remaining sections consecutively, and correct any
22 references accordingly.

23
24 On page 558, after line 35, insert the following:

25
26 "NEW SECTION. **Sec. 7104.** From appropriations in this act to
27 state agencies, including institutions of higher education, for the
28 2023-25 fiscal biennium, the office of financial management shall
29 reduce general fund-state allotments by \$38,089,000 for fiscal year
30 2024 and \$38,090,000 for fiscal year 2025 to reflect elimination of
31 funding increases for diversity, equity, and inclusion initiatives
32 and programs, pursuant to allotment schedules prepared by the office
33 of financial management. The allotment reductions under this
34 section must be placed in unallotted status and remain unexpended.

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NEW SECTION. Sec. 7105. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS
—CONTRIBUTIONS TO RETIREMENT SYSTEMS—PLAN 1 UNFUNDED LIABILITY

General Fund—State Appropriation (FY 2024)	(\$32,685,000)
General Fund—State Appropriation (FY 2025).	(\$48,666,000)
General Fund—Federal Appropriation.	(\$17,550,000)
General Fund—Local Appropriation.	(\$1,249,000)
TOTAL APPROPRIATION.	(\$128,786,000)

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for the increased contribution rate requirements associated with the enactment of Engrossed Substitute Senate Bill No. 5294 (minimum contribution rates for plan 1 unfunded liability). If the bill is not enacted by June 30, 2023, this section is null and void."

On page 564, after line 13, insert the following:

"General Fund: For transfer to the Budget Stabilization Account on June 30, 2025.....\$1,555,000,000"

On page 574, line 10, after "provided in" strike "House bill No. 1201" and insert "Engrossed Substitute Senate Bill No. 5294"

On page 581, beginning on line 18, strike all of section 922

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 1273, beginning on line 8, strike all of section 1709 and insert the following:

"**Sec. 1709.** 2021 c 334 s 747 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TEACHERS' RETIREMENT SYSTEM PLAN 1 FUND

1	General Fund–State Appropriation (FY 2023).....	((\$800,000,000))
2		<u>\$250,000,000</u>
3	TOTAL APPROPRIATION.....	((\$800,000,000))
4		<u>\$250,000,000</u>

5 The appropriation in this section is subject to the following
6 conditions and limitations: The entire general fund–state
7 appropriation is provided solely for expenditure on June 30, 2023,
8 into the teachers' retirement system plan 1 fund, to be applied to
9 the unfunded actuarial accrued liability."

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11 On page 1280, after line 5, insert the following:

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13 "Washington Student Loan Account: For transfer to the state general
14 fund, \$150,000,000 for fiscal year 2023.....\$150,000,000"

15

16 Correct the title.

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EFFECT: Requires OFM to collect information from state agencies and higher education institutions on expenditures for DEI initiatives and programs, including staffing, and to compile the information into a report due to the legislature no later than January 1, 2024. Directs OFM to reduce allotments from General Fund–State appropriations to reflect elimination of funding increases for DEI initiatives and programs in state agencies and institutions of higher education.

FISCAL IMPACT:

- Increases General Fund–State at OFM by \$100,000.
- Reduces agency allotments from General Fund–State appropriations by \$76,179,000 in the 2023–25 fiscal biennium.

EFFECT: Provides that the appropriations for DCYF in 2023–25 and estimated maintenance level expenditures in 2025–27 assume passage of House Bill No. ... (H-1846.1/23), which delays the Early Childhood Education and Assistance Program (ECEAP) entitlement date by one year from the 2026–27 school year to the 2027–28 school year.

FISCAL IMPACT:

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- No net change to appropriated levels in 2023-25.
- Reduces estimated maintenance level expenditures of General Fund State by \$71,003,000 in 2025-27 for purposes of the four-year balanced budget requirement of RCW 43.88.055.

EFFECT: In Part V - Public Schools

- Reduces the inflationary adjustments for school salary allocations from 3.7 percent to 3.1 percent in the 2023-24 school year, and 3.9 to 2.1 percent in the 2024-25 school year.
- Adjusts fringe benefit allocations for school compensation for reduced pension contribution rates due to a reduction to the unfunded actuarial accrued liability portion of the pension rates related to plans 1 of PERS and TRS.
- Substitutes the policies and contribution rates in Engrossed Substitute Senate Bill No. 5294 (minimum contribution rates for plan 1 unfunded liability) for those in House Bill No. 1201 (minimum contribution rates for plan 1 unfunded liability). Differences in the bills include reducing, rather than eliminating the FY 2023 appropriation from the General Fund-State to the Teachers Retirement System Plan 1 Fund, ending the existing minimum unfunded liability contribution rates after FY 2023, and establishing new long-term minimum rates of 0.5 percent beginning in FY 2028 (in the event funding status of a plan falls below a certain threshold).
- In fiscal year 2023, a \$250 million transfer is made into the teachers' retirement system plan 1 for application to the unfunded actuarial accrued liability.

FISCAL IMPACT:

- Increases General Fund - State FY 2023 by \$250,000,000.
- Reduces General Fund - State by in 2023-25 by \$709,340,000.
- Reduces WA Opportunity Path - State by \$5,595,000.
- Reduces estimated 2025-27 expenditures by \$518,726,000 for purposes of the four-year balanced budget requirement RCW 43.88.055.

EFFECT: Eliminates funding provided to the OSPI and Professional Educators Standards Board to implement Engrossed Second Substitute House Bill No. 1565 (Prof. education workforce). Eliminates funding provided to Central Washington University for the Grow Your Own teacher residency programs.

FISCAL IMPACT:

- Reduces General Fund - State by \$8,006,000.
- Reduces Workforce Investment Account - State by \$967,000

EFFECT: Reduces the Washington College Grant award amounts within the Washington Student Achievement Council.

FISCAL IMPACT:

- Reduces General Fund - State by \$21,051,000.

EFFECT: Reduces the amount per state funded full-time equivalent student at The Evergreen State College to reflect the average amount for the public regional four-year universities.

FISCAL IMPACT:

- Reduces General Fund - State by \$43,954,000.

EFFECT: Eliminates appropriations for expenditure into the nondebt limit general fund bond retirement account for debt service on bonds to be issued if House Bill No. 1149 (referendum bill on housing/capital expenditures) is enacted and approved by the voters. Reduces estimated expenditures of General Fund-State by \$54,668,000 in the 2025-27 fiscal biennium by no longer assuming enactment of the referendum bill for purposes of the four-year balanced budget requirement of RCW 43.88.055.

FISCAL IMPACT:

- Reduces General Fund - State by \$1,136,000.

EFFECT: Reduces appropriations for vaccination booster incentive payments under the assumption that participation in the incentive program will be 50 percent, rather than 80 percent in the compensation provisions that are funded in the bill.

FISCAL IMPACT:

- Reduces General Fund - State by \$19,286,000.

EFFECT: Transfers \$1,555,000,000 of the General Fund into the Budget Stabilization Account on June 30, 2025.

FISCAL IMPACT:

- Reduces State General Fund resources by \$1,555,000,000.
- Increases Budget Stabilization Account resources by \$1,555,000,000.

EFFECT: Transfers all funding in the Washington Student Loan Account into the General Fund in fiscal year 2023.

FISCAL IMPACT:

- Reduces WA Student Loan Account - State by \$150,000,000.
- Increases General Fund - State by \$150,000,000.

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