



Washington proposed supplemental budgets FY 2021-23: Selected impacts on cities

For more information, please visit the LEAP website at leap.wa.gov for legislative budget proposals and the Office of Financial Management website at ofm.wa.gov for the Governor's proposed budget.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	Operating budget – Shared revenues	
Liquor profits (Liquor Revolving Account)	\$98.9 million	No change.
Liquor taxes (Liquor Excise Tax Account)	\$76.5 million	No change.
Marijuana Excise Tax	\$40 million	No change.
Municipal Criminal Justice Assistance Account	\$45.1 million	Increased to \$45.8 million.
City-County Assistance Account (6050)	\$39.9 million	No change.
Fire Insurance Premium Tax	\$9.8 million	Increased to \$12.1 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.	No change.
COVID-19 response	*COVID-19 financial assistance appropriations are listed throughout the budget matrix.	*COVID-19 financial assistance appropriations are listed throughout the budget matrix.
Pensions	<p>\$320,000 for LEOFF 2 ombuds to assist members regarding benefits.</p> <p>\$286,000 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% 	No change.
PERS 1 COLA	No new PERS 1 COLA provided.	New one-time COLA of 0.14% for PERS 1 and PSERS.
Paid Family & Medical Leave Program	<ul style="list-style-type: none"> • \$168.8 million in appropriated federal ARPA funds to implement temporary expansion of Paid Family & Medical Leave eligibility for COVID-19 response. (HB 1073) • \$3.7 million to implement expansion of PFML eligibility and report on program use. (SB 5097) 	<ul style="list-style-type: none"> • \$34.84 million in appropriated federal ARPA funds to implement temporary expansion of Paid Family & Medical Leave eligibility for COVID-19 response. Reduced from \$168.8 million. (HB 1073) • \$82 million for OFM to use as needed to prevent PFML account from going into deficit.
Miscellaneous HR & Labor provisions of interest	<ul style="list-style-type: none"> • \$1.8 million to implement changes to exemptions and opt-in provisions of Long-term Services & Supports program. (HB 1323) 	No change.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<ul style="list-style-type: none"> \$30.5 million for implementing the Long-term Services & Supports program. 	
Municipal Research and Services Center	\$5.9 million	No change.
Training for law enforcement	<ul style="list-style-type: none"> \$3 million 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 for the correctional officer certification program. 	<ul style="list-style-type: none"> \$8.4 million for 9.5 additional BLEA classes in 2022 and 13.5 classes 2023. No change for 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 for deadly force data collection. (SB 5259) 	No change.
Mental health field response grants	\$10 million, including: <ul style="list-style-type: none"> \$7 million for <i>Trueblood</i> phase one and phase two regions. 	Decreased to \$8 million, including: <ul style="list-style-type: none"> \$7 million for <i>Trueblood</i> phase one and phase two regions.
Regional behavioral health mobile crisis teams		\$4.9 million to HCA for regional behavioral health mobile crisis response teams serving supported housing for individuals with behavioral health conditions.
Law enforcement diversion grant program (HB 1767)	\$2 million to the HCA to implement a MOU with CJTC to provide funding for community grants.	No change.
Law enforcement behavioral health & suicide prevention program	\$814,000 for three pilot programs administered through WASPC.	No change.
Office of Independent Investigations (HB 1267)	\$22.1 million	Increased to \$26.6 million
Crisis intervention training	\$1.8 million: <i>Trueblood</i> phase one regions.	No change.
Drug & gang prevention	\$1 million grant program	No change.
Impaired driver safety account	\$1.7 million	Decreased to \$1.4 million
Public defense grants	\$900,000 to cities.	No change.
State v. Blake decision	\$83.5 million, including: <ul style="list-style-type: none"> \$44.5 million in grants to assist counties with costs of resentencing and vacating sentences. \$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 	No change.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<p>to vacating sentences.</p> <ul style="list-style-type: none"> ○ \$10.2 million for the Office of Public Defense to provide grants to counties providing counsel for clients and to 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 for outreach and education to help resolve civil matters surrounding legal financial obligations and vacating 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 for 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. ○ \$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. 	

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<ul style="list-style-type: none"> \$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. 	
Community Reinvestment Account		\$125.1 million for new community reinvestment grants to address historical inequities for communities disproportionately affected by economic and social disparities. Grant purposes include economic development, civil and legal assistance, reentry services, community-based violence prevention, and a study to understand and analyze the racial, economic, and social disparities created by the historical design and enforcement of state and federal criminal laws for illegal drug sales, possession, and use in Washington.
Foundational public health	\$174.8 million	No change.
Community-based behavioral health treatment system	\$138.6 million to maintain enhancements of services initially funded in 2019.	No change.
Comprehensive public health districts (HB 1152)	\$472,000	No change.
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. 	No change.
Stormwater Permit Grant Program	-	\$4 million
Housing and homelessness	<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 Program to house homeless or those at-risk of becoming homeless. \$15 million to support unhoused youth and young adults. \$10 million for housing needs of those with intellectual and developmental disabilities. \$7.5 million for consolidated homeless grant program. 	<ul style="list-style-type: none"> \$100 million to continue enhanced sheltering grant program. \$40.6 million for grants for right-of-way encampment response outreach and sheltering (additional funding in Transportation Budget). \$8 million to create and expand access to shelters and transitional housing for adults with behavioral health conditions. \$6 million to support homeless youth and young adults. \$4.6 million to DSHS for cross agency collaboration teams to coordinate services to individuals living in right-of-way encampments. \$4.5 million for foreclosure prevention assistance. \$3.3 million to expand Homeless Student Assistance program.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<ul style="list-style-type: none"> \$6 million for grants to local governments 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	-	No change.
Water Banking Grant Program	\$10 million for Ecology to create a pilot grant program for public entities to bank water rights.	No change. Shifted grant funds to Capital Budget .
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. 	<p>\$19.3 million to fund:</p> <ul style="list-style-type: none"> 2024 Comprehensive Plan Updates, including costs associated with HB 1220 from 2021. HB 1099 Gov. request missing middle housing rezone mandate. Gov. request salmon recovery habitat legislation. Funding is intended to continue to provide funding for future updates, buildable lands reports, other planning needs, and planning related research projects. <p><i>Note:</i> Removes HB 1117 budget proviso on net ecological gain study but adds a new provision under DFW (below).</p>
Net ecological gain vs. no net loss land use and environmental law assessment	-	\$256,000 for DFW to complete a study assessing changing impact standards across state and local environmental and land use laws and regulations
Climate resiliency	\$125 million for wildfire preparedness, prevention, and protection.	\$117.6 million for emergency wildfire suppression.
Clean Energy		\$24.8 million for the Clean Energy Transition Workforce Account.
Local Solid Waste Financial Assistance	<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. 	Allows Ecology access to funds for food waste prevention and litter prevention campaigns, making an exception to distribution formula.
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 intended mostly for rental assistance. It remains unclear how these funds will be distributed between rental and utility 	<ul style="list-style-type: none"> \$100 million for utility arrearage assistance (See also Housing and homelessness): <ul style="list-style-type: none"> \$25 million provided for water and sewer utilities. \$75 million provided for electrical and gas utilities.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<p>assistance and the specific programs and qualifications needed to receive the assistance.</p> <ul style="list-style-type: none"> \$100 million 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 for energy assistance. \$20 million for water and wastewater assistance. 	
Transportation-related accounts		<ul style="list-style-type: none"> \$54 million from the GF to the Multimodal Transportation Account. \$25.7 million from the GF to the Puget Sound Ferry Operations Account.
	Capital budget	
Public Works Trust Fund (PWTF)	<p>\$129 million</p> <p>Broadband funding also noted under Broadband grants and loans.</p>	<ul style="list-style-type: none"> Public Works Board to develop recommendations for innovative infrastructure projects program. Transfers from PWTF: <ul style="list-style-type: none"> \$20.4 million to drinking water assistance account (increased from \$11 million). \$18 million to water pollution control account (increased from \$15 million).
Electrification of transportation	\$5.5 million for competitive grants as part of Clean Energy V funds.	\$11 million for grants for projects demonstrating new approaches to transportation electrification as part of Clean Energy Funds 3.
Stormwater Financial Assistance Program	\$75 million	No change.
Community-based Stormwater Pilot Program	-	\$29 million to establish a community-based public private partnership stormwater pilot program.
Remedial Action Grants	\$71.2 million	No change.
Drinking Water State Revolving Fund Loan Program	<p>\$45 million, including:</p> <ul style="list-style-type: none"> \$11 million in state match funds. 	<p>\$88.3 million, including:</p> <ul style="list-style-type: none"> \$20.4 million in state match funds.
Water Pollution Control Revolving Loan Program	\$315 million	\$200 million
Centennial Clean Water Grant Program	\$40 million	\$45 million for new riparian buffer incentive program.
Community Economic Revitalization Board	<p>\$25 million for CERB Capital Construction funds.</p> <p>\$25 million for CERB administered broadband infrastructure.</p>	No change.
Broadband grants and loans	<p>\$60 million dedicated to Public Works Board Broadband Infrastructure program:</p> <ul style="list-style-type: none"> \$14 million exclusively for loans. \$46 million exclusively for grants. <p>\$326 million for the Statewide Broadband Office:</p> <ul style="list-style-type: none"> \$50 million for state grants to local governments to leverage as match funds to leverage federal broadband funding 	<ul style="list-style-type: none"> No change to \$326 million for the Statewide Broadband Office but shifted to federal funding.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<p>opportunities.</p> <ul style="list-style-type: none"> \$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"> \$68.5 million for Puget Sound acquisition and restoration, including estuary/salmon restoration. \$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. 	<ul style="list-style-type: none"> \$25 million for streamflow resilience. \$100 million for Riparian Habitat Restoration Grant Program.
Urban and Community Forest Grant Program	\$16.3 million	\$3.3 million for Puget Sound Corps, statewide projects to include urban forestry.
Floodplains by Design Grant Program	\$50.9 million	No change.
Aquatic Lands Enhancement Account	\$9.1 million	No change.
Washington Wildlife & Recreation Program	\$100 million	No change.
Youth athletic facilities	\$11.2 million for specific projects.	No change.
Fish Barrier Removal Board	\$26.8 million to fund identified projects and related agency administration.	No change in funding but updated project list.
Housing Trust Fund	<p>\$175 million, including:</p> <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. 	\$100 million for production of housing for low income; special needs populations such as those with chronic mental illness, developmental disabilities, farmworkers, unhoused, permanent supportive services, and <i>Trueblood</i> class members; and first-time homebuyers.
Healthy Housing Remediation Program	\$10.9 million for contaminated property redevelopment grants for affordable housing.	No change.
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. \$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. 	<ul style="list-style-type: none"> \$334.7 million for rapid housing acquisition. \$20.5 million for local projects.

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<ul style="list-style-type: none"> \$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 for projects that advance community resiliency, clean and renewable energy technologies, and support renewable energy sources and state decarbonization goals pursuant to CETA. \$5 million for competitive grants. \$5.5 million in grant funding to support innovative approaches to electrification of transportation systems. \$10 million for building electrification projects. <p>\$10 million for Weatherization Plus Health program.</p>	<p>Increased to \$73.9 million for Clean Energy V to fund additional program projects.</p> <p>\$46.1 million for Clean Energy Funds 3, including:</p> <ul style="list-style-type: none"> \$11 million for grid modernization grants for projects that use clean and renewable energy technologies. \$8.6 million for R&D on emerging clean energy technologies. \$8 million for clean energy research equipment at PNW National Lab. \$4 million for competitive grants for solar project deployment, including community solar. <p>\$20 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 adults 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 minors. 	No change.
Crisis Stabilization Facilities		<ul style="list-style-type: none"> \$60 million for ten 16-bed adult crisis stabilization facilities. \$12 million for two youth crisis stabilization facilities
Transportation budget		

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
Fish passage	<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>	\$360,000 to complete a statewide prioritization of fish passage barriers and develop a plan to correct them in sequence within stream systems in Operating Budget .
Transportation Improvement Board (TIB)	<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. 	No change.
Safe Routes to Schools Grants	\$36.7 million	<p>Increased to \$62.73 million:</p> <ul style="list-style-type: none"> \$47.7 million from the MVF-Federal and Multimodal-State accounts. \$15 million from the Carbon Emission Reduction account dependent on Ecology-sponsored legislation for carbon emission reduction.
Bicycle and Pedestrian Safety Grants	\$32.6 million	<p>\$76.1 million</p> <ul style="list-style-type: none"> \$46.1 million from the Multimodal-State account. \$30 million from the Carbon Emission Reduction account dependent on Ecology-sponsored legislation for carbon emission reduction.
Freight Mobility Strategic Investment Board	<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 was tasked with identifying highest priority freight investments for the state and must submit a preliminary report to the Legislature by December 1, 2021.</p>	Increased to \$33.9 million.
Gas tax distributions to local governments (statutory)	<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. 	Increased to \$474.9 million.
Local Stormwater Charges	\$7.5 million to pay local government assessed fees for highway stormwater runoff mitigation.	No change.
Homeless encampments	\$5 million to address homeless encampments on WSDOT-owned rights-of-way in coordination with local governments, including:	\$50.9 million to homeless encampments on WSDOT-owned rights-of-way in coordination with local governments including:

	Enacted 2021-23 budget	Governor's proposed supplemental 2021-23 budget
	<ul style="list-style-type: none"> \$1 million in coordination with the City of Tacoma. \$1 million in coordination with the City of Seattle. 	<ul style="list-style-type: none"> \$8 million (up from \$3 million) to address homeless encampments (\$10 million total). \$40.6 million right-of-way encampment response and outreach funded in Operating Budget. \$4.6 million cross-agency collaboration teams in Operating Budget.
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.	No change.
Zero Emission Infrastructure		Dept of Ecology-sponsored legislation: \$8.9 million of electric vehicle account and \$5 million of carbon emission reduction account to support local governments, non-profits, tribes, transit agencies who partner with private agencies to install zero emission infrastructure.