

Summary Sheet

Meeting dates: August 2, 2019

Agenda item: 7. 2020 Supplemental Operating Budget Requests

Presenter(s): Nate Pamplin, Director of Budget and Government Affairs
Morgan Stinson, Budget Officer

Background summary:

The 2020 Legislative Session is a short, 60-day supplemental session, intended primarily for emergent issues or technical adjustments.

At this briefing, staff will present proposals for maintenance level and performance level supplemental operating budget requests and request approval to submit budget decision packages to the Governor's Office.

Maintenance level requests include funding for employee cost of living increases that were not backed by revenue, attorney general costs, enforcement records management system, and other unavoidable cost increases. The total of maintenance level requests is \$11.4 million. This includes funding within both fiscal years of the biennium and is largely comprised of COLAs not backed by revenue.

The performance level requests will include the at-risk/buyback activities that was requested during the 2019 legislative session with a request that funding is appropriated as on-going (i.e., will fund state fiscal year 2021 and carry-forward into the 2021-23 biennium).

Those requests include:

- Maintain Conservation, \$742K
- Maintain Fishing and Hatchery Production, \$2,058K
- Maintain Hunting, \$672K
- Maintain Wildlife Conflict Response, \$956K
- Maintain Shellfish and Public Health, \$553K
- Maintain Columbia River Salmon and Steelhead activities, \$659K
- Maintain Land Management, \$578K
- Maintain Customer Service, \$410K

The legislature provided \$8.5 million in one-time state general fund for the second year of the biennium for this block of activities. That funding is used to buy a portion of these packages, resulting in a request for \$6.6 million for SFY2021 (with an on-going request for the full-amount of \$15.1M/year in outyears).

In addition, there are six performance level decision packages that address emerging needs, for a total of \$6.4M, including:

- Humpback whales/Crab fishing incidental take permit: \$172K
 - Puget Sound salmon fisheries monitoring: \$2.4M (includes North of Falcon commitments, and Skagit Catch and Release fishery).
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- Fish Washington mobile app: \$311K
- Assisting property owners in protecting fish (HPA capacity): \$1.7M
- Columbia River sea lion management: \$830K
- Columbia River salmon policy commitments: \$1.0M

The Department is requesting State General Fund for both the maintenance level and performance level budget requests.

Staff recommendation: Staff recommend that we pursue the supplemental operating budget requests to secure stable, on-going funding for the Department as well as request funding for new, emergent issues as described above.

Policy issue(s) and expected outcome: If the Governor and the Legislature approve these proposals, the Department will have stable base funding for 2019-21 and 2021-23 biennia, and secure new resources to address emergent issues.

Fiscal impacts of agency implementation: These proposals total to \$11.4M in maintenance level requests and \$13.1M in performance level requests.

Public involvement process used and what you learned: The Department met with the Budget and Policy Advisory Group over the past two years to develop much of the strategy included in the recommendations.

The Department is meeting with the BPAG on July 31 to review these proposals and will relay feedback to the Commission at the August 2019 meeting.

Action requested and/or proposed next steps: Department staff request that the Commission approve the 2020 supplemental operating budget requests. Staff will continue to work on the decision packages and submit to the Governor's Office in September. Additional stakeholder work and outreach to our advisory committees will occur in the fall leading up to the 2020 legislative session.

Draft motion language: "I move to approve the supplemental operating budget requests as presented by staff, with allowance for minor adjustments as staff prepare final documents for submittal to the Governor's Office."

Post decision communications plan: The 2020 supplemental budget materials will be posted to the website and Department staff will conduct extensive outreach with advisory groups and stakeholders about the request and the consequences of not securing stable funding.