

Department of Commerce

RCW 43.330

Request	\$561,278,000	
Net change from current biennium	\$20,022,684	Increase
Percent change from current biennium	3.7%	Increase

The Department of Commerce provides funding and technical assistance to local governments and community based organizations to advance the economic, social, and physical well-being of Washington’s citizens and businesses. Four divisions within Commerce (Business Services, Community Services and Housing, Innovation and Policy Priorities, and Local Government and Infrastructure) provide direct services in support of the agency’s mission. Along with the Director’s Office, the Administrative Services Division provides support to the four direct service divisions. Commerce provides administrative support to independent state policy councils such as the Public Works Board, the Community Economic Revitalization Board, and the Developmental Disabilities Council. The agency also has statutory relationships with the Washington State Affordable Housing Advisory Board and the Economic Development Commission.

Agency Mission

The mission of the Department of Commerce is to grow and improve jobs in Washington State.

Agency Level Summary

Operating Budget: Summary

2011-13 Appropriations		Appropriated Funds	Expenditures		
Amount	Estimated Balance		2009-11 Actual	2011-13 Estimated	2013-15 Proposed
124,671,000	10,293,533	General Fund - Basic Account - State	80,754,824	114,377,467	164,316,000
311,576,000	24,824,848	General Fund - Basic Account - Federal	290,739,767	286,751,152	264,908,000
3,302,872	509,902	General Fund - Basic Account - Federal Unanticipated	201,267	2,792,970	
5,047,000	2,183,828	General Fund - Basic Account - Private/Local	3,117,391	2,863,172	5,655,000
28,646,000		General Fund - Basic Account - Federal Stimulus	75,063,816	28,646,000	150,000
223,947		General Fund - Basic Account - Private/Local Unanticipated	478,506	223,947	
		General Fund - Basic Account - Unantic Fed Stimulus	8,508,082		
2,738,000		Public Works Assistance Account - State	2,858,325	2,738,000	8,903,000
540,000		County Research Services Account - State	934,304	540,000	
		Tourism Development/Promotion Acct - State	466,910		
437,000		Drinking Water Assistance Admin - State	432,792	437,000	444,000
2,577,000		City and Town Research Services - State	4,484,479	2,577,000	
66,000	1,000	Lead Paint Account - State	35,000	65,000	148,000
13,000	12,239	Building Code Council Account - State	126,392	761	13,000
21,011,000	2,600,000	Home Security Fund Account - State	21,502,706	18,411,000	25,458,000
		WA Auto Theft Prevention Auth Acct - State	292,500		
11,899,000		Affordable Housing for All Account - State	8,161,198	11,899,000	11,916,000
		Independent Youth Housing Account - State	219,922		
		Community Preservation Development - State	341,250		
1,166,000		Financial Fraud & Id Theft Crimes - State	643,539	1,166,000	1,166,000
2,427,000		Low-Income Weatherization Asst Acct - State	2,386,184	2,427,000	1,881,000
713,000		WA Community Technology Opportunity - State		713,000	

Appropriated Funds

		WA Community Technology Opportunity - Private/Local			10,000
		Manufacturing Innovation & Moderniz - State	29,517		
6,781,000	2,465,628	Community/Economic Development Fee - State	4,904,175	4,315,372	5,302,000
2,802,000		Liquor Revolving Account - State		2,802,000	5,605,000
17,453,000	7,510,760	Washington Housing Trust Account - State	13,427,911	9,942,240	17,604,000
86,000	7,000	Prostitution Prevent/Intervention - State	101,735	79,000	26,000
749,000		Public Facility Const Loan Revolv - State	656,152	749,000	986,000
<u>544,924,819</u>	<u>50,408,738</u>	Total Appropriated Funds	<u>520,868,644</u>	<u>494,516,081</u>	<u>514,491,000</u>

Non-Appropriated Funds

		Industrial Insurance Premium Refund - Non-Appropriated	1,289	5,000	
		Individual Development Account Prog - Non-Appropriated	185,095	351,788	39,000
		Tourism Enterprise Account - Non-Appropriated	4,115,107		
		Transitional Housing Oper & Rent - Non-Appropriated	8,033,219	7,502,000	7,501,000
		Broadband Mapping Account - Non-Appropriated			7,000
		Broadband Mapping Account - Nonappropri Fed Stimulus	1,799,823	2,757,399	3,320,000
		WA Global Health Technologies/Produ - Non-Appropriated	(100,934)	423,434	209,000
		Foreclosure Fairness Account - Non-Appropriated	80,211	14,178,000	14,175,000
		Shelter to Housing Project Account - Non-Appropriated		1,000,000	800,000
		Energy Account - Non-Appropriated		4,000	175,000
		Mobile Home Park Relocation Account - Non-Appropriated	726,926	814,000	822,000
		State Agency Parking Account - Non-Appropriated	71,648	30,601	
		Savings Incentive Account - Non-Appropriated	224,551		
		Manufactured Housing Account - Non-Appropriated	174,392		
		Hanford Area Economic Investment - Non-Appropriated	176,352	344,000	404,000
		Miscellaneous Program Account - Non-Appropriated		19,329,013	19,335,000
		Total Non-Appropriated Funds	<u>15,487,679</u>	<u>46,739,235</u>	<u>46,787,000</u>

Capital Budget: Summary*

2011-13 Appropriations		Appropriated Funds	Expenditures		
Amount	Estimated Balance		2009-11 Actual	2011-13 Estimated	2013-15 Proposed
8,063,620		General Fund - Basic Account - Federal Stimulus	45,136,380	8,063,620	
30,069,312	29,421,000	Drinking Water Assistance Account - State	4,499,303	648,312	39,270,000
282,355,626	185,749,874	State Building Construction Account - State	253,940,637	96,605,752	206,173,000
602,166,000	551,356,000	Public Works Assistance Account - State		50,810,000	919,010,000
147,356,717	136,212,000	Drinking Water Assistance Repayment - State	27,816,338	11,144,717	296,212,000
		Energy Freedom Account - State	109,879		
		Energy Recovery Act Account - Federal			4,000,000
23,578,979		Energy Recovery Act Account - Federal Stimulus	14,921,021	23,578,979	
		State Toxics Control Account - State			832,000
1,500,000	1,500,000	Local Toxics Control Account - State			1,496,000
172,361,904	125,580,000	State Tax Bld Construction Account - State	305,515,075	46,781,904	169,846,000
7,614,005	2,253,021	Washington Housing Trust Account - State	15,335,995	5,360,984	1,348,000
4,547,615	4,532,428	Rural Washington Loan Account - State	1,659,568	15,187	4,523,000
24,097,708	12,971,000	Public Facility Const Loan Revolv - State	18,493,292	11,126,708	26,384,000
<u>1,303,711,486</u>	<u>1,049,575,323</u>	Total Appropriated Funds	<u>687,427,488</u>	<u>254,136,163</u>	<u>1,669,094,000</u>

*For detail projects, see 2013-15 Capital Plan.

Operating Budget: Change from Preceding Biennium

	2009-11 Actual		2011-13 Estimated		2013-15 Proposed	
	Amount	Percent	Amount	Percent	Amount	Percent
Total	98,790,359	22.6%	4,898,993	0.9%	20,022,684	3.7%

Employment Summary

	2010-11 Actual	2011-12 Estimated	2012-13 Estimated	2013-14 Proposed	2014-15 Proposed
FTE Staff Years	285.4	274.3	283.8	277.9	279.7

Agency Local Funds

Child Care Facility Revolving Account

This account was established in 1989 to provide grants and loans to assist persons, businesses, or organizations to start licensed child care facilities or to make capital improvements in existing child care facilities. Original funding was provided to this account through federal block money from the Department of Social and Health Services. The income stream is maintained by loan repayments and interest earnings.

Miscellaneous Program Account

This revenue comes from loan repayment or grant recovery directly related to the federal HOME Investment Partnership program income. Federal HOME requires any repayment or recovery must be used for additional HOME eligible activities. The Forest Products Loan Program and the Columbia Gorge Business Loan Program were established in the early 1990s as a result of grants from the US Forest Service; their purpose is to diversify the economics in the Columbia Gorge and the forest products industry statewide. There is no RCW dealing with any of the loan funds that these loan fees are charged on. The source of the revenue is charges allowed by the federal government on the issuance of HUD 108, Coastal and Brownfields loans for the purpose of covering issuance costs in the present and helping to manage the loans in the future (compliance checks, collection, record-keeping).

Developmental Disabilities Endowment Trust Account

This is a special needs trust program for people with developmental disabilities. The special needs trust allows money to be saved and invested without impacting eligibility for public benefits such as SSI and Medicaid and is then used for supplemental services and supports to further enhance the individuals' quality of Life. The funds in each trust are pooled together and are invested by the Washington State Investment Board. There are three main fees, determined by WAC 365-220-080 and the Governing Board, associated to this fund: 1) Enrollment fee: \$600.00 enrollment fee is collected at the time a trust is opened; 2) Annual Tax preparation fee: An annual tax preparation fee of \$75.00 is charged to each individual account and paid to the program's contracted CPA firm; and 3) Annual Management Fee: An annual management fee of 1% of the balance of each account, with a minimum fee of \$75.00 and a maximum fee of \$750.00, and is charged to each individual account on its annual anniversary date.

Statement of Local Fund Balances

	7/1/11 Fund Balance	6/30/13 Estimated Fund Balance	2013-15 Estimated Revenues	2013-15 Estimated Expenditures	6/30/15 Estimated Fund Balance
Non-Budgeted Funds					
Child Care Facility Revolving Account	0	8,660	96,000	100,000	4,660
Miscellaneous Program Account	17,316,000	19,557,521	1,645,324	6,591,084	14,611,761
Developmental Disabilities Endowment Trust Account	29,234,000	34,670,030	7,000,000	3,000,000	38,670,030
Total Non-Budgeted Funds	46,550,000	54,236,211	8,741,324	9,691,084	53,286,451