

# Department of Commerce

RCW 43.330

## Current Law Budget

Request	\$496,586,000	
Net change from current biennium	\$48,193,257	Increase
Percent change from current biennium	10.7%	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, Energy and Innovation, 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 and the External Relations Division provide 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 a statutory relationship with the Washington State Affordable Housing Advisory Board.

### Agency Mission

The mission of the Department of Commerce is to grow and improve jobs in Washington State by championing thriving communities, a prosperous economy and a sustainable infrastructure.

## Agency Level Summary

### Operating Budget: Summary

2013-15 Appropriations		Appropriated Funds	Expenditures		
Amount	Estimated Balance		2011-13 Actual	2013-15 Estimated	2015-17 Proposed
126,940,000	1,252,941	General Fund - Basic Account - State	98,459,605	125,687,059	127,568,000
266,583,000	49,655,142	General Fund - Basic Account - Federal	262,303,941	216,927,858	264,818,000
279,471		General Fund - Basic Account - Federal Unanticipated	1,219,518	279,471	
5,595,000	3,461,033	General Fund - Basic Account - Private/Local	2,466,468	2,133,967	8,383,000
149,000		General Fund - Basic Account - Federal Stimulus	28,031,195	149,000	149,000
		General Fund - Basic Account - Private/Local Unanticipated	95,908		
		Drinking Water Assistance Account - State			32,000
3,013,000		Public Works Assistance Account - State	2,724,830	3,013,000	9,617,000
		County Research Services Account - State	500,780		
442,000	205,000	Drinking Water Assistance Admin - State	437,000	237,000	464,000
		City and Town Research Services - State	2,336,826		
147,000		Lead Paint Account - State	79,821	147,000	181,000
13,000		Building Code Council Account - State		13,000	15,000
		Liquor Excise Tax Account - State			643,000
25,457,000		Home Security Fund Account - State	12,690,367	25,457,000	29,643,000
		Energy Freedom Account - State			972,000
11,908,000		Affordable Housing for All Account - State	9,056,371	11,908,000	9,027,000
1,166,000		Financial Fraud & Id Theft Crimes - State	727,259	1,166,000	99,000
1,879,000		Low-Income Weatherization Asst Acct - State	90,095	1,879,000	2,150,000
		WA Community Technology Opportunity - State	713,000		

<b>Appropriated Funds</b>					
10,000	10,000	WA Community Technology Opportunity - Private/Local			
5,298,000	2,683,794	Community/Economic Development Fee - State	2,771,931	2,614,206	2,990,000
		Financial Services Regulation Acct - State			468,000
5,605,000		Liquor Revolving Account - State	3,032,000	5,605,000	5,607,000
18,481,000	4,531,038	Washington Housing Trust Account - State	8,326,268	13,949,962	14,719,000
98,000		Prostitution Prevent/Intervention - State	31,966	98,000	45,000
752,000		Public Facility Const Loan Revolv - State	740,288	752,000	796,000
<u>473,815,471</u>	<u>61,798,948</u>	<b>Total Appropriated Funds</b>	<u>436,835,437</u>	<u>412,016,523</u>	<u>478,386,000</u>

**Non-Appropriated Funds**

		Industrial Insurance Premium Refund - Non-Appropriated	4,029	16,789	
		Individual Development Account Prog - Non-Appropriated	313,696	88,723	
		Transitional Housing Oper & Rent - Non-Appropriated	6,758,620	8,707,161	7,500,000
		Broadband Mapping Account - Nonapprop Fed Stimulus	2,353,532	2,963,000	
		WA Global Health Technologies/Produ - Non-Appropriated	605,927		209,000
		Foreclosure Fairness Account - Non-Appropriated	8,093,845	14,173,000	8,939,000
		Investing In Innovation Account - Non-Appropriated		751,000	
		Shelter to Housing Project Account - Non-Appropriated	289,738	710,000	
		Energy Account - Non-Appropriated	167,566	127,126	2,000
		Mobile Home Park Relocation Account - Non-Appropriated	445,510	820,000	796,000
		State Agency Parking Account - Non-Appropriated	30,602		
		Hanford Area Economic Investment - Non-Appropriated	354,272	120,000	404,000
		Miscellaneous Program Account - Non-Appropriated	11,087,297	7,899,421	350,000
		<b>Total Non-Appropriated Funds</b>	<u>30,504,634</u>	<u>36,376,220</u>	<u>18,200,000</u>

## Capital Budget: Summary\*

2013-15 Appropriations		Appropriated Funds	Expenditures		
Amount	Estimated Balance		2011-13 Actual	2013-15 Estimated	2015-17 Proposed
		General Fund - Basic Account - Federal Stimulus	7,699,424		
20,323,787	6,451,000	Drinking Water Assistance Account - State	9,745,525	13,872,787	126,451,000
342,051,481	206,604,000	State Building Construction Account - State	142,504,938	135,447,481	334,854,000
250,000		State Building Construction Account - Private/Local Unanticipated		250,000	
389,154,510	367,040,000	Public Works Assistance Account - State	187,615,338	22,114,510	263,283,000
338,893,666	303,177,000	Drinking Water Assistance Repayment - State	8,463,051	35,716,666	303,177,000
		Energy Recovery Act Account - State			2,500,000
4,000,000	4,000,000	Energy Recovery Act Account - Federal Stimulus	22,484,410		
1,700,000		Energy Recovery Act Account - Unantic Fed Stimulus		1,700,000	
1,486,156	1,216,000	Local Toxics Control Account - State	13,844	270,156	1,216,000
500,000	455,000	Environ Legacy Stewardship Account - State		45,000	455,000
352,007,204	150,789,000	State Tax Bld Construction Account - State	72,647,029	201,218,204	265,486,000
2,957,434	312,000	Washington Housing Trust Account - State	7,156,571	2,645,434	312,000
4,508,860	4,489,000	Rural Washington Loan Account - State	38,082	19,860	4,489,000
29,499,600	23,088,000	Public Facility Const Loan Revolv - State	10,698,107	6,411,600	33,688,000
<u>1,487,332,698</u>	<u>1,067,621,000</u>	<b>Total Appropriated Funds</b>	<u>469,066,319</u>	<u>419,711,698</u>	<u>1,335,911,000</u>

\*For detail projects, see 2015-17 Capital Plan.

## Operating Budget: Change from Preceding Biennium

	2011-13 Actual		2013-15 Estimated		2015-17 Proposed	
	Amount	Percent	Amount	Percent	Amount	Percent
Total	(69,016,252)	(12.9)%	(18,947,328)	(4.1)%	48,193,257	10.7%

## Employment Summary

	2012-13 Actual	2013-14 Estimated	2014-15 Estimated	2015-16 Proposed	2016-17 Proposed
FTE Staff Years	280.9	270.8	299.9	266.8	271.8

## 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

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	7/1/13 Fund Balance	6/30/15 Estimated Fund Balance	2015-17 Estimated Revenues	2015-17 Estimated Expenditures	6/30/17 Estimated Fund Balance
<b>Non-Budgeted Funds</b>					
Child Care Facility Revolving Account	843,000	1,097,000	261,000	50,000	1,308,000
Miscellaneous Program Account	13,164,000	12,286,000	5,673,000	9,778,000	8,181,000
Developmental Disabilities Endowment Trust Account	38,775,000	53,089,000	8,450,000	3,650,000	57,889,000
<b>Total Non-Budgeted Funds</b>	<b>52,782,000</b>	<b>66,472,000</b>	<b>14,384,000</b>	<b>13,478,000</b>	<b>67,378,000</b>