

Potential impacts of a partial state government shutdown

June 19, 2017

The Office of Financial Management has been working with state agencies on contingency plans for government operations in the event the 2017–19 operating and capital budgets are not enacted prior to July 1. If the budgets are not in place by then, most state agencies will be fully or partially shut down. Temporary layoff notices will have been sent to approximately 32,000 agency employees.

Below is an agency-by-agency list of potential impacts of a partial government shutdown. This summary of impacts does not include all affected agencies. This list will be updated as new information becomes available.

Department of Social and Health Services

Economic Services Administration

- No staff will be available to connect more than 16,000 WorkFirst clients with resources and services to help them continue working or searching for a job.
- Approximately 25,000 incapacitated adults will not receive basic cash or referrals to housing and other essential services.
- More than 10,000 legal immigrants will not receive state-funded food assistance.
- The state's nine child support field offices will be closed. This will result in the loss or delay of about 6,000 cash, check and money order payments per month.
- No new child support orders will be processed for enforcement, affecting more than 5,000 orders and referrals in a month.
- No proactive work will be done on current child support cases, including enforcement of orders and any type of customer service.

Aging and Long-term Support Administration – More than 50,000 of the state's older residents will no longer receive meal services.

Rehabilitation Administration – Services and supervision will be suspended for 180 youth recently released from juvenile rehabilitation facilities. About 150 youth with a history of sex offenses will receive a minimum level of services.

Division of Vocational Rehabilitation – 12,000 individuals with disabilities will lose vocational rehabilitation services.

Health Care Authority

About 2.2 million individuals will be affected, including about 1.9 million Apple Health (Medicaid) clients and 370,000 Public Employees Benefits Board program enrollees.

- No payments will be made to providers offering services to Apple Health clients and PEBB enrollees. It is unclear how long these providers would be able to continue offering services without payment.
- No customer service staff will be available to help either Apple Health clients or PEBB enrollees.
- Individuals will be able to apply for Apple Health through Healthplanfinder, but if their application requires any review before approval, that will not occur until HCA reopens.
- If a shutdown lasts longer than a week to 10 days, HCA will have to examine which functions must come back online to avoid violation of Washington's Medicaid State Plan with the federal government.
- ProviderOne payments will stop, affecting medical providers as well as social service providers such as adult family homes, supported living and home care agencies.

Department of Early Learning

- About 31,000 low-income, working families with 52,500 children will lose child care payment assistance during a high-demand time for care, especially for families working in seasonal agricultural jobs.
- 13,000 licensed and exempt child care providers (and their staff, for those who have them) will lose the income from caring for children covered by the child care subsidy program.
- 12,000 low-income children will not be able to participate in high-quality preschool (ECEAP), also creating a hardship for parents who rely on that care so they can work.
- 320 high-needs children and their families will lose comprehensive behavioral health child care and therapy supports.
- 2,200 young children and their families will lose home visiting services.
- 5,600 licensed child care programs will not be monitored for health and safety regulations.
- 1,468 child care providers will no longer have access to a scholarship program for minimum educational requirements.
- 3,800 Early Achievers participants will no longer have access to coaching and professional development supports to help them improve quality.
- Web applications used to search for child care licensing information will not be available.

Department of Corrections

- Of the approximately 8,500 employees working for DOC, 3,400 will be temporarily laid off. An estimated 5,100 employees will remain on the job to run the state prisons and perform other essential roles, as required by the state constitution and federal law.
- Currently incarcerated individuals will have limited access to programming, education and activities that promote positive behavioral change.
- Supervision will be suspended for the majority of the 18,000 individuals now under community supervision. Exceptions will include individuals who Washington is responsible for supervising under the Interstate Compact and civilly committed sexually violent predators who DOC supervises as a condition of their release to less-restrictive placement in the community.

- With no supervision available, individuals serving terms of community custody will not be arrested or jailed for supervision violations that occur during the shutdown, such as failing a drug test. Individuals previously found to have violated the terms of their community supervision and who were serving jail sanctions for the violations when the shutdown begins will serve the remainder of their sanction in jail or in a DOC facility and then be released. Individuals awaiting hearings on alleged violations when the shutdown occurs will remain in jail pending completion of the hearing and sanction process. As of June 16, this will apply to an estimated 1,300 supervised individuals released from local/county/tribal jails.
- DOC will not accept individuals sentenced to prison after July 1. Those individuals will remain in county jail during the shutdown.
- There will be a limited response to requests for GPS tracking alerts for sex offenders instead of the 24-hour coverage provided now.

Washington State Patrol

Crime Lab Division

- There will be no forensic scientists to process DNA samples (250 cases per month). These cases involve mostly crimes against persons.
- Staff will not be on hand to process and analyze drug cases (more than 900 per month), including fentanyl cases that pose a danger to first responders.
- Firearm experts will not be working so criminal cases involving firearms (about 66 per month) will not be processed, affecting investigators and prosecutors.
- Cartridge case submissions (about 500 per month) will not be entered into a national database or test-fired from confiscated weapons.
- Latent print case submissions for investigating law enforcement agencies will go unanswered (about 175 per month).
- There will be no work on sexual assault crimes; no work on the state sexual assault kit tracking system; no way to process the old sexual assault kits.
- The Crime Scene Response Team will not be able to respond to an average of three major crimes, police-action shootings a week.
- Convicted offender DNA reference samples submitted to the CODIS lab will be suspended and not be entered into the state database for comparison to case samples from across the country (about 850 per month).
- Law enforcement agencies will not be notified if their case produces a CODIS DNA hit. The CODIS Lab averages 36 DNA hits/month identifying potential perpetrators on unsolved crimes or establishing a serial link between cases.

Criminal Records Division

- There will be no staff to provide support to users of the statewide criminal justice telecommunications system, called ACCESS, which provides public safety information to more than 500 agencies and 20,000 criminal justice users in the state.

- Processing arrestee fingerprint submissions for positive identification or non-identification purposes will be discontinued (about 20,000 submissions per month).
- Processing applicant fingerprint submissions for positive identification or non identification purposes will be discontinued (more than 22,000 month). This means fingerprint testing for employment, licensing, and housing and adoption applications will be suspended. This includes checks for daycare employees, school bus drivers, church workers and others.
- Criminal History Record Information (CHRI) will not be updated with final case outcomes (about 35,000 updates per month).
- Court orders will not be processed, which means records will not be updated to reflect sealed, vacated, expunged records as well as firearm rights restorations (about 1,100 updates per month).
- There will be no staff on hand to answer questions about firearm transfer background check results from the National Instant Background Check System (NICS).
- Telephone, e-mail and counter support for individuals will be suspended for those seeking individual criminal history records or status of employment and/or licensing background checks.
- No one will be on hand to enter new offenders to the statewide sex offender registry.

Department of Labor and Industries

Approximately 2,800 staff will be laid off. About 70 employees (about 2 percent) would be on call or working part time to respond to emergencies.

Workers' compensation

- All workers' compensation claims that require staff to process will be on hold. That means more than 1,200 injured workers a month with new claims will not receive L&I benefit checks.
- Payments of current claims that can be processed "automatically" would continue.

Workplace safety

- Regular workplace safety inspections will cease. Inspectors perform about 4,000 regular inspections annually.
- A minimal number of staff to respond to workplace imminent danger complaints, fatalities and catastrophes will be available. The agency will increase staffing for a major emergency.

Elevators and escalators, boilers and electrical safety – Routine inspections of elevators and escalators, boilers and electrical systems will stop. During the previous 12 months, for example, L&I shut down 80 elevators considered dangerous.

Department of Veterans Affairs

Thousands of veterans and their families will experience disruptions in services that connect them to the benefits they earned. For example:

- 2,000 veterans and family members will be without PTSD counseling.

Office of Financial Management

- All veteran service organization contracts will be suspended, leaving veterans without access to trained service officers to help with filing claims with the federal VA. The statewide network of VSOs accounts for 80 percent of the claims filed in Washington; 11,431 claims were filed last year.
- Recently deployed veterans will not have access to emergency financial assistance through the Veterans Innovations Program.
- All WDVA call centers and Veterans Service Centers will be closed, meaning veterans, their widows/widowers and family members will not have access to benefits specialists who can assist with everything from housing to health care and employment.
- Veterans will not have access to the Homeless Veterans Reintegration Project to reduce barriers to employment.
- Veteran-owned businesses will not be certified.
- The Veterans Conservation Corps Internship Program, Higher Education Vet Corps Navigator Program and Veterans Farm at Orting will cease to operate.

Department of Health

- Public Health Laboratories' services will be suspended/greatly minimized for critical life/safety issues:
 - » Newborn screening will operate with minimal staff who will focus on the most critical conditions. Other newborn health issues will not be identified or followed up on for connection to treatment.
 - » Coordination services for children with special health care needs will experience delays, which will create hardships on children and families and put the program out of compliance with grant funder.
 - » Routine disease testing activities will cease, which will cause disease outbreaks to go undetected and unmitigated.
 - » Shellfish will not be tested for toxins.
 - » None of the environment-related health programs that DOH regulates will be actively monitored and acted on (only emergencies will be responded to), including all shellfish growing areas, commercial and recreational, which will be closed.
 - » Enhanced laboratory support to control antimicrobial-resistant bacteria for the entire West Coast will stop.
 - » Marine water quality testing in support of recreational and commercial fisheries will not be provided.
 - » The radiation laboratory will not perform testing for any radiation release event.
 - » All work on federal grant deliverables will stop.
 - » Reference laboratory services provided to clinical labs and hospitals will not be available, thus challenging patient safety.

- » Fewer central services that will be available will affect laboratory operations (safety, training, testing support and outbreak response), and the monitoring of steam, HVAC, safety systems, waste and entry/exit to the PHL will be greatly impacted or suspended.
- No disease outbreak support (tracking, testing and managing disease prevention efforts such as for foodborne illness) will be provided.
- No assistance to HIV-positive individuals (approximately 4,000) for accessing insurance and medications will be available.
- Health systems quality assurance services (medical facility inspections, medical professional credentialing and disciplinary investigations) will be suspended:
 - » No new health care credentials will be issued.
 - » Renewals of health care credentials will be delayed.
 - » No disciplinary actions will be processed.
 - » No complaints about regulated providers and regulated facilities will be reviewed and processed.
 - » Certificate of need applications required by an organization seeking approval to offer new beds or services will be delayed.
- No health services that support individuals, activities to prevent diseases and promotional work to encourage healthy choices will be provided, including the following:
 - » No immunization support for health care providers and the public (including any clinical or technical assistance) and no support for Washington State Immunization Information System users.
 - » Breast, Cervical and Colon Health Program: No screening or diagnostic services, potential delay in getting women diagnosed with cancer into treatment (as required by the grant) and out of compliance with grant funder.
 - » Family planning: No family planning services, no screening services for breast or cervical cancer and out of compliance with grant funder.
 - » Washington State Tobacco Quitline: No referrals to the Quitline nor ability to answer calls.
 - » Specialty therapy services via neurodevelopmental centers: No access to services for children and families.
 - » Maxillofacial Review Board treatment, surgeries and consultations: No access to services for children and families.
 - » Family Health Hotline (provides information on a variety of health topics): No access to services for children and families and out of compliance with grant funder.
 - » Child Profile Health Promotion: no mailings and safety materials will go out to parents (usually about 30,000 families are reached each week).
 - » Case management services for perinatal hepatitis B prevention: Delay of services to the public and health care providers.
 - » SNAP (Supplemental Nutrition Assistance Program) education: Delay of services to the public.

- » Community health worker training: Scheduled trainings canceled for up to 147+ participants and out of compliance with grant funder.
- » Youth marijuana prevention and education: Planned activities related to policy, and environmental and systems change work in communities/region will be canceled.
- » Tobacco and vaping prevention and control: Planned activities related to policy, and environmental and systems change work in communities/region will be canceled and out of compliance with grant funder.
- » Heart disease and stroke, and diabetes prevention: Planned activities related to policy, and environmental and systems change work in communities/region will be canceled and out of compliance with grant funder.
- » State violence and injury prevention: Planned activities will be canceled and out of compliance with grant funder.
- » National Violent Death Reporting System: No access to system, stop in data collection activities and out of compliance with grant funder.
- » Prescription drug overdose prevention: No providers' use of the PDOP program, no community-level interventions in hot spots, no educational contacts with outlier prescribers on overprescribing, potential higher rates of opioid abuse and possible higher opioid overdose death rate.
- » Oral Health Program: Delay in coordination of the Smile Survey and provision of technical assistance.
- » Comprehensive cancer prevention and control: No programs and activities implemented to reduce incidence and death from cancer and cancer-related health disparities.
- » Cancer survivorship: No education and training for large network of providers and survivors. May affect support for cancer survivors in health care systems that use community health workers/patient navigators to provide community/clinical linkages.

State Parks

- An estimated 1.4 million day-use and overnight visitors will be affected due to closure (conservative estimate.)
- Nearly 11,000 (10,932 reservations total) paid camping and overnight reservation holders for the first week of July will need to be notified of park closures and reservation cancellations, curtailing or interrupting plans of families, reunions, wedding parties, youth groups and youth and summer education camps. As of May 25, reservations include 10,262 campsites, 452 cabins and yurts, 121 group camps and 57 kitchen shelters and other day-use facilities.
- Shutdown will negatively affect local economies and small business owners who provide concession services in parks around the state. Park visits and park special events generate significant tourism spending in local communities.
- State Parks partner organizations will be adversely affected. For example, Centrum Foundation, which hosts arts conferences at Fort Worden State Park, will have no camping availability for the annual Festival of American Fiddle Tunes (July 2–9), a festival that draws 500 core participants

and hundreds more for festival events. Because of a lease agreement between the state and Port Townsend Development Authority, the festival will go on. However, no state park ranger or maintenance staff will be on hand for public safety, and State Parks-operated facilities or camping will not be available to participants or guests.

- Vandalism to buildings and resources and misuse of park facilities, including heritage features, could be expected in many locations if park staff are not there to provide protection and enforcement. Vandalism and damage results in additional cost if not loss of resources.
- Public safety risk increases on ocean beaches over the Fourth of July holiday, without ranger law enforcement patrols. With municipalities banning fireworks, public pressure on the beaches in recent years has created mounting problems with illegal fireworks, wildfire, alcohol and drug-related problems, and injuries. State Parks put additional beach patrols in place over the 2016 holiday and plans to repeat the effort for the 2017 holiday if a budget is in place.
- State Parks will lose at least \$2 million in revenue from camping, overnight accommodations, Discover Pass and other use fees between June 30 and July 7. Agency earned revenue composes 76 percent of the total Parks operating budget, so losses affect capacity.

Department of Fish and Wildlife

- Many recreational and commercial fisheries will be closed because staff will not be able to monitor, sample, account for the catch or enforce regulations.
- Fishing or hunting licenses, Discover Passes or other documents through the electronic licensing system will not be issued, resulting in the personal loss of opportunity and fishing and hunting license revenue.
- The care and feeding of non-Endangered Species Act-listed fish in hatcheries, such as trout and salmon, and captive pheasants at the Bob Oke Game Farm, will not occur, resulting in the potential loss of future fishing and hunting opportunity.
- State wildlife areas and boating access sites will be closed.
- The issuance of hydraulic project approvals will be suspended, which will delay new construction projects where an HPA permit is necessary to begin work.

Department of Ecology

Impact on jobs

- 1,584 employees will be temporarily laid off.
- 470 young people and veterans working through the Conservation Corps and Ecology Youth Corps will be directed not to come to work. These workers do habitat restoration, trail maintenance, roadside litter pickup and disaster relief in Washington and in other states. (Layoff notices aren't issued.)

Impact on the environment

The following work to protect air, water and soil will not get done. No one will be available to:

- Conduct inspections of any type, including at the Hanford nuclear cleanup site.

- Respond to oil or hazardous spills, except in the most critical circumstances.
- Identify or respond to dam safety problems, except in the most critical circumstances. This is a concern, given recent record-breaking rains.
- Process or issue new permits or other authorizations for industrial or agricultural wastewater discharges, air emissions or water rights. This includes agricultural burning permits if applications haven't been processed by June 30.
- Respond to any environmental complaints, except on an emergency basis.
- Collect environmental samples that assess trends in streams, rivers, lakes and Puget Sound.
- Work on environmental impact statements for any of the large projects where we are State Environmental Policy Act lead or co-lead (including proposed coal and crude oil projects).
- Test environmental or product samples at our laboratory.

Additional impacts on communities

- Nearly 70 percent of Ecology's budget (operating and capital) is pass-through funding for environmental projects to local governments throughout the state.
- The department's 1,450 grant and loan recipients and contractors will be prohibited from using any state funds. This includes money for construction of wastewater treatment plant upgrades, habitat restoration projects and cleaning up toxic sites in communities.

Department of Agriculture

With about 40 percent of its budget supported by appropriated fund sources, the department will have to suspend numerous programs, including:

- All routine testing and inspections by the Animal Health Division, which will limit protection to animals and the public from communicable animal diseases such as brucellosis, tuberculosis, rabies, avian influenza and others.
- All routine inspection by the Dairy Nutrient Management Program.

In addition, several agency programs will cease offering services altogether, including:

- International Marketing, which uses overseas contractors to help food and agricultural companies enter the export market.
- Food Assistance Program, which distributes food and money to food banks and assistance programs statewide.
- Natural Resource Assessment Section, which monitors the impact of agricultural activities on the state's natural resources.
- Pesticide waste disposal, which collects and ensures the proper disposal of prohibited or unusable pesticides from farms.
- Plant Protection Division, which works to prevent high-risk insects, plant diseases, weeds and other pests from gaining a foothold in Washington.

Department of Commerce

- About 2,200 WorkFirst participants will no longer get services through state-contracted agencies, creating additional barriers for people already facing challenges in finding jobs.
- Nearly 4,100 low-income people will lose help with utility payments for June because community action agencies will not be able to finalize and/or pay benefits on applications. This action will increase health and safety risks for vulnerable people, such as the elderly, individuals with disabilities and families with young children.
- About 90 homeowners per month who are facing foreclosure will no longer receive counseling services and legal aid under the Foreclosure Fairness Act, greatly increasing the risk of losing their homes.
- Payments to property owners for clients receiving rent assistance for about 7,100 vulnerable adults and children will stop, putting them at risk of eviction and subsequent homelessness.
- Nearly 50 affordable housing projects under development and construction will be disrupted, putting millions of dollars at risk due to costly delays and the potential for projects to stand uncompleted. Construction jobs will be lost or cut back.
- Thousands of crime victims will not receive medical and legal advocacy, therapy or crisis intervention, among other services provided through contracted agencies or by hotline.
- Approximately 65 businesses now being assisted by Commerce that are considering expansion or relocation to Washington will no longer receive services, jeopardizing approximately \$7 billion in potential private capital investment to the state and 10,000 potential new jobs.
- Associate development organizations will not have reimbursement requests evaluated for performance, and payments will not be made.
- With no staff to serve about 65 small and medium-sized businesses assisted monthly in exporting, the state could lose at least \$9 million a month of export sales with the likely residual effect of ramp-up time after shutdown.
- The state could lose another \$2 million of export sales a month because there will be no processing of client requests for export documentation to clear customs. These requests intensify in the summer in advance of the holiday season.
- The State Energy Office has 64 executed capital contracts and 20 in negotiations that will be affected by a government shutdown. This represents a portfolio of nearly \$88 million. Nineteen of these contracts are loans that are in repayment.
- Potential significant impacts will result from not being able to process reimbursement payments for capital construction projects. This is the height of the construction season, and the ability of especially small communities to make payments for construction activities is based on the state's ability to reimburse.

Washington's Lottery

- The Lottery will be shut down until a budget is in place. Based on current sales levels, every day it is shut down, the state will lose about \$1.8 million in sales and more than \$460,000 in revenue.

- Under normal circumstances, Lottery customers can purchase tickets for certain games weeks in advance. To prepare for a possible shutdown, however, the Lottery last month had to begin cutting off advance purchases of games with drawings after June 28. Based on a similar step-down two years ago, even if there is no shutdown, the Lottery estimates the state will lose about \$2.2 million in sales and more than \$545,000 in revenue this month.
- In total, a sales step-down and a one-week shutdown of the Lottery will cost the state an estimated \$18.7 million in sales and \$4.7 million in revenue.

Department of Licensing

Individuals submitting professional license applications or other requests to these programs will face delays until program staff return to work. A shutdown also will halt the work of Business and Professions Division inspectors and investigators. Consumers attempting to file a complaint against a licensed professional or firm will have to wait until staff return to work. Professional licensing delays could create general hardships for individuals and businesses that need these credentials to conduct business.

Licensing programs affected by suspension of service:

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| ▪ real estate appraisers | ▪ cosmetology |
| ▪ home inspectors | ▪ tattoo-body art – body piercing |
| ▪ real estate agents and firms | ▪ combative sports |
| ▪ time shares and camp resorts | ▪ auctioneers |
| ▪ engineers – land surveyors – on-site wastewater | ▪ sellers of travel |
| ▪ architects | ▪ court reporters |
| ▪ scrap metal recyclers | ▪ security guards |
| ▪ notaries | ▪ private investigators |
| ▪ Uniform Commercial Code | ▪ bail bonds |
| ▪ whitewater rafters | ▪ bail bonds recovery |
| ▪ telephone solicitors | ▪ collection agencies |
| ▪ employment agencies | |

Department of Enterprise Services

Capitol Campus amenities such as DES Visitor Services and restrooms for Heritage, Marathon, Sylvester and Centennial parks and the Capitol Lake Interpretive Center will be closed. Civic and classroom tours will be canceled. Capitol Campus grounds care and maintenance will stop.

- State Surplus Operations will be closed. Surplus is used by the public and government entities such as cities, counties and school districts.
- The State Building Code Council staff will not be available to provide technical support to builders, building code officials or the council.
- Processing and payment of tort claims will be delayed.
- The Employee Assistance Program will not provide support to state employees.

- Limited building support services for agencies providing essential functions (includes custodial and maintenance services) will be available.
- Entities could purchase from statewide master contracts for goods and services, but support services for purchasers or vendors will not be available. Sixty percent of purchasers include cities, counties, higher education institutions, local governments such as school and library districts, tribal governments and public benefit nonprofits. (There will be someone on call to provide support for emergency purchasing needs).
- Only limited technical support for DES enterprise applications (such as Washington's Electronic Business Solution, the Learning Management System and the state's career opportunity website careers.wa.gov) used by vendors, local governments and others will be available.
- Management of state-funded public works contracts will occur at a reduced level of service, raising risk for delays and financial liability such as penalties.
- The level of service to nonstate agencies (such as local governments) will be reduced, including job recruitment and employee training, mail and printing.

Utilities and Transportation Commission

The UTC will have to temporarily lay off all its workforce, leaving gaps in consumer protection and public safety activities, including:

- Pipeline safety
 - » The state's seven pipeline inspectors will be laid off.
 - » No state emergency response will be available in the event of a gas explosion or other incident.
 - » All pipeline safety inspections and damage prevention investigations will stop.
 - » Could violate interstate-agent agreement with the Pipeline and Hazardous Materials Safety Administration, potentially affecting this federal funding source.
- Rail safety
 - » The state's eight rail inspectors will be laid off.
 - » No state emergency response will be available in the event of derailment, collision or other incident.
 - » Rail crossing and Federal Railroad Administration-authorized inspections would cease.
- Motor carrier
 - » The state's six transportation investigators will be laid off.
 - » In the event of an emergency, no staff will be available to respond to or assist local law enforcement with safety inspections.
 - » Onsite motor carrier inspections will cease, reducing the chances of identifying safety violations.
- Consumer protection
 - » The consumer help line, which helps customers of regulated companies with billing or service complaints, will be shut down.

- » Customers of regulated utilities facing disconnection will not receive assistance and could be cut off from service, with no recourse.

Department of Revenue

Revenue manages the state's Business Licensing Service, assisting businesses with their state and city licensing needs. If a shutdown occurs, all business license activity will be suspended. That puts at risk timely renewals for 30,000 businesses in July. It also hampers new businesses from receiving their licenses and opening as planned.

More than 60 cities rely upon the BLS to process their local licenses. A shutdown halts local licensing decisions, too.

While taxes are still due, and the e-file system will remain up, no customer service staff will be available to assist taxpayers with questions about filing their returns. This impact extends to businesses that underreport and receive a delinquent notice, generating a large backlog and delayed response by the agency.

Recreation and Conservation Office

The Recreation and Conservation Office provides grants to cities, counties, ports, tribes, nonprofits, state and federal agencies, and others to build outdoor recreation facilities and conserve wildlife habitat and working farms and forests, and to recover salmon. A government shutdown will halt work on 974 projects, valued at more than \$1 billion in economic activity, in every county of the state, except Adams.