
SUBSTITUTE SENATE BILL 6130

State of Washington 61st Legislature 2010 Regular Session

By Senate Ways & Means (originally sponsored by Senator Prentice)

READ FIRST TIME 02/09/10.

1 AN ACT (~~Relating to fiscal matters.~~) Amending provisions related
2 to Initiative Measure No. 960.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** (~~This act shall be known as the fiscal~~
5 ~~matters act of 2009.~~) A new section is added to chapter 43.135 RCW to
6 read as follows:

7 In order to preserve funding for education, public safety, health
8 care, and safety net services for elderly, disabled, and vulnerable
9 people, it is the intent of the legislature to provide a means to
10 stabilize revenue collections.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135 RCW
12 to read as follows:

13 (1) For any bill introduced in either the house of representatives
14 or the senate that raises taxes as defined by RCW 43.135.035 or
15 increases fees, the office of financial management must expeditiously
16 determine its cost to the taxpayers in its first ten years of
17 imposition, must promptly and without delay report the results of its
18 analysis by public press release via e-mail to each member of the house

1 of representatives, each member of the senate, the news media, and the
2 public, and must post and maintain these releases on its web site. Any
3 ten-year cost projection must include a year-by-year breakdown. For
4 any bill containing more than one revenue source, a ten-year cost
5 projection for each revenue source will be included along with the
6 bill's total ten-year cost projection. The press release shall include
7 the names of the legislators, and their contact information, who are
8 sponsors and cosponsors of the bill so they can provide information to,
9 and answer questions from, the public.

10 (2) Any time any legislative committee schedules a public hearing
11 on a bill that raises taxes as defined by RCW 43.135.035 or increases
12 fees, the office of financial management must promptly and without
13 delay report the results of its most up-to-date analysis of the bill
14 required by subsection (1) of this section and the date, time, and
15 location of the hearing by public press release via e-mail to each
16 member of the house of representatives, each member of the senate, the
17 news media, and the public, and must post and maintain these releases
18 on its web site. The press release required by this subsection must
19 include all the information required by subsection (1) of this section
20 and the names of the legislators, and their contact information, who
21 are members of the legislative committee conducting the hearing so they
22 can provide information to, and answer questions from, the public.

23 (3) Each time a bill that raises taxes as defined by RCW 43.135.035
24 or increases fees is approved by any legislative committee or by at
25 least a simple majority in either the house of representatives or the
26 senate, the office of financial management must expeditiously reexamine
27 and redetermine its ten-year cost projection due to amendment or other
28 changes during the legislative process, must promptly and without delay
29 report the results of its most up-to-date analysis by public press
30 release via e-mail to each member of the house of representatives, each
31 member of the senate, the news media, and the public, and must post and
32 maintain these releases on its web site. Any ten-year cost projection
33 must include a year-by-year breakdown. For any bill containing more
34 than one revenue source, a ten-year cost projection for each revenue
35 source will be included along with the bill's total ten-year cost
36 projection. The press release shall include the names of the
37 legislators, and their contact information, and how they voted on the

1 bill so they can provide information to, and answer questions from, the
2 public.

3 (4) For the purposes of this section, "names of legislators, and
4 their contact information" includes each legislator's position (senator
5 or representative), first name, last name, party affiliation (for
6 example, Democrat or Republican), city or town they live in, office
7 phone number, and office e-mail address.

8 (5) For the purposes of this section, "news media" means any member
9 of the press or media organization, including newspapers, radio, and
10 television, that signs up with the office of financial management to
11 receive the public press releases by e-mail.

12 (6) For the purposes of this section, "the public" means any
13 person, group, or organization that signs up with the office of
14 financial management to receive the public press releases by e-mail.

15 **Sec. 3.** RCW 43.88A.020 and 2008 c 1 s 3 (Initiative Measure No.
16 960, approved November 6, 2007) are each amended to read as follows:

17 The office of financial management shall, in cooperation with
18 appropriate legislative committees and legislative staff, establish a
19 procedure for the provision of fiscal notes on the expected impact of
20 bills and resolutions which increase or decrease or tend to increase or
21 decrease state government revenues or expenditures. Such fiscal notes
22 shall indicate by fiscal year the impact for the remainder of the
23 biennium in which the bill or resolution will first take effect as well
24 as a cumulative forecast of the fiscal impact for the succeeding four
25 fiscal years. Fiscal notes shall separately identify the fiscal
26 impacts on the operating and capital budgets. Estimates of fiscal
27 impacts shall be calculated using the procedures contained in the
28 fiscal note instructions issued by the office of financial management.

29 In establishing the fiscal impact called for pursuant to this
30 chapter, the office of financial management shall coordinate the
31 development of fiscal notes with all state agencies affected.

32 ~~((The preparation and dissemination of the ongoing cost projections
33 and other requirements of RCW 43.135.031 for bills increasing taxes or
34 fees shall take precedence over fiscal notes.))~~

35 **Sec. 4.** RCW 43.88A.030 and 2008 c 1 s 4 (Initiative Measure No.
36 960, approved November 6, 2007) are each amended to read as follows:

1 When a fiscal note is prepared and approved as to form, accuracy,
2 and completeness by the office of financial management, which depicts
3 the expected fiscal impact of a bill or resolution, copies shall be
4 filed immediately with:

5 (1) The chairperson of the committee to which the bill or
6 resolution was referred upon introduction in the house of origin;

7 (2) The senate committee on ways and means, or its successor; and

8 (3) The house committees on revenue and appropriations, or their
9 successors.

10 Whenever possible, such fiscal note (~~((and, in the case of a bill
11 increasing taxes or fees, the cost projection and other information
12 required under RCW 43.135.031))~~) shall be provided prior to or at the
13 time the bill or resolution is first heard by the committee of
14 reference in the house of origin.

15 When a fiscal note has been prepared for a bill or resolution, a
16 copy of the fiscal note shall be placed in the bill books or otherwise
17 attached to the bill or resolution and shall remain with the bill or
18 resolution throughout the legislative process insofar as possible.
19 (~~For bills increasing taxes or fees, the cost projection and other
20 information required by RCW 43.135.031 shall be placed in the bill
21 books or otherwise attached to the bill or resolution and shall remain
22 with the bill or resolution throughout the legislative process insofar
23 as possible~~)).

24 **Sec. 5.** RCW 43.135.035 and 2009 c 479 s 36 are each amended to
25 read as follows:

26 (1) After July 1, 1995, any action or combination of actions by the
27 legislature that raises state revenue or requires revenue-neutral tax
28 shifts (~~((raises—taxes))~~) may be taken only if approved by a
29 (~~((two-thirds))~~) majority vote of each house (~~((of the legislature))~~), and
30 then only if state expenditures in any fiscal year, including the new
31 revenue, will not exceed the state expenditure limits established under
32 this chapter. (~~((Pursuant to the referendum power set forth in Article
33 II, section 1(b) of the state Constitution, tax increases may be
34 referred to the voters for their approval or rejection at an
35 election.))~~)

36 (2)(a) If the legislative action under subsection (1) of this
37 section will result in expenditures in excess of the state expenditure

1 limit, then the action of the legislature shall not take effect until
2 approved by a vote of the people at a November general election. The
3 state expenditure limit committee shall adjust the state expenditure
4 limit by the amount of additional revenue approved by the voters under
5 this section. This adjustment shall not exceed the amount of revenue
6 generated by the legislative action during the first full fiscal year
7 in which it is in effect. The state expenditure limit shall be
8 adjusted downward upon expiration or repeal of the legislative action.

9 (b) The ballot title for any vote of the people required under this
10 section shall be substantially as follows:

11 "Shall taxes be imposed on in order to allow a
12 spending increase above last year's authorized spending adjusted for
13 personal income growth?"

14 (3)(a) The state expenditure limit may be exceeded upon declaration
15 of an emergency for a period not to exceed twenty-four months by a law
16 approved by a two-thirds vote of each house of the legislature and
17 signed by the governor. The law shall set forth the nature of the
18 emergency, which is limited to natural disasters that require immediate
19 government action to alleviate human suffering and provide humanitarian
20 assistance. The state expenditure limit may be exceeded for no more
21 than twenty-four months following the declaration of the emergency and
22 only for the purposes contained in the emergency declaration.

23 (b) Additional taxes required for an emergency under this section
24 may be imposed only until thirty days following the next general
25 election, unless an extension is approved at that general election.
26 The additional taxes shall expire upon expiration of the declaration of
27 emergency. The legislature shall not impose additional taxes for
28 emergency purposes under this subsection unless funds in the education
29 construction fund have been exhausted.

30 (c) The state or any political subdivision of the state shall not
31 impose any tax on intangible property listed in RCW 84.36.070 as that
32 statute exists on January 1, 1993.

33 (4) If the cost of any state program or function is shifted from
34 the state general fund to another source of funding, or if moneys are
35 transferred from the state general fund to another fund or account, the
36 state expenditure limit committee, acting pursuant to RCW
37 43.135.025(5), shall lower the state expenditure limit to reflect the
38 shift. For the purposes of this section, a transfer of money from the

1 state general fund to another fund or account includes any state
2 legislative action taken that has the effect of reducing revenues from
3 a particular source, where such revenues would otherwise be deposited
4 into the state general fund, while increasing the revenues from that
5 particular source to another state or local government account. This
6 subsection does not apply to: (a) The dedication or use of lottery
7 revenues under RCW 67.70.240(3), in support of education or education
8 expenditures; or (b) a transfer of moneys to, or an expenditure from,
9 the budget stabilization account.

10 (5) If the cost of any state program or function and the ongoing
11 revenue necessary to fund the program or function are shifted to the
12 state general fund on or after January 1, 2007, the state expenditure
13 limit committee, acting pursuant to RCW 43.135.025(5), shall increase
14 the state expenditure limit to reflect the shift (~~(unless the shifted~~
15 ~~revenue had previously been shifted from the general fund)).~~

16 (~~((6) For the purposes of chapter 1, Laws of 2008, "raises taxes"~~
17 ~~means any action or combination of actions by the legislature that~~
18 ~~increases state tax revenue deposited in any fund, budget, or account,~~
19 ~~regardless of whether the revenues are deposited into the general~~
20 ~~fund.))~~

21 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.135 RCW
22 to read as follows:

23 (1) If legislative action raising taxes as defined by RCW
24 43.135.035 is blocked from a public vote or is not referred to the
25 people by a referendum petition found to be sufficient under RCW
26 29A.72.250, a measure for an advisory vote of the people is required
27 and shall be placed on the next general election ballot under chapter
28 1, Laws of 2008.

29 (a) If legislative action raising taxes involves more than one
30 revenue source, each tax being increased shall be subject to a separate
31 measure for an advisory vote of the people under the requirements of
32 chapter 1, Laws of 2008.

33 (2) No later than the first of August, the attorney general will
34 send written notice to the secretary of state of any tax increase that
35 is subject to an advisory vote of the people, under the provisions and
36 exceptions provided by chapter 1, Laws of 2008. Within five days of
37 receiving such written notice from the attorney general, the secretary

1 of state will assign a serial number for a measure for an advisory vote
2 of the people and transmit one copy of the measure bearing its serial
3 number to the attorney general as required by RCW 29A.72.040, for any
4 tax increase identified by the attorney general as needing an advisory
5 vote of the people for that year's general election ballot. Saturdays,
6 Sundays, and legal holidays are not counted in calculating the time
7 limits in this subsection.

8 (3) For the purposes of this section, "blocked from a public vote"
9 includes adding an emergency clause to a bill increasing taxes, bonding
10 or contractually obligating taxes, or otherwise preventing a referendum
11 on a bill increasing taxes.

12 (4) If legislative action raising taxes is referred to the people
13 by the legislature or is included in an initiative to the people found
14 to be sufficient under RCW 29A.72.250, then the tax increase is exempt
15 from an advisory vote of the people under chapter 1, Laws of 2008.

16 **Sec. 7.** RCW 29A.72.040 and 2008 c 1 s 7 (Initiative Measure No.
17 960, approved November 6, 2007) are each amended to read as follows:

18 The secretary of state shall give a serial number to each
19 initiative, referendum bill, or referendum measure, (~~(or measure for an~~
20 ~~advisory vote of the people,)~~) using a separate series for initiatives
21 to the legislature, initiatives to the people, referendum bills, and
22 referendum measures, (~~(and measures for an advisory vote of the~~
23 ~~people,)~~) and forthwith transmit one copy of the measure proposed
24 bearing its serial number to the attorney general. Thereafter a
25 measure shall be known and designated on all petitions, ballots, and
26 proceedings as "Initiative Measure No.," "Referendum Bill No.
27," or "Referendum Measure No. ...(~~(., " or "Advisory Vote No.~~
28 ~~.....)~~))."

29 NEW SECTION. **Sec. 8.** A new section is added to chapter 29A.72 RCW
30 to read as follows:

31 Within five days of receipt of a measure for an advisory vote of
32 the people from the secretary of state under RCW 29A.72.040 the
33 attorney general shall formulate a short description not exceeding
34 thirty-three words and not subject to appeal, of each tax increase and
35 shall transmit a certified copy of such short description meeting the

1 requirements of this section to the secretary of state. The
2 description must be formulated and displayed on the ballot
3 substantially as follows:

4 "The legislature imposed, without a vote of the people, (identification
5 of tax and description of increase), costing (most up-to-date ten-year
6 cost projection, expressed in dollars and rounded to the nearest
7 million) in its first ten years, for government spending. This tax
8 increase should be:

9 Repealed . . . []

10 Maintained . . . []"

11 Saturdays, Sundays, and legal holidays are not counted in calculating
12 the time limits in this section. The words "This tax increase should
13 be: Repealed . . . [] Maintained . . . []" are not counted in the
14 thirty-three word limit for a short description under this section.

15 NEW SECTION. **Sec. 9.** A new section is added to chapter 29A.72 RCW
16 to read as follows:

17 When the short description is finally established under RCW
18 29A.72.283, the secretary of state shall file the instrument
19 establishing it with the proposed measure and transmit a copy thereof
20 by mail to the chief clerk of the house of representatives, the
21 secretary of the senate, and to any other individuals who have made
22 written request for such notification. Thereafter such short
23 description shall be the description of the measure in all ballots and
24 other proceedings in relation thereto.

25 **Sec. 10.** RCW 29A.72.250 and 2008 c 1 s 10 (Initiative Measure No.
26 960, approved November 6, 2007) are each amended to read as follows:

27 If a referendum or initiative petition for submission of a measure
28 to the people is found sufficient, the secretary of state shall at the
29 time and in the manner that he or she certifies *for the county
30 auditors of the various counties the names of candidates for state and
31 district officers certify to each county auditor the serial numbers and
32 ballot titles of the several initiative and referendum measures ((~~and~~
33 ~~serial numbers and short descriptions of measures submitted for an~~
34 ~~advisory vote of the people~~)) to be voted upon at the next ensuing
35 general election or special election ordered by the legislature.

1 **Sec. 11.** RCW 29A.72.290 and 2008 c 1 s 11 (Initiative Measure No.
2 960, approved November 6, 2007) are each amended to read as follows:

3 The county auditor of each county shall print on the official
4 ballots for the election at which initiative and referendum measures
5 (~~and measures for an advisory vote of the people~~) are to be submitted
6 to the people for their approval or rejection, the serial numbers and
7 ballot titles certified by the secretary of state (~~and the serial
8 numbers and short descriptions of measures for an advisory vote of the
9 people~~). They must appear under separate headings in the order of the
10 serial numbers as follows:

11 (1) Measures proposed for submission to the people by initiative
12 petition will be under the heading, "Proposed by Initiative Petition";

13 (2) Bills passed by the legislature and ordered referred to the
14 people by referendum petition will be under the heading, "Passed by the
15 Legislature and Ordered Referred by Petition";

16 (3) Bills passed and referred to the people by the legislature will
17 be under the heading, "Proposed to the People by the Legislature";

18 (4) Measures proposed to the legislature and rejected or not acted
19 upon will be under the heading, "Proposed to the Legislature and
20 Referred to the People";

21 (5) Measures proposed to the legislature and alternative measures
22 passed by the legislature in lieu thereof will be under the heading,
23 "Initiated by Petition and Alternative by Legislature."(~~+~~

24 ~~(6) Measures for an advisory vote of the people under RCW
25 29A.72.040 will be under the heading, "Advisory Vote of the People."~~)

26 **Sec. 12.** RCW 29A.32.031 and 2009 c 415 s 2 are each amended to
27 read as follows:

28 The voters' pamphlet published or distributed under RCW 29A.32.010
29 must contain:

30 (1) Information about each (~~measure for an advisory vote of the
31 people and each~~) ballot measure initiated by or referred to the voters
32 for their approval or rejection as required by RCW 29A.32.070;

33 (2) In even-numbered years, statements, if submitted, from
34 candidates for the office of president and vice president of the United
35 States, United States senator, United States representative, governor,
36 lieutenant governor, secretary of state, state treasurer, state
37 auditor, attorney general, commissioner of public lands, superintendent

1 of public instruction, insurance commissioner, state senator, state
2 representative, justice of the supreme court, judge of the court of
3 appeals, or judge of the superior court. Candidates may also submit
4 campaign contact information and a photograph not more than five years
5 old in a format that the secretary of state determines to be suitable
6 for reproduction in the voters' pamphlet;

7 (3) In odd-numbered years, if any office voted upon statewide
8 appears on the ballot due to a vacancy, then statements and photographs
9 for candidates for any vacant office listed in subsection (2) of this
10 section must appear;

11 (4) Contact information for the public disclosure commission
12 established under RCW 42.17.350;

13 (5) Contact information for major political parties;

14 (6) A brief statement explaining the deletion and addition of
15 language for proposed measures under RCW 29A.32.080; and

16 (7) Any additional information pertaining to elections as may be
17 required by law or in the judgment of the secretary of state is deemed
18 informative to the voters.

19 **Sec. 13.** RCW 29A.32.070 and 2009 c 415 s 5 are each amended to
20 read as follows:

21 The secretary of state shall determine the format and layout of the
22 voters' pamphlet published under RCW 29A.32.010. The secretary of
23 state shall print the pamphlet in clear, readable type on a size,
24 quality, and weight of paper that in the judgment of the secretary of
25 state best serves the voters. The pamphlet must contain a table of
26 contents. Measures and arguments must be printed in the order
27 specified by RCW 29A.72.290.

28 The voters' pamphlet must provide the following information for
29 each statewide issue on the ballot (~~except measures for an advisory
30 vote of the people whose requirements are provided in subsection (11)
31 of this section~~):

32 (1) The legal identification of the measure by serial designation
33 or number;

34 (2) The official ballot title of the measure;

35 (3) A statement prepared by the attorney general explaining the law
36 as it presently exists;

1 (4) A statement prepared by the attorney general explaining the
2 effect of the proposed measure if it becomes law;

3 (5) The fiscal impact statement prepared under RCW 29A.72.025;

4 (6) The total number of votes cast for and against the measure in
5 the senate and house of representatives, if the measure has been passed
6 by the legislature;

7 (7) An argument advocating the voters' approval of the measure
8 together with any statement in rebuttal of the opposing argument;

9 (8) An argument advocating the voters' rejection of the measure
10 together with any statement in rebuttal of the opposing argument;

11 (9) Each argument or rebuttal statement must be followed by the
12 names of the committee members who submitted them, and may be followed
13 by a telephone number that citizens may call to obtain information on
14 the ballot measure;

15 (10) The full text of *the measure((†

16 ~~((11) Two pages shall be provided in the general election voters'~~
17 ~~pamphlet for each measure for an advisory vote of the people under RCW~~
18 ~~43.135.041 and shall consist of the serial number assigned by the~~
19 ~~secretary of state under RCW 29A.72.040, the short description~~
20 ~~formulated by the attorney general under RCW 29A.72.283, the tax~~
21 ~~increase's most up-to-date ten-year cost projection, including a~~
22 ~~year-by-year breakdown, by the office of financial management under RCW~~
23 ~~43.135.031, and the names of the legislators, and their contact~~
24 ~~information, and how they voted on the increase upon final passage so~~
25 ~~they can provide information to, and answer questions from, the public.~~
26 ~~For the purposes of this subsection, "names of legislators, and their~~
27 ~~contact information" includes each legislator's position (senator or~~
28 ~~representative), first name, last name, party affiliation (for example,~~
29 ~~Democrat or Republican), city or town they live in, office phone~~
30 ~~number, and office e-mail address)).~~

31 **Sec. 14.** RCW 43.135.055 and 2008 c 1 s 14 (Initiative Measure No.
32 960, approved November 6, 2007) are each amended to read as follows:

33 (1) No fee may ~~((be imposed or))~~ increase ~~((d))~~ in any fiscal year
34 by a percentage in excess of the fiscal growth factor for that fiscal
35 year without prior legislative approval ~~((and must be subject to the~~
36 ~~accountability procedures required by RCW 43.135.031)).~~

1 (2) This section does not apply to an assessment made by an
2 agricultural commodity commission or board created by state statute or
3 created under a marketing agreement or order under chapter 15.65 or
4 15.66 RCW, or to the forest products commission, if the assessment is
5 approved by referendum in accordance with the provisions of the
6 statutes creating the commission or board or chapter 15.65 or 15.66 RCW
7 for approving such assessments.

8 NEW SECTION. **Sec. 15.** The following acts or parts of acts are
9 each repealed:

10 (1) RCW 43.135.031 (Bills raising taxes or fees--Cost analysis--
11 Press release--Notice of hearings--Updated analyses) and 2008 c 1 s 2;

12 (2) RCW 43.135.041 (Tax legislation--Advisory vote--Duties of the
13 attorney general and secretary of state--Exemption) and 2008 c 1 s 6;

14 (3) RCW 29A.72.283 (Advisory vote on tax legislation--Short
15 description) and 2008 c 1 s 8; and

16 (4) RCW 29A.72.285 (Advisory vote on tax legislation--Short
17 description filing and transmittal) and 2008 c 1 s 9.

18 NEW SECTION. **Sec. 16.** Sections 2, 6, 8, and 9 of this act take
19 effect July 1, 2011.

20 NEW SECTION. **Sec. 17.** Sections 3, 4, 5, 7, 10, 11, 12, 13, and 14
21 of the act expire July 1, 2011.

22 NEW SECTION. **Sec. 18.** This act does not affect any existing right
23 acquired or liability or obligation incurred under the sections amended
24 or repealed or under any rule or order adopted under those sections,
25 nor does it affect any proceeding instituted under those sections.

26 NEW SECTION. **Sec. 19.** This act is necessary for the immediate
27 preservation of the public peace, health, or safety, or support of the
28 state government and its existing public institutions, and takes effect
29 immediately.

--- END ---