

**ESSB 5092** - H AMD TO H AMD (H-1459.2/21) **534**

By Representative Stokesbary

**NOT ADOPTED 04/03/2021**

1 On page 1, after line 2, insert the following:

2

3 "NEW SECTION. **Sec. 1.** The legislature finds that despite the  
4 coronavirus pandemic and related economic impacts, state tax revenues  
5 for fiscal year 2021 are projected to be ten percent higher than in  
6 fiscal year 2020. Revenue projections have nearly returned to levels  
7 assumed in February 2020, prior to the pandemic, and for the 2021-23  
8 biennium the state is projected to collect \$4.281 billion more in tax  
9 revenue than in the 2019-21 biennium. Although state tax revenues are  
10 strong, unemployment remains high and the state has not recovered its  
11 pandemic-related job losses. The legislature further finds that a  
12 capital gains tax would hamper our state's economic recovery by  
13 deterring investment, innovation, and job growth.

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15 Therefore, it is the intent of the legislature to adopt an omnibus  
16 operating budget that neither implements nor assumes a capital gains  
17 tax while still fully supporting the remaining appropriations and  
18 policies assumed in this act, including Engrossed Substitute House  
19 Bill No. 1297 (working families tax exemption), and meeting the  
20 statutory balanced budget requirements."

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22 Renumber the remaining sections consecutively and correct any  
23 internal references accordingly.

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25 On page 65, line 13, decrease the general fund-state appropriation  
26 for fiscal year 2022 by \$2,490,000

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1 On page 65, line 14, increase the general fund-state appropriation  
2 for fiscal year 2023 by \$121,811,000

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4 On page 65, line 23, strike the entire Taxpayer Fairness Account  
5 appropriation.

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7 On page 65, line 24, correct the total.

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9 On page 65, beginning on line 31, strike all of subsection (2)

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11 Renumber the remaining subsections consecutively and correct any  
12 internal references accordingly.

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14 On page 66, line 17, after "2022" strike ", \$137,128,000" and  
15 insert "and \$263,128,000"

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17 On page 66, beginning on line 18 after "2023", strike ", and  
18 \$126,000,000 of the taxpayer fairness account-state appropriation"

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20  
21 On page 505, after line 29, insert the following:

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23 "NEW SECTION. Sec. 989. To determine compliance with and as  
24 required by RCW 43.88.055, for the 2021-23 biennial operating budget  
25 "available fiscal resources" for the ensuing biennium balance  
26 requirement means the official general fund and related funds revenue  
27 forecast for fiscal year 2023, increased by 4.5% for each fiscal year  
28 of the ensuing biennium."

29  
30  
31 On page 975, beginning with "General" on line 37, strike all  
32 material through "fiscal year 2021...\$155,000,000" on line 39

33  
34 Correct the title.

EFFECT: Declares legislative intent that the appropriations and policies in the underlying striking amendment be implemented without revenues or expenditures related to capital gains tax legislation. Removes funding provided to the Department of Revenue for the implementation of ESSB 5096 (capital gains tax). Implementation of ESHB 1297 (working families tax exemption) is funded at the same level as in the underlying striking amendment but using only General Fund--State rather than a combination of GFS and the Taxpayer Fairness Account (which is created in ESSB 5096). The \$155 million transfer from the GFS to the Washington Rescue Plan Transition Account is removed. Consistent with RCW 43.88.055, "available fiscal resources" for the ensuing biennium balance requirement means the official general fund and related funds revenue forecast for fiscal year 2023, increased by 4.5% for each fiscal year of the ensuing biennium.

FISCAL IMPACT: In 2021-23, increases General Fund-State expenditures by \$119,321,000. In 2021-23, decreases NGF-0 (funds subject to the outlook) resources by \$202,000,000. The net impact of the changes, including the 4.5% assumption, is to increase the NGF-0 ending balance for 2023-25 by \$62,462,000.

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