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**SUBSTITUTE HOUSE BILL 1876**

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**State of Washington**

**67th Legislature**

**2022 Regular Session**

**By** House State Government & Tribal Relations (originally sponsored by Representatives Gregerson, Valdez, Fitzgibbon, Simmons, Chopp, Ramel, and Pollet)

READ FIRST TIME 01/28/22.

1 AN ACT Relating to public investment impact disclosures for  
2 certain ballot measures that repeal, levy, or modify any tax or fee  
3 and have a fiscal impact statement that shows that adoption of the  
4 measure would cause a net change in state revenue; amending RCW  
5 29A.72.050, 29A.72.290, and 29A.72.025; adding a new section to  
6 chapter 29A.72 RCW; and creating a new section.

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

8 NEW SECTION. **Sec. 1.** The legislature recognizes that the people  
9 have reserved for themselves the power to enact or reject legislation  
10 through the initiative and referendum process, as provided in Article  
11 II, section 1 of the state Constitution. The legislature finds that  
12 when exercising this right, the people are entitled to know the  
13 fiscal impact that their vote will have on public investments at the  
14 time they cast their ballots. The legislature further finds that when  
15 a ballot measure will affect funding for public investments, a  
16 neutral, nonprejudicial disclosure of the public investments affected  
17 will provide greater transparency and necessary information for  
18 voters.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 29A.72  
20 RCW to read as follows:

1 (1) The attorney general must prepare a public investment impact  
2 disclosure for any ballot measure that:

3 (a) Repeals, levies, or modifies any tax or fee, including  
4 changing the scope or application of an existing tax or fee; and

5 (b) Has a fiscal impact statement, as provided by RCW 29A.72.025,  
6 that shows that adoption of the measure would cause a net change in  
7 state revenue.

8 (2) The public investment impact disclosure must include a  
9 description of the investments that will be affected if the measure  
10 is adopted. The description must be sufficiently broad to reflect the  
11 subject of the investments that will be impacted by the change in  
12 revenue that will result from adoption of the measure, but also  
13 sufficiently precise to give notice of the subject matter of the  
14 investments that will be impacted by the change in revenue that will  
15 result from adoption of the measure. The description may not exceed  
16 10 words, unless the fiscal impact is primarily to the state general  
17 fund, in which case the description must list the top three  
18 categories of state services funded by the general fund in the  
19 current state budget and may not exceed 15 words. The attorney  
20 general may consult with the office of financial management or any  
21 other state or local agencies as necessary to procure accurate  
22 information to draft the description.

23 (3) The format of the public investment impact disclosure, as it  
24 appears on the ballot, is:

25 "This measure would (increase or decrease) funding for  
26 (description of services)."

27 (4) In drafting the public investment impact disclosure, the  
28 attorney general must use neutral language that cannot reasonably be  
29 expected to create prejudice for or against the measure. The language  
30 of the disclosure is not subject to appeal.

31 (5) The attorney general must file the public investment impact  
32 disclosure with the secretary of state no later than five business  
33 days after the fiscal impact statement has been filed under RCW  
34 29A.72.025.

35 (6) The secretary of state must certify the public investment  
36 impact disclosure and timely transmit it to each county auditor for  
37 its inclusion on the ballot.

38 (7) Public investment impact disclosures are not considered part  
39 of the ballot title under this chapter and are not subject to any of  
40 the legal requirements for ballot titles.

1       **Sec. 3.** RCW 29A.72.050 and 2003 c 111 s 1806 are each amended to  
2 read as follows:

3       (1) The ballot title for an initiative to the people, an  
4 initiative to the legislature, a referendum bill, or a referendum  
5 measure consists of: (a) A statement of the subject of the measure;  
6 (b) a concise description of the measure; and (c) a question in the  
7 form prescribed in this section for the ballot measure in question.  
8 The statement of the subject of a measure must be sufficiently broad  
9 to reflect the subject of the measure, sufficiently precise to give  
10 notice of the measure's subject matter, and not exceed ten words. The  
11 concise description must contain no more than thirty words, be a true  
12 and impartial description of the measure's essential contents,  
13 clearly identify the proposition to be voted on, and not, to the  
14 extent reasonably possible, create prejudice either for or against  
15 the measure.

16       (2) If a public investment impact disclosure is required under  
17 section 2 of this act, the disclosure must appear in the middle of  
18 the ballot title, after the concise description and before the  
19 question. The disclosure is not, however, considered part of the  
20 ballot title and is not subject to any of the legal requirements for  
21 ballot titles under this chapter.

22       (3) For an initiative to the people, or for an initiative to the  
23 legislature for which the legislature has not proposed an  
24 alternative, the ballot title and public investment impact  
25 disclosure, if applicable, must be displayed on the ballot  
26 substantially as follows:

27       "Initiative Measure No. . . . concerns (statement of  
28 subject). This measure would (concise description). (Public  
29 investment impact disclosure, if applicable). Should this  
30 measure be enacted into law?

31       Yes . . . . .   
32       No . . . . .

33       (~~(3)~~) (4) For an initiative to the legislature for which the  
34 legislature has proposed an alternative, the ballot title and public  
35 investment impact disclosure, if applicable, must be displayed on the  
36 ballot substantially as follows:

1 "Initiative Measure Nos. . . . and . . .B concern (statement  
2 of subject).

3 Initiative Measure No. . . . would (concise description).  
4 (Public investment impact disclosure, if applicable).

5 As an alternative, the legislature has proposed Initiative  
6 Measure No. . . .B, which would (concise description).  
7 (Public investment impact disclosure, if applicable).

8 1. Should either of these measures be enacted into law?

9 Yes . . . . .

10 No . . . . .

11 2. Regardless of whether you voted yes or no above, if one of  
12 these measures is enacted, which one should it be?

13 Measure No. . . . .

14 or

15 Measure No. . . . .

16 ((4)) (5) For a referendum bill submitted to the people by the  
17 legislature, the ballot issue and public investment impact  
18 disclosure, if applicable, must be displayed on the ballot  
19 substantially as follows:

20 "The legislature has passed . . . . Bill No. . . . concerning  
21 (statement of subject). This bill would (concise  
22 description). (Public investment impact disclosure, if  
23 applicable). Should this bill be:

24 Approved . . . . .

25 Rejected . . . . .

26 ((5)) (6) For a referendum measure by state voters on a bill  
27 the legislature has passed, the ballot issue and public investment  
28 impact disclosure, if applicable, must be displayed on the ballot  
29 substantially as follows:

30 "The legislature passed . . . . Bill No. . . . concerning  
31 (statement of subject) and voters have filed a sufficient  
32 referendum petition on this bill. This bill would (concise  
33 description). (Public investment impact disclosure, if  
34 applicable). Should this bill be:

1 Approved . . . . .

2 Rejected . . . . .

3 ((+6)) (7) The legislature may specify the statement of subject  
4 or concise description, or both, in a referendum bill that it refers  
5 to the people. The legislature may specify the concise description  
6 for an alternative it submits for an initiative to the legislature.  
7 If the legislature fails to specify these matters, the attorney  
8 general shall prepare the material that was not specified. The  
9 statement of subject and concise description as so provided must be  
10 included as part of the ballot title unless changed on appeal.

11 The attorney general shall specify the statement of subject and  
12 concise description for an initiative to the people, an initiative to  
13 the legislature, and a referendum measure. The statement of subject  
14 and concise description as so provided must be included as part of  
15 the ballot title unless changed on appeal.

16 **Sec. 4.** RCW 29A.72.290 and 2013 c 11 s 76 are each amended to  
17 read as follows:

18 The county auditor of each county shall print on the official  
19 ballots for the election at which initiative and referendum measures  
20 and measures for an advisory vote of the people are to be submitted  
21 to the people for their approval or rejection, the serial numbers  
22 ~~((and)),~~ ballot titles, and public investment impact disclosures  
23 certified by the secretary of state and the serial numbers and short  
24 descriptions of measures for an advisory vote of the people. They  
25 must appear under separate headings in the order of the serial  
26 numbers as follows:

- 27 (1) Initiatives to the people;
- 28 (2) Referendum measures;
- 29 (3) Referendum bills;
- 30 (4) Initiatives to the legislature;
- 31 (5) Initiatives to the legislature and legislative alternatives;
- 32 (6) Advisory votes;
- 33 (7) Proposed constitutional amendments.

34 **Sec. 5.** RCW 29A.72.025 and 2009 c 415 s 7 are each amended to  
35 read as follows:

36 The office of financial management, in consultation with the  
37 secretary of state, the attorney general, and any other appropriate

1 state or local agency, shall prepare a fiscal impact statement for  
2 each of the following state ballot measures: (1) An initiative to the  
3 people that is certified to the ballot; (2) an initiative to the  
4 legislature that will appear on the ballot; (3) an alternative  
5 measure appearing on the ballot that the legislature proposes to an  
6 initiative to the legislature; (4) a referendum bill referred to  
7 voters by the legislature; and (5) a referendum measure appearing on  
8 the ballot. Fiscal impact statements must be written in clear and  
9 concise language, avoid legal and technical terms when possible, and  
10 be filed with the secretary of state no later than (~~the tenth day of~~  
11 ~~August~~) July 25th. Fiscal impact statements may include easily  
12 understood graphics.

13 A fiscal impact statement must describe any projected increase or  
14 decrease in revenues, costs, expenditures, or indebtedness that the  
15 state or local governments will experience if the ballot measure were  
16 approved by state voters. Where appropriate, a fiscal impact  
17 statement may include both estimated dollar amounts and a description  
18 placing the estimated dollar amounts into context. A fiscal impact  
19 statement must include both a summary of not to exceed one hundred  
20 words and a more detailed statement that includes the assumptions  
21 that were made to develop the fiscal impacts.

22 Fiscal impact statements must be available online from the  
23 secretary of state's website and included in the state voters'  
24 pamphlet. Additional information may be posted on the website of the  
25 office of financial management.

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