

CERTIFICATION OF ENROLLMENT

**ENGROSSED HOUSE BILL 1428**

Chapter 284, Laws of 1991

52nd Legislature  
1991 Regular Session

CAPITAL BUDGETS--DOCUMENTATION REQUIREMENTS

EFFECTIVE DATE: 7/28/91

Passed by the House March 8, 1991  
Yeas 89 Nays 4

JOE KING  
Speaker of the  
House of Representatives

Passed by the Senate April 12, 1991  
Yeas 46 Nays 0

JOEL PRITCHARD  
President of the Senate

Approved May 20, 1991

BOOTH GARDNER  
Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 1428** as passed by the House of Representatives and the Senate on the dates hereon set forth.

ALAN THOMPSON  
Chief Clerk

FILED

May 20, 1991 - 11:00 a.m.

Secretary of State  
State of Washington



---

**ENGROSSED HOUSE BILL 1428**

---

Passed Legislature - 1991 Regular Session

**State of Washington                      52nd Legislature                      1991 Regular Session**

**By** Representatives Neher, H. Sommers and Schmidt; by request of Office of Financial Management.

Read first time January 29, 1991. Referred to Committee on Appropriations. Referred 1/31/91 to Committee on Capital Facilities & Financing.

1            AN ACT Relating to the content of budget documents; amending RCW  
2 43.88.030 and 43.88.150; and adding a new section to chapter 43.88 RCW.

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

4            **Sec. 1.** RCW 43.88.030 and 1990 c 115 s 1 are each amended to read  
5 as follows:

6            (1) The director of financial management shall provide all agencies  
7 with a complete set of instructions for submitting biennial budget  
8 requests to the director at least three months before agency budget  
9 documents are due into the office of financial management. The budget  
10 document or documents shall consist of the governor's budget message  
11 which shall be explanatory of the budget and shall contain an outline  
12 of the proposed financial policies of the state for the ensuing fiscal  
13 period and shall describe in connection therewith the important  
14 features of the budget. The message shall set forth the reasons for  
15 salient changes from the previous fiscal period in expenditure and

1 revenue items and shall explain any major changes in financial policy.  
2 Attached to the budget message shall be such supporting schedules,  
3 exhibits and other explanatory material in respect to both current  
4 operations and capital improvements as the governor shall deem to be  
5 useful to the legislature. The budget document or documents shall set  
6 forth a proposal for expenditures in the ensuing fiscal period based  
7 upon the estimated revenues as approved by the economic and revenue  
8 forecast council for such fiscal period from the source and at the  
9 rates existing by law at the time of submission of the budget document.  
10 However, the estimated revenues for use in the governor's budget  
11 document may be adjusted to reflect budgetary revenue transfers and  
12 revenue estimates dependent upon budgetary assumptions of enrollments,  
13 workloads, and caseloads. All adjustments to the approved estimated  
14 revenues must be set forth in the budget document. The governor may  
15 additionally submit, as an appendix to each agency budget or to the  
16 budget document or documents, a proposal for expenditures in the  
17 ensuing fiscal period from revenue sources derived from proposed  
18 changes in existing statutes.

19 The budget document or documents shall also contain:

20 (a) Revenues classified by fund and source for the immediately past  
21 fiscal period, those received or anticipated for the current fiscal  
22 period, and those anticipated for the ensuing biennium;

23 (b) The undesignated fund balance or deficit, by fund;

24 (c) Such additional information dealing with expenditures,  
25 revenues, workload, performance and personnel as the legislature may  
26 direct by law or concurrent resolution;

27 (d) Such additional information dealing with revenues and  
28 expenditures as the governor shall deem pertinent and useful to the  
29 legislature;

1 (e) Tabulations showing expenditures classified by fund, function,  
2 activity and object;

3 (f) A delineation of each agency's activities, including those  
4 activities funded from nonbudgeted, nonappropriated sources, including  
5 funds maintained outside the state treasury; and

6 (g) Identification of all proposed direct expenditures to implement  
7 the Puget Sound water quality plan under chapter 90.70 RCW, shown by  
8 agency and in total.

9 (2) The budget document or documents shall include detailed  
10 estimates of all anticipated revenues applicable to proposed operating  
11 or capital expenditures and shall also include all proposed operating  
12 or capital expenditures. The total of beginning undesignated fund  
13 balance and estimated revenues less working capital and other reserves  
14 shall equal or exceed the total of proposed applicable expenditures.  
15 The budget document or documents shall further include:

16 (a) Interest, amortization and redemption charges on the state  
17 debt;

18 (b) Payments of all reliefs, judgments and claims;

19 (c) Other statutory expenditures;

20 (d) Expenditures incident to the operation for each agency;

21 (e) Revenues derived from agency operations;

22 (f) Expenditures and revenues shall be given in comparative form  
23 showing those incurred or received for the immediately past fiscal  
24 period and those anticipated for the current biennium and next ensuing  
25 biennium;

26 (g) A showing and explanation of amounts of general fund  
27 obligations for debt service and any transfers of moneys that otherwise  
28 would have been available for general fund appropriations;

29 (h) Common school expenditures on a fiscal-year basis;

1 (i) A showing, by agency, of the value and purpose of financing  
2 contracts for the lease/purchase or acquisition of personal or real  
3 property for the current and ensuing fiscal periods.

4 (3) A separate budget document or schedule may be submitted  
5 consisting of:

6 (a) Expenditures incident to current or pending capital projects  
7 and to proposed new capital projects, relating the respective amounts  
8 proposed to be raised therefor by appropriations in the budget and the  
9 respective amounts proposed to be raised therefor by the issuance of  
10 bonds during the fiscal period;

11 (b) A capital program consisting of proposed capital projects for  
12 at least the two fiscal periods succeeding the next fiscal period. The  
13 capital program shall include for each proposed project a statement of  
14 the reason or purpose for the project along with an estimate of its  
15 cost;

16 (c) A capital plan consisting of proposed capital spending for at  
17 least four fiscal periods succeeding the next fiscal period;

18 (d) Such other information bearing upon capital projects as the  
19 governor shall deem to be useful to the legislature;

20 ~~((d))~~ (e) Such other information relating to capital improvement  
21 projects as the legislature may direct by law or concurrent resolution.

22 (4) No change affecting the comparability of agency or program  
23 information relating to expenditures, revenues, workload, performance  
24 and personnel shall be made in the format of any budget document or  
25 report presented to the legislature under this section or RCW  
26 43.88.160(1) relative to the format of the budget document or report  
27 which was presented to the previous regular session of the legislature  
28 during an odd-numbered year without prior legislative concurrence.  
29 Prior legislative concurrence shall consist of (a) a favorable majority  
30 vote on the proposal by the standing committees on ways and means of

1 both houses if the legislature is in session or (b) a favorable  
2 majority vote on the proposal by members of the legislative evaluation  
3 and accountability program committee if the legislature is not in  
4 session.

5 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.88 RCW  
6 to read as follows:

7 A capital appropriation bill shall include the estimated general  
8 fund debt service costs associated with new capital appropriations  
9 contained in that bill for the biennia in which the appropriations  
10 occur and for the succeeding two biennia.

11 **Sec. 3.** RCW 43.88.150 and 1981 c 270 s 10 are each amended to read  
12 as follows:

13 (1) For those agencies ((which)) that make expenditures from both  
14 appropriated and nonappropriated funds for the same purpose, the  
15 governor shall direct such agencies to charge their expenditures in  
16 such ratio, as between appropriated and nonappropriated funds, as will  
17 conserve appropriated funds.

18 (2) Unless otherwise restricted by law, any state agency that  
19 distributes, by contract, grant or other means, appropriated moneys to  
20 a local government or other non-state entity for the purpose of a  
21 capital project shall require, as a condition of payment, that the  
22 local government or other non-state entity spend the appropriated  
23 moneys in a ratio to other funds available for the same purpose so as  
24 to conserve the appropriated moneys.

25 (3) The office of financial management shall adopt guidelines for  
26 the implementation of this section. The guidelines may account for  
27 federal matching requirements or other requirements to spend other  
28 moneys in a particular manner.

Passed the House March 8, 1991.  
Passed the Senate April 12, 1991.  
Approved by the Governor May 20, 1991.  
Filed in Office of Secretary of State May 20, 1991.