

---

**SUBSTITUTE HOUSE BILL 1052**

---

**State of Washington**

**54th Legislature**

**1996 Regular Session**

**By** House Committee on Appropriations (originally sponsored by Representatives Horn and Silver)

Read first time 02/02/96.

1 AN ACT Relating to the review of nonappropriated funds; creating  
2 new sections; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that there are over  
5 two hundred separate state funds from which expenditures receive no  
6 legislative oversight because the expenditures are nonappropriated.  
7 Over half of the nonappropriated funds are not allotted and are  
8 therefore not monitored by the office of financial management. Revenue  
9 for the nonappropriated, nonallotted funds is derived from numerous  
10 sources, including charges for services and fees. There is no  
11 mechanism to review the fee and charge-setting policies of the agencies  
12 setting fees and charges. Hundreds of millions of dollars are being  
13 expended from these funds, and hundreds of millions of dollars of  
14 revenues are being deposited into these funds. There is a need for  
15 legislative review of the revenue-generating policies and expenditures  
16 of the agencies in their respective management of nonappropriated  
17 funds.

1        NEW SECTION.    **Sec. 2.**    (1) Effective July 1, 1996, a task force on  
2 fiscal policy for nonappropriated funds is established to examine the  
3 revenues to and expenditures from all state nonappropriated funds, to  
4 explore the fee and charge-setting policies of agencies generating  
5 revenues for these funds, to recommend consistent policies in this  
6 area, and to recommend whether certain nonappropriated funds be  
7 appropriated.

8        (2) The task force created by this section shall consist of nine  
9 members, four members each selected by the president of the senate and  
10 the speaker of the house of representatives, and the director of  
11 financial management.

12        (3) Staff support to the committee shall be provided by legislative  
13 fiscal staff and the office of financial management. Each agency shall  
14 pay expenses associated with staff support provided by the agency.

15        (4) The committee shall report its findings and recommendations to  
16 the legislature by December 1, 1996. Unless recreated by the  
17 legislature, the task force shall cease to exist after submitting the  
18 report required by this section.

19        NEW SECTION.    **Sec. 3.**    This act is necessary for the immediate  
20 preservation of the public peace, health, or safety, or support of the  
21 state government and its existing public institutions, and shall take  
22 effect immediately.

--- END ---