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**SUBSTITUTE HOUSE BILL 2060**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** House Committee on Appropriations (originally sponsored by Representative Foreman)

Read first time 03/06/95.

1 AN ACT Relating to the budget document offered by the governor to  
2 the legislature; and amending RCW 43.88.020.

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

4 **Sec. 1.** RCW 43.88.020 and 1994 c 184 s 9 are each amended to read  
5 as follows:

6 (1) "Budget" means a proposed plan of expenditures for a given  
7 period or purpose and the proposed means for financing these  
8 expenditures.

9 (2) "Budget document" means a formal(~~(, written)~~) statement, either  
10 written or provided on any electronic media or both, offered by the  
11 governor to the legislature, as provided in RCW 43.88.030.

12 (3) "Director of financial management" means the official appointed  
13 by the governor to serve at the governor's pleasure and to whom the  
14 governor may delegate necessary authority to carry out the governor's  
15 duties as provided in this chapter. The director of financial  
16 management shall be head of the office of financial management which  
17 shall be in the office of the governor.

18 (4) "Agency" means and includes every state office, officer, each  
19 institution, whether educational, correctional or other, and every

1 department, division, board and commission, except as otherwise  
2 provided in this chapter.

3 (5) "Public funds", for purposes of this chapter, means all moneys,  
4 including cash, checks, bills, notes, drafts, stocks, and bonds,  
5 whether held in trust, for operating purposes, or for capital purposes,  
6 and collected or disbursed under law, whether or not such funds are  
7 otherwise subject to legislative appropriation, including funds  
8 maintained outside the state treasury.

9 (6) "Regulations" means the policies, standards, and requirements,  
10 stated in writing, designed to carry out the purposes of this chapter,  
11 as issued by the governor or the governor's designated agent, and which  
12 shall have the force and effect of law.

13 (7) "Ensuing biennium" means the fiscal biennium beginning on July  
14 1st of the same year in which a regular session of the legislature is  
15 held during an odd-numbered year pursuant to Article II, section 12 of  
16 the Constitution and which biennium next succeeds the current biennium.

17 (8) "Dedicated fund" means a fund in the state treasury, or a  
18 separate account or fund in the general fund in the state treasury,  
19 that by law is dedicated, appropriated or set aside for a limited  
20 object or purpose; but "dedicated fund" does not include a revolving  
21 fund or a trust fund.

22 (9) "Revolving fund" means a fund in the state treasury,  
23 established by law, from which is paid the cost of goods or services  
24 furnished to or by a state agency, and which is replenished through  
25 charges made for such goods or services or through transfers from other  
26 accounts or funds.

27 (10) "Trust fund" means a fund in the state treasury in which  
28 designated persons or classes of persons have a vested beneficial  
29 interest or equitable ownership, or which was created or established by  
30 a gift, grant, contribution, devise, or bequest that limits the use of  
31 the fund to designated objects or purposes.

32 (11) "Administrative expenses" means expenditures for: (a)  
33 Salaries, wages, and related costs of personnel and (b) operations and  
34 maintenance including but not limited to costs of supplies, materials,  
35 services, and equipment.

36 (12) "Fiscal year" means the year beginning July 1st and ending the  
37 following June 30th.

38 (13) "Lapse" means the termination of authority to expend an  
39 appropriation.

1 (14) "Legislative fiscal committees" means the legislative budget  
2 committee, the legislative evaluation and accountability program  
3 committee, the ways and means committees of the senate and house of  
4 representatives, and, where appropriate, the legislative transportation  
5 committee.

6 (15) "Fiscal period" means the period for which an appropriation is  
7 made as specified within the act making the appropriation.

8 (16) "Primary budget driver" means the primary determinant of a  
9 budget level, other than a price variable, which causes or is  
10 associated with the major expenditure of an agency or budget unit  
11 within an agency, such as a caseload, enrollment, workload, or  
12 population statistic.

13 (17) "Stabilization account" means the budget stabilization account  
14 created under RCW 43.88.525 as an account in the general fund of the  
15 state treasury.

16 (18) "State tax revenue limit" means the limitation created by  
17 chapter 43.135 RCW.

18 (19) "General state revenues" means the revenues defined by Article  
19 VIII, section 1(c) of the state Constitution.

20 (20) "Annual growth rate in real personal income" means the  
21 estimated percentage growth in personal income for the state during the  
22 current fiscal year, expressed in constant value dollars, as published  
23 by the office of financial management or its successor agency.

24 (21) "Estimated revenues" means estimates of revenue in the most  
25 recent official economic and revenue forecast prepared under RCW  
26 82.33.020, and prepared by the office of financial management for those  
27 funds, accounts, and sources for which the office of the economic and  
28 revenue forecast council does not prepare an official forecast  
29 including estimates of revenues to support financial plans under RCW  
30 44.40.070, that are prepared by the office of financial management in  
31 consultation with the interagency task force.

32 (22) "Estimated receipts" means the estimated receipt of cash in  
33 the most recent official economic and revenue forecast prepared under  
34 RCW 82.33.020, and prepared by the office of financial management for  
35 those funds, accounts, and sources for which the office of the economic  
36 and revenue forecast council does not prepare an official forecast.

37 (23) "State budgeting, accounting, and reporting system" means a  
38 system that gathers, maintains, and communicates fiscal information.  
39 The system links fiscal information beginning with development of

1 agency budget requests through adoption of legislative appropriations  
2 to tracking actual receipts and expenditures against approved plans.

3 (24) "Allotment of appropriation" means the agency's statement of  
4 proposed expenditures, the director of financial management's review of  
5 that statement, and the placement of the approved statement into the  
6 state budgeting, accounting, and reporting system.

7 (25) "Statement of proposed expenditures" means a plan prepared by  
8 each agency that breaks each appropriation out into monthly detail  
9 representing the best estimate of how the appropriation will be  
10 expended.

11 (26) "Undesignated fund balance (or deficit)" means unreserved and  
12 undesignated current assets or other resources available for  
13 expenditure over and above any current liabilities which are expected  
14 to be incurred by the close of the fiscal period.

15 (27) "Internal audit" means an independent appraisal activity  
16 within an agency for the review of operations as a service to  
17 management, including a systematic examination of accounting and fiscal  
18 controls to assure that human and material resources are guarded  
19 against waste, loss, or misuse; and that reliable data are gathered,  
20 maintained, and fairly disclosed in a written report of the audit  
21 findings.

22 (28) "Performance verification" means an analysis that (a) verifies  
23 the accuracy of data used by state agencies in quantifying intended  
24 results and measuring performance toward those results, and (b)  
25 verifies whether or not the reported results were achieved.

26 (29) "Program evaluation" means the use of a variety of policy and  
27 fiscal research methods to (a) determine the extent to which a program  
28 is achieving its legislative intent in terms of producing the effects  
29 expected, and (b) make an objective judgment of the implementation,  
30 outcomes, and net cost or benefit impact of programs in the context of  
31 their goals and objectives. It includes the application of systematic  
32 methods to measure the results, intended or unintended, of program  
33 activities.

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