
SENATE BILL 5968

State of Washington

54th Legislature

1995 Regular Session

By Senator McAuliffe

Read first time 02/20/95. Referred to Committee on Ways & Means.

1 AN ACT Relating to computation of the fiscal growth factor;
2 amending RCW 43.135.025; and providing for submission of this act to a
3 vote of the people.

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

5 **Sec. 1.** RCW 43.135.025 and 1994 c 2 s 2 (Initiative Measure No.
6 601) are each amended to read as follows:

7 (1) The state shall not expend from the general fund during any
8 fiscal year state moneys in excess of the state expenditure limit
9 established under this chapter.

10 (2) Except pursuant to a declaration of emergency under RCW
11 43.135.035 or pursuant to an appropriation under RCW 43.135.045(4)(b),
12 the state treasurer shall not issue or redeem any check, warrant, or
13 voucher that will result in a state general fund expenditure for any
14 fiscal year in excess of the state expenditure limit established under
15 this chapter. A violation of this subsection constitutes a violation
16 of RCW 43.88.290 and shall subject the state treasurer to the penalties
17 provided in RCW 43.88.300.

1 (3) The state expenditure limit for any fiscal year shall be the
2 previous fiscal year's state expenditure limit increased by a
3 percentage rate that equals the fiscal growth factor.

4 (4) For purposes of computing the state expenditure limit for the
5 fiscal year beginning July 1, 1995, the phrase "the previous fiscal
6 year's state expenditure limit" means the total state expenditures from
7 the state general fund, not including federal funds, for the fiscal
8 year beginning July 1, 1989, plus the fiscal growth factor. This
9 calculation is then computed for the state expenditure limit for fiscal
10 years 1992, 1993, 1994, and 1995, and as required under RCW
11 43.135.035(4).

12 (5) Each November, the office of financial management shall adjust
13 the expenditure limit for the preceding fiscal year based on actual
14 expenditures and known changes in the fiscal growth factor and then
15 project an expenditure limit for the next two fiscal years. The office
16 of financial management shall notify the legislative fiscal committees
17 of all adjustments to the state expenditure limit and projections of
18 future expenditure limits.

19 (6) "Fiscal growth factor" means the average of the sum of (a)
20 inflation and (b) the greater of population change or K-12 enrollment
21 change for each of the prior three fiscal years.

22 (7) "Inflation" means the percentage change in the implicit price
23 deflator for the United States for each fiscal year as published by the
24 federal bureau of labor statistics.

25 (8) "Population change" means the percentage change in state
26 population for each fiscal year as reported by the office of financial
27 management.

28 (9) "K-12 enrollment change" means the percentage change in the
29 state-wide total of the annual average number of full time equivalent
30 students as defined in RCW 28A.150.260.

31 NEW SECTION. **Sec. 2.** This act shall be submitted to the people
32 for their adoption and ratification, or rejection, at the next
33 succeeding general election to be held in this state, in accordance
34 with Article II, section 1 of the state Constitution, as amended, and
35 the laws adopted to facilitate the operation thereof.

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