
HOUSE BILL 2494

State of Washington

56th Legislature

2000 Regular Session

By Representatives Alexander, H. Sommers, Lambert, Huff, Doumit, Koster, Barlean, Mulliken, Cox, Scott, McMorris, Benson, McIntire, Morris, Conway, Ruderman, Linville, Kessler, McDonald, B. Chandler, O'Brien and Kagi

Read first time 01/14/2000. Referred to Committee on Appropriations.

1 AN ACT Relating to greater fiscal responsibility in state budgeting
2 through zero-based budget reviews; adding a new chapter to Title 44
3 RCW; and providing an effective date.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
6 provide improved means of review by which to evaluate the budget
7 requests of state agencies. The legislature establishes the zero-base
8 and modified zero-base budget review process to help the legislature
9 establish priorities in the expenditure of public resources for state
10 programs and services.

11 NEW SECTION. **Sec. 2.** The definitions in this section apply
12 throughout this chapter unless the context clearly requires otherwise.

13 (1) "Review" means a modified zero-base budget review or a zero-
14 based budget review, as appropriate.

15 (2) "Committees" means the appropriations committee of the house of
16 representatives and the ways and means committee of the senate and the
17 committees' respective staffs.

1 (3) "Modified zero-base budget review" means a written document
2 prepared by the staff to the committees that contains an analysis of
3 the budget and the programmatic and fiscal basis of the agency on which
4 the review is conducted. A modified zero-base budget review may
5 consider the agency's past and current incremental funding.

6 (4) "Zero-base budget review" means a written document prepared by
7 the committees that contains an analysis of the budget and the
8 programmatic and fiscal basis of the agency on which the review is
9 conducted. A zero-base budget review shall undertake this analysis
10 without regard to the agency's past and current incremental funding.

11 (5) "Program" means a group of agency services designed to
12 accomplish specific public goals and result in specific public
13 benefits.

14 NEW SECTION. **Sec. 3.** (1) In the omnibus operating budget bill or
15 in other legislation, the legislature shall identify agencies on which
16 a zero-base budget review or a modified zero-base budget review shall
17 be conducted during each fiscal year of the biennium. When specifying
18 agencies on which the review will be conducted, the legislature shall
19 seek to complement and avoid duplication of the activities of the
20 proposed activities of the joint legislative audit and review committee
21 under chapter 44.28 RCW.

22 (2) The committees shall jointly conduct the reviews of state
23 agencies and programs as specified by the legislature under subsection
24 (1) of this section.

25 (3) The reviews shall be provided to the committees either by
26 September 1st following the fiscal year in which the review takes
27 place, or as specified in the omnibus operating budget bill or in other
28 legislation.

29 (4) The house of representatives and the senate may contract with
30 public and private independent professional and technical experts as
31 necessary to complete the review.

32 (5) Each agency receiving appropriations in the omnibus operating
33 budget bill shall be reviewed at least once during the six-year period
34 beginning on July 1, 2001, and at least once every six years
35 thereafter.

36 (6) When conducting the review, the committees shall consult with
37 the joint legislative audit and review committee. The review is
38 intended to complement, and not to duplicate, performance audits and

1 performance reviews conducted by the joint legislative audit and review
2 committee under chapter 44.28 RCW.

3 (7) To facilitate the review, the director of financial management
4 shall cooperate with the committees to establish the method and format
5 for the reporting of agency information. The director of financial
6 management and all agencies shall comply in a timely manner with
7 requests by the committees for information related to the review.

8 NEW SECTION. **Sec. 4.** A modified zero-base budget review shall
9 include, but is not limited to, the following:

10 (1) A statement of the statutory basis and the history of each
11 program within the agency that is being reviewed, including the extent
12 to which the program or expenditures are required by state, federal, or
13 local law;

14 (2) A description, with supporting cost and full-time equivalent
15 staff data, of the activities performed in each program, the specific
16 services provided, and the populations served by those services;

17 (3) An analysis of the major costs and benefits of operating each
18 program within the designated agency including subprograms within the
19 programs where applicable, and the rationale for specific expenditure
20 and staffing levels;

21 (4) An analysis estimating each program's administrative and other
22 overhead costs; and

23 (5) Where applicable, an analysis estimating the amount of funds or
24 benefits that actually reach the intended recipients.

25 NEW SECTION. **Sec. 5.** A zero-base budget review shall include, but
26 is not limited to, each of the components of the modified zero-base
27 budget review in section 4 of this act in addition to the following:

28 (1) An analysis of the quantified objectives of each program within
29 the agency;

30 (2) An analysis of the activities that are intended to accomplish
31 these objectives;

32 (3) Indicators of quantified measures of effectiveness and
33 efficiency of achievement of these objectives;

34 (4) The level of funding and full-time equivalent staff required to
35 accomplish each activity, without regard to past incremental levels of
36 funding; and

1 (5) If the legislation requiring the review specifies alternate
2 levels of funding for the agency, an analysis of the agency budget at
3 the different level of funding.

4 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act constitute
5 a new chapter in Title 44 RCW.

6 NEW SECTION. **Sec. 7.** This act takes effect July 1, 2001.

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