Requires the office of financial management to prepare a fiscal note under chapter 43.88A RCW or 43.132 RCW for any bill introduced before the legislature that would result in a net increase in periods of incarceration in state adult or juvenile correctional facilities.

Requires the office of financial management to forward a copy of each required fiscal note under this act to the sponsor of the bill that has been introduced before the legislature. The sponsor shall, on a form devised or adopted by the office of financial management, state a revenue source or budget reduction declaring how the proposed bill will be funded.

Requires the sponsor to return the form back to the office of financial management. The office of financial management shall transmit copies of the response form to the chairperson of the committee to which the bill was referred upon introduction in the house of origin and the appropriate legislative fiscal committees.

Authorizes counties, cities, towns, and other units of local government to submit petitions to the department for reimbursement of increased capital costs associated with increased offender populations in locally operated adult or juvenile correctional facilities, including the cost of planning or preplanning studies that may be required to initiate capital projects.