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HOUSE BILL 1438

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State of Washington

65th Legislature

2017 Regular Session

By Representatives Ormsby, Jenkins, and Appleton; by request of Office of Financial Management

Read first time 01/19/17. Referred to Committee on Appropriations.

1 AN ACT Relating to suspending four-year balanced budget  
2 requirements in order to fulfill the state's education funding  
3 obligations; and amending RCW 43.88.055.

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

5 **Sec. 1.** RCW 43.88.055 and 2012 1st sp.s. c 8 s 1 are each  
6 amended to read as follows:

7 (1) The legislature must adopt a four-year balanced budget as  
8 follows:

9 (a) Beginning in the 2013-2015 fiscal biennium, the legislature  
10 shall enact a balanced omnibus operating appropriations bill that  
11 leaves, in total, a positive ending fund balance in the general fund  
12 and related funds.

13 (b) Beginning in the 2013-2015 fiscal biennium, the projected  
14 maintenance level of the omnibus appropriations bill enacted by the  
15 legislature shall not exceed the available fiscal resources for the  
16 next ensuing fiscal biennium.

17 (2) For purposes of this section:

18 (a) "Available fiscal resources" means the beginning general fund  
19 and related fund balances and any fiscal resources estimated for the  
20 general fund and related funds, adjusted for enacted legislation, and  
21 with forecasted revenues adjusted to the greater of (i) the official

1 general fund and related funds revenue forecast for the ensuing  
2 biennium, or (ii) the official general fund and related funds  
3 forecast for the second fiscal year of the current fiscal biennium,  
4 increased by 4.5 percent for each fiscal year of the ensuing  
5 biennium;

6 (b) "Projected maintenance level" means estimated appropriations  
7 necessary to maintain the continuing costs of program and service  
8 levels either funded in that appropriations bill or mandated by other  
9 state or federal law, and the amount of any general fund moneys  
10 projected to be transferred to the budget stabilization account  
11 pursuant to Article VII, section 12 of the state Constitution, but  
12 does not include in the 2013-2015 and 2015-2017 fiscal biennia the  
13 costs related to the enhanced funding under the new definition of  
14 basic education as established in chapter 548, Laws of 2009, and  
15 affirmed by the decision in *Mathew McCleary et al., v. The State of*  
16 *Washington*, 173 Wn.2d 477, 269 P.3d 227, (2012), from which the  
17 short-term exclusion of these obligations is solely for the purposes  
18 of calculating this estimate and does not in any way indicate an  
19 intent to avoid full funding of these obligations;

20 (c) "Related funds," as used in this section, means the  
21 Washington opportunity pathways account and the education legacy  
22 trust account.

23 (3) Subsection (1)(a) and (b) of this section does not apply to  
24 an appropriations bill that makes net reductions in general fund and  
25 related funds appropriations and is enacted between July 1st and  
26 February 15th of any fiscal year.

27 (4) Subsection (1)(b) of this section does not apply in a fiscal  
28 biennium in which money is appropriated from the budget stabilization  
29 account.

30 (5) In order to comply with the obligation to fully implement  
31 Initiative Measure No. 1351, approved November 14, 2014, and to  
32 provide full funding for the state's program of basic education as  
33 established in chapter 548, Laws of 2009, and affirmed by the state  
34 supreme court decision in *Mathew McCleary et al., v. The State of*  
35 *Washington*, 173 Wn.2d 477, 269 P.3d 227 (2012) and the subsequent  
36 orders of the court, the requirements of this section do not apply to  
37 any omnibus appropriations bill in which moneys are appropriated for  
38 the 2017-2019, 2019-2021, and 2021-2023 fiscal biennia.

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