
HOUSE BILL 2704

State of Washington

52nd Legislature

1992 Regular Session

By Representatives Silver, Brumsickle, D. Sommers, Paris, McLean, Carlson, Neher, Edmondson, Forner, Bowman, Wynne, Vance, Tate, P. Johnson, Casada, Chandler, Hochstatter, Brough, Broback, Ferguson, Van Luven, Horn, May, Mitchell and Morton

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1 AN ACT Relating to greater fiscal responsibility and accountability
2 during the budget adoption process by providing for a modified zero-
3 base budget review; adding new sections to chapter 43.88 RCW; and
4 declaring an emergency.

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

6 NEW SECTION. **Sec. 1.** (1) The first year of every biennium, at
7 least two general areas of responsibility in the operating budget must
8 be subject to a modified zero-base budget review, known as the review.
9 The review will analyze the success or failure of the programs and the
10 associated costs based on the legislative intent and the efficiency of
11 the program. The review of the program will be done without reference
12 to past incremental funding. The review will only include the state
13 portion of the general fund. The biennial operating budget as passed
14 by both bodies of the legislature must reflect the recommendations of

1 the modified zero-base budget review, including cost-saving measures
2 and efficiencies identified in the reviews.

3 (2) The zero-base budget review must include estimates on the
4 program's administrative cost. The estimate should include a break
5 down of the cost for programs included in the budget base. The
6 proposed enhancements must receive a similar review for anticipated
7 administrative costs.

8 (3) The review must also include an estimate on the amount of funds
9 or benefits that actually reach the intended recipients.

10 (4) A cost benefit analysis may also be performed for programs in
11 the budget base or part of the essential requirement level. The
12 enhancements must receive a similar review for anticipated
13 administrative costs.

14 (5) The review shall include an estimate of the total cost to
15 operate the program as it relates to funding from the state portion of
16 the general fund.

17 (6) The review shall include an estimate of the major costs of
18 operating the program.

19 (7) The final analysis by the senate committee on ways and means
20 and the house of representatives appropriations committee must
21 independently determine whether to: (a) Enhance or modify
22 appropriations; (b) eliminate or consolidate programs; or (c) other
23 actions; based upon the criteria in this section.

24 (8) The modified zero-base budget review of each biennium's
25 operating budget will consist of three biennial budget reviews of
26 funding from the state portion of the general fund. The first modified
27 zero-base budget review shall consist of the appropriations for the
28 department of social and health services and general government. The
29 general areas of general government include but are not limited to:
30 The legislature and legislative agencies; the judiciary and judicial

1 agencies as well as the office of the governor; the office of
2 financial management, and the remaining general government. The review
3 shall be completed no later than May 1, 1993. The second review shall
4 consist of appropriations for the remaining human resources and natural
5 resources areas. The second modified zero-base budget review shall be
6 completed no later than May 1, 1995. The third review shall consist of
7 appropriations for education for public schools, four-year schools,
8 community colleges, vocational education, transportation, and special
9 appropriations. The third review shall be completed by May 1, 1997.
10 When the three modified zero-base budget reviews are completed by May
11 1, 1997, the reviews will start over again in the next biennial budget
12 of 1999-2001 and will continue indefinitely.

13 (9) The modified zero-base budget review shall be completed by both
14 the house of representatives appropriations committee and the senate
15 committee on ways and means. The committees shall independently
16 complete their modified zero-base budget review. The house of
17 representatives appropriation committee review must be completed prior
18 to the release of the house of representatives operating budget
19 proposal. The senate committee on ways and means review must be
20 completed prior to the release of the senate committee on ways and
21 means operating budget proposal. The final general fund state
22 operating budget passed by both bodies of the legislature must be based
23 in part on the recommendations of the house of representatives and
24 senate modified zero-base budget reviews. Programs which are no longer
25 needed or are unable to satisfactorily complete the intended goal of
26 the program will no longer be funded.

27 NEW SECTION. **Sec. 2.** (1) The first modified zero-base budget
28 review shall include the department of social and health services and
29 the general areas of general government including but not limited to:

1 The legislature and legislative agencies; and the judiciary and
2 judicial agencies.

3 (2) General government includes but is not limited to all the
4 general fund--state appropriations for the office of the governor,
5 office of the lieutenant governor, public disclosure commission,
6 secretary of state, governor's Indian advisory council, Asian-American
7 affairs, state treasurer, state auditor, attorney general, office of
8 financial management, economic development board, deferred compensation
9 commission, Hispanic affairs commission, department of retirement
10 systems, department of revenue, tax appeals board, municipal research
11 council, uniform legislative commission, minority and women's
12 businesses, department of general administration, accountancy board,
13 boxing commission, liquor control board, military department, public
14 employment relations committee, and any other programs related to
15 general government.

16 NEW SECTION. **Sec. 3.** (1) The second modified zero-base budget
17 review shall include the remaining areas of human resources excluding
18 the department of social and health services, natural resources, and
19 the transportation area.

20 (2) Human resources includes but is not limited to all the general
21 fund--state appropriations for the health care authority, department of
22 health, department of community development, human rights commission,
23 department of labor and industries, indeterminate sentence review
24 board, department of veterans affairs, department of corrections,
25 services for the blind, corrections standards board, basic health plan,
26 sentencing guidelines commission, employment security, and any other
27 programs related to human resources.

28 (3) Natural resources includes but is not limited to all the
29 general fund--state appropriations for the state energy office,

1 Washington centennial committee, Columbia river gorge commission,
2 department of ecology, parks and recreation commission, outdoor
3 recreation, environmental hearing, trade and economic development,
4 conservation commission, winter recreation commission, Puget Sound
5 water quality commission, department of fisheries, department of
6 wildlife, department of natural resources, department of agriculture,
7 and any program related to natural resources.

8 (4) The transportation area includes but is not limited to all the
9 general fund--state appropriations for the department of licensing,
10 Washington state patrol, and other transportation agencies.

11 NEW SECTION. **Sec. 4.** (1) The third modified zero-base budget
12 review shall include the general area of education funds for public
13 schools, community colleges, vocational education, four-year schools,
14 the higher education coordinating board, funding relating to higher
15 education, and special appropriations.

16 (2) Public schools include but are not limited to: Funding for
17 public schools, funding related to kindergarten through twelfth grade.
18 The biennial modified zero-base budget review shall exclude
19 appropriations for basic education.

20 (3) Higher education shall include all funding for four-year
21 schools, community colleges, vocational schools, and the remaining
22 funding for education.

23 (4) Special appropriations includes but is not limited to all the
24 general fund--state appropriations for the governor, belated claims,
25 sundry claims, retirement contributions, state revenue for
26 distribution, and any other programs related to special appropriations.

27 NEW SECTION. **Sec. 5.** (1) To plan for the zero-base budget
28 review, the senate ways and means' staff and the house of

1 representatives appropriations' staff will coordinate with the office
2 of financial management and the executive agencies to establish the
3 method and format for reporting information to the legislature.

4 (2) The senate ways and means' staff and the house of
5 representatives appropriations' staff will decide what is required from
6 each agency to perform the zero-base budget review within the period
7 specified within this chapter. The required information from the
8 executive agencies will include financial, accounting, and other
9 program-related data.

10 (3) The office of financial management will act as an advisor to
11 the senate ways and means' staff and the house of representatives
12 appropriations' staff in the planning and coordination with the
13 executive agencies.

14 (4) Planning meetings for the requirements from the executive
15 agencies must start no later than May 1, 1992. The senate ways and
16 means' staff and the house of representatives appropriations' staff
17 must decide on the final format of the required information to perform
18 the zero-base budget review for agencies that receive appropriations
19 for public schools and transportation by July 1, 1992. The final
20 format for performing the zero-base budget shall be promulgated in the
21 Washington Administrative Code.

22 (5) The executive agencies that receive general fund appropriations
23 for public schools and transportation must complete the requested
24 information for the zero-base budget review and must provide it to the
25 senate committee on ways and means and the house of representatives
26 appropriations committee, no later than December 15, 1992. Every six
27 years after completion of the first review of December 15, 1992, the
28 new review must be completed.

29 (6) Planning meetings for the requirements from the executive
30 agencies must start no later than May 1, 1992. The senate ways and

1 means' staff and the house of representatives appropriations' staff
2 must decide on the final format of the required information to perform
3 the zero-base budget review for agencies that receive appropriations
4 for human resources, natural resources, and the judiciary by July 1,
5 1992. The final format for performing the zero-base budget shall be
6 promulgated in the Washington Administrative Code.

7 (7) The executive agencies that receive general fund appropriations
8 for human resources, natural resources, and the judiciary must complete
9 the requested information for the zero-base budget review, and must
10 provide it to the senate committee on ways and means and the house of
11 representatives appropriations committee, no later than December 15,
12 1994. Every six years after completion of the first review of December
13 15, 1994, the new review must be completed.

14 (8) The senate ways and means' staff and the house of
15 representatives appropriations' staff must decide on the final format
16 of the required information to perform the zero-base budget review for
17 agencies that receive appropriations for general government and special
18 appropriations by July 1, 1994. The final format for performing the
19 zero-base budget shall be promulgated in the Washington Administrative
20 Code.

21 (9) The executive agencies that receive general fund appropriations
22 for general government and special appropriations must complete the
23 requested information for the zero-base budget review, and must provide
24 it to the senate committee on ways and means and the house of
25 representatives appropriations committee, no later than December 15,
26 1996. Every six years after completion of the first review of December
27 15, 1996, the new review must be completed.

28 NEW SECTION. **Sec. 6.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and shall take
2 effect immediately.

3 NEW SECTION. **Sec. 7.** Sections 1 through 5 of this act are
4 each added to chapter 43.88 RCW.