

# HOUSE BILL REPORT

## SSB 5182

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### As Passed House - Amended:

April 4, 1995

**Title:** An act relating to county fiscal biennium budgets.

**Brief Description:** Allowing county fiscal biennium budgets.

**Sponsors:** Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley, Hale, Deccio and Palmer).

### Brief History:

#### Committee Activity:

Government Operations: 3/22/95, 3/24/95 [DPA].

#### Floor Activity:

Amended.

Passed House: 4/4/95, 95-2.

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## HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

**Majority Report:** Do pass as amended. Signed by 15 members: Representatives Reams, Chairman; Goldsmith, Vice Chairman; L. Thomas, Vice Chairman; Rust, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Chopp; R. Fisher; Hargrove; Honeyford; Hymes; Mulliken; D. Schmidt; Sommers; Van Luven and Wolfe.

**Staff:** Steve Lundin (786-7127).

**Background:** Statutes detail the budget making process for counties. The process provides for the adoption of an annual budget and involves the following steps:

- o Each county official in charge of an office or department submits to the county auditor an itemized estimate of both probable non-tax revenues and probable expenditures for that office or department.
- o The county auditor uses this information to prepare a proposed budget that is submitted to the board of county commissioners. A proposed budget must set forth a "complete financial program" for the county for the ensuing fiscal year, detailing a program of expenditures and sources of revenue, and is prepared using a standard system of accounts prescribed by the state auditor in consultation with the Washington State Association of Counties and Washington Association of

County Officials. The proposed budget must include a separate section setting forth the amount of emergency warrants that were issued during the "preceding fiscal year" (sic., current fiscal year?) and the board of county commissioners is required to include an amount in its property tax levy that is sufficient to cover the total of these emergency warrants.

- o The board of county commissioners may revise the proposed budget and holds a public hearing on the proposed budget, at which any taxpayer may appear and be heard for or against any part of the budget.
- o At the conclusion of the budget hearing, the board of county commissioners fixes and determines each item in the budget and adopts a final version of the budget. Subject to limitations established in law, the board of commissioners fixes and levies its property taxes at that time.

**Summary of Bill:** Any county may adopt an ordinance providing for the adoption of two-year or biennial budgets instead of annual budgets. Any county that adopts a biennial budgeting scheme may repeal the ordinance and return to adopting annual budgets. A county with a biennial budget process must provide for a mid-biennium review and modification of the budget.

The procedure and steps by which a biennial budget is prepared conforms with the procedure and steps by which an annual budget is prepared and requirements established by the state auditor. The state auditor establishes requirements for preparing and adopting the mid-biennium review and modification.

The county legislative authority must hold a public hearing on the proposed county and road district property taxes before imposing the tax levies.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill will allow for better budgeting in some instances. Sometimes, one year is too short a period to appropriately budget for. This will also provide a cost-savings and make for a much clearer process.

**Testimony Against:** None.

**Testified:** Ed Larsen, Snohomish County Council; Dan Speigle, Thurston County Auditor; and Doug Cochran, Yakima County Auditor.