
SENATE BILL 5634

State of Washington

54th Legislature

1995 Regular Session

By Senators Hochstatter, Haugen, Sheldon, Schow, Deccio, Moyer, McCaslin, Snyder, Strannigan, Johnson, Wood, Swecker, A. Anderson, Palmer and Winsley

Read first time 01/30/95. Referred to Committee on Ways & Means.

1 AN ACT Relating to unfunded agency activities; reenacting and
2 amending RCW 43.88.030; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature declares that it is
5 unreasonable and not in the interest of providing quality public
6 service for state agencies to administer programs that the legislature
7 has established but is unwilling to fund. Therefore, it is the intent
8 of this act to provide a means of substantive legislative review of
9 unfunded programs in order to debate the merits of funding or repealing
10 those programs.

11 **Sec. 2.** RCW 43.88.030 and 1994 c 247 s 7 and 1994 c 219 s 2 are
12 each reenacted and amended to read as follows:

13 (1) The director of financial management shall provide all agencies
14 with a complete set of instructions for submitting biennial budget
15 requests to the director at least three months before agency budget
16 documents are due into the office of financial management. The
17 director shall provide agencies that are required under RCW 44.40.070
18 to develop comprehensive six-year program and financial plans with a

1 complete set of instructions for submitting these program and financial
2 plans at the same time that instructions for submitting other budget
3 requests are provided. The budget document or documents shall consist
4 of the governor's budget message which shall be explanatory of the
5 budget and shall contain an outline of the proposed financial policies
6 of the state for the ensuing fiscal period, as well as an outline of
7 the proposed six-year financial policies where applicable, and shall
8 describe in connection therewith the important features of the budget.
9 The message shall set forth the reasons for salient changes from the
10 previous fiscal period in expenditure and revenue items and shall
11 explain any major changes in financial policy. Attached to the budget
12 message shall be such supporting schedules, exhibits and other
13 explanatory material in respect to both current operations and capital
14 improvements as the governor shall deem to be useful to the
15 legislature. The budget document or documents shall set forth a
16 proposal for expenditures in the ensuing fiscal period, or six-year
17 period where applicable, based upon the estimated revenues as approved
18 by the economic and revenue forecast council or upon the estimated
19 revenues of the office of financial management for those funds,
20 accounts, and sources for which the office of the economic and revenue
21 forecast council does not prepare an official forecast, including those
22 revenues anticipated to support the six-year programs and financial
23 plans under RCW 44.40.070. In estimating revenues to support financial
24 plans under RCW 44.40.070, the office of financial management shall
25 rely on information and advice from the interagency revenue task force.
26 Revenues shall be estimated for such fiscal period from the source and
27 at the rates existing by law at the time of submission of the budget
28 document, including the supplemental budgets submitted in the even-
29 numbered years of a biennium. However, the estimated revenues for use
30 in the governor's budget document may be adjusted to reflect budgetary
31 revenue transfers and revenue estimates dependent upon budgetary
32 assumptions of enrollments, workloads, and caseloads. All adjustments
33 to the approved estimated revenues must be set forth in the budget
34 document. The governor may additionally submit, as an appendix to each
35 supplemental, biennial, or six-year agency budget or to the budget
36 document or documents, a proposal for expenditures in the ensuing
37 fiscal period from revenue sources derived from proposed changes in
38 existing statutes.

1 Supplemental and biennial documents shall reflect a six-year
2 expenditure plan consistent with estimated revenues from existing
3 sources and at existing rates for those agencies required to submit
4 six-year program and financial plans under RCW 44.40.070. Any
5 additional revenue resulting from proposed changes to existing statutes
6 shall be separately identified within the document as well as related
7 expenditures for the six-year period.

8 The budget document or documents shall also contain:

9 (a) Revenues classified by fund and source for the immediately past
10 fiscal period, those received or anticipated for the current fiscal
11 period, those anticipated for the ensuing biennium, and those
12 anticipated for the ensuing six-year period to support the six-year
13 programs and financial plans required under RCW 44.40.070;

14 (b) The undesignated fund balance or deficit, by fund;

15 (c) Such additional information dealing with expenditures,
16 revenues, workload, performance, and personnel as the legislature may
17 direct by law or concurrent resolution;

18 (d) Such additional information dealing with revenues and
19 expenditures as the governor shall deem pertinent and useful to the
20 legislature;

21 (e) Tabulations showing expenditures classified by fund, function,
22 activity and object;

23 (f)(i) A delineation of each agency's activities, including those
24 activities funded from nonbudgeted, nonappropriated sources, including
25 funds maintained outside the state treasury; and

26 (ii) A delineation of each agency's inactive, unfunded state
27 programs for which no specific funding was provided in the preceding
28 fiscal year;

29 (g) Identification of all proposed direct expenditures to implement
30 the Puget Sound water quality plan under chapter 90.70 RCW, shown by
31 agency and in total; and

32 (h) Tabulations showing each postretirement adjustment by
33 retirement system established after fiscal year 1991, to include, but
34 not be limited to, estimated total payments made to the end of the
35 previous biennial period, estimated payments for the present biennium,
36 and estimated payments for the ensuing biennium.

37 (2) The budget document or documents shall include detailed
38 estimates of all anticipated revenues applicable to proposed operating
39 or capital expenditures and shall also include all proposed operating

1 or capital expenditures. The total of beginning undesignated fund
2 balance and estimated revenues less working capital and other reserves
3 shall equal or exceed the total of proposed applicable expenditures.
4 The budget document or documents shall further include:

5 (a) Interest, amortization and redemption charges on the state
6 debt;

7 (b) Payments of all reliefs, judgments and claims;

8 (c) Other statutory expenditures;

9 (d) Expenditures incident to the operation for each agency;

10 (e) Revenues derived from agency operations;

11 (f) Expenditures and revenues shall be given in comparative form
12 showing those incurred or received for the immediately past fiscal
13 period and those anticipated for the current biennium and next ensuing
14 biennium, as well as those required to support the six-year programs
15 and financial plans required under RCW 44.40.070;

16 (g) A showing and explanation of amounts of general fund and other
17 funds obligations for debt service and any transfers of moneys that
18 otherwise would have been available for appropriation;

19 (h) Common school expenditures on a fiscal-year basis;

20 (i) A showing, by agency, of the value and purpose of financing
21 contracts for the lease/purchase or acquisition of personal or real
22 property for the current and ensuing fiscal periods; and

23 (j) A showing and explanation of anticipated amounts of general
24 fund and other funds required to amortize the unfunded actuarial
25 accrued liability of the retirement system specified under chapter
26 41.45 RCW, and the contributions to meet such amortization, stated in
27 total dollars and as a level percentage of total compensation.

28 (3) A separate capital budget document or schedule shall be
29 submitted that will contain the following:

30 (a) A statement setting forth a long-range facilities plan for the
31 state that identifies and includes the highest priority needs within
32 affordable spending levels;

33 (b) A capital program consisting of proposed capital projects for
34 the next biennium and the two biennia succeeding the next biennium
35 consistent with the long-range facilities plan. Inasmuch as is
36 practical, and recognizing emergent needs, the capital program shall
37 reflect the priorities, projects, and spending levels proposed in
38 previously submitted capital budget documents in order to provide a

1 reliable long-range planning tool for the legislature and state
2 agencies;

3 (c) A capital plan consisting of proposed capital spending for at
4 least four biennia succeeding the next biennium;

5 (d) A statement of the reason or purpose for a project;

6 (e) Verification that a project is consistent with the provisions
7 set forth in chapter 36.70A RCW;

8 (f) A statement about the proposed site, size, and estimated life
9 of the project, if applicable;

10 (g) Estimated total project cost;

11 (h) For major projects valued over five million dollars, estimated
12 costs for the following project components: Acquisition, consultant
13 services, construction, equipment, project management, and other costs
14 included as part of the project. Project component costs shall be
15 displayed in a standard format defined by the office of financial
16 management to allow comparisons between projects;

17 (i) Estimated total project cost for each phase of the project as
18 defined by the office of financial management;

19 (j) Estimated ensuing biennium costs;

20 (k) Estimated costs beyond the ensuing biennium;

21 (l) Estimated construction start and completion dates;

22 (m) Source and type of funds proposed;

23 (n) Estimated ongoing operating budget costs or savings resulting
24 from the project, including staffing and maintenance costs;

25 (o) For any capital appropriation requested for a state agency for
26 the acquisition of land or the capital improvement of land in which the
27 primary purpose of the acquisition or improvement is recreation or
28 wildlife habitat conservation, the capital budget document, or an
29 omnibus list of recreation and habitat acquisitions provided with the
30 governor's budget document, shall identify the projected costs of
31 operation and maintenance for at least the two biennia succeeding the
32 next biennium. Omnibus lists of habitat and recreation land
33 acquisitions shall include individual project cost estimates for
34 operation and maintenance as well as a total for all state projects
35 included in the list. The document shall identify the source of funds
36 from which the operation and maintenance costs are proposed to be
37 funded;

38 (p) Such other information bearing upon capital projects as the
39 governor deems to be useful;

1 (q) Standard terms, including a standard and uniform definition of
2 maintenance for all capital projects;

3 (r) Such other information as the legislature may direct by law or
4 concurrent resolution.

5 For purposes of this subsection (3), the term "capital project"
6 shall be defined subsequent to the analysis, findings, and
7 recommendations of a joint committee comprised of representatives from
8 the house capital appropriations committee, senate ways and means
9 committee, legislative transportation committee, legislative evaluation
10 and accountability program committee, and office of financial
11 management.

12 (4) No change affecting the comparability of agency or program
13 information relating to expenditures, revenues, workload, performance
14 and personnel shall be made in the format of any budget document or
15 report presented to the legislature under this section or RCW
16 43.88.160(1) relative to the format of the budget document or report
17 which was presented to the previous regular session of the legislature
18 during an odd-numbered year without prior legislative concurrence.
19 Prior legislative concurrence shall consist of (a) a favorable majority
20 vote on the proposal by the standing committees on ways and means of
21 both houses if the legislature is in session or (b) a favorable
22 majority vote on the proposal by members of the legislative evaluation
23 and accountability program committee if the legislature is not in
24 session.

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