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SENATE BILL 6866

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State of Washington                      56th Legislature    2000 1st Special Session

By Senator Swecker

Read first time 03/21/2000. Referred to Committee on State & Local Government.

1            AN ACT Relating to local government expenditures; adding new  
2 sections to chapter 43.135 RCW; and providing for submission of this  
3 act to a vote of the people.

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

5            NEW SECTION.    **Sec. 1.** A new section is added to chapter 43.135 RCW  
6 to read as follows:

7            (1) A political subdivision of the state shall not expend from its  
8 general expense budget during any fiscal year moneys in excess of the  
9 local expenditure limit established under this section and section 2 of  
10 this act.

11           (2) A political subdivision shall not issue or redeem any check,  
12 warrant, or voucher that will result in an expenditure for any fiscal  
13 year in excess of the local expenditure limit established under this  
14 section and section 2 of this act.

15           (3) The political subdivision's expenditure limit for any fiscal  
16 year shall be the previous fiscal year's expenditure limit increased by  
17 a percentage rate that equals the previous year's local fiscal growth  
18 factor.

1 (4) For purposes of computing the local expenditure limit for the  
2 fiscal year beginning January 1, 2001, the phrase "the previous fiscal  
3 year's local expenditure limit" means the total expenditures from the  
4 general expense budget, not including federal funds, for the fiscal  
5 year beginning January 1, 2000, plus the local fiscal growth factor for  
6 fiscal year beginning January 1, 1999.

7 (5) Each November, the political subdivision shall adjust the local  
8 expenditure limit by the local fiscal growth factor for the preceding  
9 fiscal year and then project an expenditure limit for the next two  
10 fiscal years.

11 (6) "Local fiscal growth factor" means the sum of inflation and a  
12 percentage equal to the ratio that the increase in the assessed value  
13 in the taxing district resulting from new construction and improvements  
14 to property under chapter 84.55 RCW bears to the total assessed value  
15 for the political subdivision for the previous year.

16 (7) "Inflation" means the percentage change in the implicit price  
17 deflator for the United States as published by the federal bureau of  
18 labor statistics.

19 (8) "Political subdivision" means every county, city, town, and  
20 special purpose district of the state.

21 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.135 RCW  
22 to read as follows:

23 (1) After January 1, 2001, a political subdivision may exceed the  
24 local expenditure limit if:

25 (a) The expenditure has been approved by a majority of the voters  
26 of the political subdivision; or

27 (b) The legislative authority of the political subdivision has  
28 declared an emergency by a two-thirds vote of the legislative  
29 authority. The authority to expend in excess of the local expenditure  
30 limit under this subsection (1)(b) expires sixty days following the  
31 next general election unless the authority has been approved under (a)  
32 of this subsection.

33 (2) Any ballot measure submitted to the voters under subsection (1)  
34 of this section shall state the proposed percentage increase in  
35 expenditures and the duration of the authority.

36 (3) If the cost of any local program or function is shifted from  
37 the general expense budget on or after January 1, 2000, to another  
38 source of funding, or if moneys are transferred from the general

1 expense budget to another fund or account, the political subdivision  
2 shall lower the local expenditure limit to reflect the shift.

3 NEW SECTION. **Sec. 3.** The secretary of state shall submit this act  
4 to the people for their adoption and ratification, or rejection, at the  
5 next general election to be held in this state, in accordance with  
6 Article II, section 1 of the state Constitution and the laws adopted to  
7 facilitate its operation.

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