

1 **ESSB 6153** - H AMD TO H AMD(H-2783.1/01) **299 ADOPTED 6/15/01**

2 By Representative Clements

3 On page 1, after line 29, insert the following:

4 "NEW SECTION. **Sec. 2.** If at any time during the 2001-2003 fiscal  
5 biennium the state general fund is projected to have a cash deficit as  
6 defined by RCW 43.88.050:

7 (1) The governor shall first exercise his or her authority to make  
8 across the board allotment reductions pursuant to RCW 43.88.110.

9 (2) The governor, in preparing any supplemental budget requests,  
10 after making any program reductions, shall first propose expenditure of  
11 emergency reserve funds to respond to any remaining general fund cash  
12 deficit prior to proposing any general fund tax increase.

13 (3) The legislature, in adopting any supplemental budget, after  
14 making any program reductions, shall first make appropriations from the  
15 emergency reserve fund to respond to any remaining general fund cash  
16 deficit prior to authorizing any general fund tax increase."

**EFFECT:** If the general fund is projected to have a negative cash balance, both the legislature and the governor must utilize the emergency reserve funds prior to enacting a general fund tax increase. In addition, the governor is directed to first exercise his authority to make across the board allotment reductions in the event of a shortfall.

**FISCAL IMPACT:** None.