

SSB 6078 - H COMM AMD
By Committee on Appropriations

ADOPTED 04/15/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 43.135.035 and 2001 c 3 s 8 and 2000 2nd sp.s. c 2 s
4 2 are each reenacted and amended to read as follows:

5 (1) After July 1, 1995, any action or combination of actions by the
6 legislature that raises state revenue or requires revenue-neutral tax
7 shifts may be taken only if approved by a two-thirds vote of each
8 house, and then only if state expenditures in any fiscal year,
9 including the new revenue, will not exceed the state expenditure limits
10 established under this chapter. However, for legislation enacted
11 between the effective date of this act and June 30, 2007, any action or
12 combination of actions by the legislature that raises state revenue or
13 requires revenue-neutral tax shifts may be taken with the approval of
14 a majority of members elected to each house, so long as state
15 expenditures in any fiscal year, including the new revenue, will not
16 exceed the state expenditure limits established under this chapter.

17 (2)(a) If the legislative action under subsection (1) of this
18 section will result in expenditures in excess of the state expenditure
19 limit, then the action of the legislature shall not take effect until
20 approved by a vote of the people at a November general election. The
21 office of financial management shall adjust the state expenditure limit
22 by the amount of additional revenue approved by the voters under this
23 section. This adjustment shall not exceed the amount of revenue
24 generated by the legislative action during the first full fiscal year
25 in which it is in effect. The state expenditure limit shall be
26 adjusted downward upon expiration or repeal of the legislative action.

27 (b) The ballot title for any vote of the people required under this
28 section shall be substantially as follows:

29 "Shall taxes be imposed on in order to allow a

1 spending increase above last year's authorized spending adjusted for
2 inflation and population increases?"

3 (3)(a) The state expenditure limit may be exceeded upon declaration
4 of an emergency for a period not to exceed twenty-four months by a law
5 approved by a two-thirds vote of each house of the legislature and
6 signed by the governor. The law shall set forth the nature of the
7 emergency, which is limited to natural disasters that require immediate
8 government action to alleviate human suffering and provide humanitarian
9 assistance. The state expenditure limit may be exceeded for no more
10 than twenty-four months following the declaration of the emergency and
11 only for the purposes contained in the emergency declaration.

12 (b) Additional taxes required for an emergency under this section
13 may be imposed only until thirty days following the next general
14 election, unless an extension is approved at that general election.
15 The additional taxes shall expire upon expiration of the declaration of
16 emergency. The legislature shall not impose additional taxes for
17 emergency purposes under this subsection unless funds in the education
18 construction fund have been exhausted.

19 (c) The state or any political subdivision of the state shall not
20 impose any tax on intangible property listed in RCW 84.36.070 as that
21 statute exists on January 1, 1993.

22 (4) If the cost of any state program or function is shifted from
23 the state general fund on or after January 1, 1993, to another source
24 of funding, or if moneys are transferred from the state general fund to
25 another fund or account, the state expenditure limit committee, acting
26 pursuant to RCW 43.135.025(5), shall lower the state expenditure limit
27 to reflect the shift. For the purposes of this section, a transfer of
28 money from the state general fund to another fund or account includes
29 any state legislative action taken after July 1, 2000, that has the
30 effect of reducing revenues from a particular source, where such
31 revenues would otherwise be deposited into the state general fund,
32 while increasing the revenues from that particular source to another
33 state or local government account. This subsection does not apply to
34 the dedication or use of lottery revenues under RCW 67.70.240(3) or
35 property taxes under RCW 84.52.068, in support of education or
36 education expenditures.

37 (5) If the cost of any state program or function is shifted to the
38 state general fund on or after January 1, 2000, from another source of

1 funding, or if moneys are transferred to the state general fund from
2 another fund or account, the state expenditure limit committee, acting
3 pursuant to RCW 43.135.025(5), shall increase the state expenditure
4 limit to reflect the shift.

5 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
6 preservation of the public peace, health, or safety, or support of the
7 state government and its existing public institutions, and takes effect
8 immediately."

9 Correct the title.

EFFECT: Strikes provisions of the bill relating to the calculation
of the expenditure limit and the expenditure limit committee. Revises
the existing supermajority legislative vote requirement for bills that
raise state revenue. Between the effective date of this act and June
30, 2007, a 2/3 vote of both houses is not required for legislative
actions that raise revenue if the state expenditures do not exceed the
state expenditure limit. Instead, a majority vote is required for
those actions.

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