

SENATE BILL REPORT

ESB 5527

As Passed Senate, February 8, 2006

Title: An act relating to prohibiting automatic fee increases.

Brief Description: Prohibiting automatic fee increases.

Sponsors: Senators Morton, Mulliken, Schoesler, Carrell, Benson, Honeyford, McCaslin and Stevens.

Brief History:

Committee Activity: Ways & Means: 2/24/05, 2/28/05 [DP].
Passed Senate: 2/8/06, 40-1.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Zarelli, Ranking Minority Member; Brandland, Hewitt, Parlette, Pflug, Rasmussen, Roach, Rockefeller and Schoesler.

Staff: Steve Jones (786-7440)

Background: Initiative 601, enacted by the voters in 1993, established a state expenditure limit that allows state General Fund expenditures to increase each fiscal year by no more than the average increase in inflation and state population over the prior three fiscal years. This formula is known as the "fiscal growth factor."

Initiative 601 also included a provision that prohibits state agencies from annually increasing administrative fees by more than the fiscal growth factor without prior legislative approval.

Some state agencies have adopted administrative rules that provide for an annual automatic increase in agency fees by the maximum amount allowed by the fiscal growth factor or other formula, such as the consumer price index.

Summary of Bill: State agencies are prohibited from adopting administrative rules that automatically increase fees by a formula amount, such as the fiscal growth factor or the consumer price index.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: None.

Testimony Against: None.

Who Testified: No one.