
HOUSE BILL 2228

State of Washington

61st Legislature

2009 Regular Session

By Representatives Bailey, Johnson, Dammeier, Alexander, Chandler, and Angel

Read first time 02/16/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to sustainable operating budgets; adding new
2 sections to chapter 43.88 RCW; and creating new sections.

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

4 NEW SECTION. **Sec. 1.** INTENT. The legislature finds that the
5 citizens of Washington state are best served by enacting sustainable
6 operating budgets that: (1) Focus on the critical programs and
7 services best provided by government; (2) provide greater continuity in
8 providing these programs and services over time; and (3) are better
9 able to accommodate economic downturns.

10 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
11 section apply throughout sections 3 and 4 of this act unless the
12 context clearly requires otherwise.

13 (1) "Ensuing biennium" has the same meaning as defined in RCW
14 43.88.020(7).

15 (2) "Maintenance level" means the cost of maintaining the ensuing
16 biennium's service levels into the next following biennium, including
17 bow waves, mandatory rate changes, and entitlement caseload changes,

1 plus projected traditional policy level items, such as employee
2 compensation adjustments and pension cost increases.

3 (3) "Near general fund" means the state general fund, health
4 services account, violence reduction and drug enforcement account,
5 public safety and education account, water quality account, student
6 achievement fund, pension funding stabilization account, and the
7 education legacy trust account.

8 (4) "Next following biennium" means the fiscal biennium after the
9 ensuing biennium.

10 (5) "Operating budget" means the omnibus operating appropriations
11 act, or any combination of acts that make appropriations for operating
12 budget purposes.

13 NEW SECTION. **Sec. 3.** UNSUSTAINABLE BUDGETS PROHIBITED. (1) The
14 governor may not propose, and the legislature may not enact, any
15 operating budget that is unsustainable in either the ensuing biennium,
16 or the next following biennium, or both.

17 (2) An operating budget is unsustainable in the ensuing biennium
18 when, if enacted, it would result in appropriations that exceed the
19 total of:

20 (a) Forecasted revenue plus beginning fund balances for the near
21 general fund; and

22 (b) Any portion of the projected ending fund balance in the budget
23 stabilization account that may be withdrawn under Article VII, section
24 12(d) (i) or (ii) of the state Constitution.

25 (3) An operating budget is unsustainable in the next following
26 biennium when the maintenance level projection for that next following
27 biennium exceeds the total of:

28 (a) Forecasted revenues plus the projected beginning balances for
29 the near general fund; and

30 (b) Any portion of the projected ending fund balance in the budget
31 stabilization account that may be withdrawn under Article VII, section
32 12(d) (i) or (ii) of the state Constitution.

33 (4) Nothing in this section requires the legislature to include
34 funding for any specific item in its budget.

35 (5) Whether the budget documents proposed by the governor are
36 sustainable is determined according to information set forth in the
37 four-year outlook prepared by the office of financial management under

1 section 4(1) of this act. Whether the budget enacted by the
2 legislature is determined according to the information set forth in the
3 adjusted four-year outlook prepared by the legislative committees under
4 section 4(2) of this act.

5 NEW SECTION. **Sec. 4.** FOUR-YEAR BUDGET OUTLOOKS REQUIRED. (1)
6 When the governor submits his or her operating budget documents to the
7 legislature as provided in RCW 43.88.030 and 43.88.060, the office of
8 financial management shall simultaneously publish a four-year outlook
9 that is based on the governor's budget documents. The revenue and
10 caseload projections used in the four-year outlook must be based on the
11 most recent official forecasts adopted by the economic and revenue
12 forecast council and the caseload forecast council, adjusted by the
13 office of financial management for policy changes made in the
14 governor's budget documents.

15 (2) Before the house of representatives or the senate or any
16 standing committee of either house of the legislature may vote on an
17 operating budget, the respective house's fiscal committee that has
18 jurisdiction over the operating budget shall publish a summary document
19 estimating how that operating budget proposal changes the office of
20 financial management's four-year outlook published under subsection (1)
21 of this section. The summary document must be updated to reflect the
22 most current forecast revisions adopted by the economic and revenue
23 forecast council and the caseload forecast council. For purposes of
24 this subsection, "vote" means the vote on a majority recommendation in
25 the case of a legislative committee and the vote on third reading in
26 the case of either the senate or the house of representatives.

27 (3) The four-year outlook developed under subsection (1) of this
28 section and adjusted under subsection (2) of this section must include
29 an estimate of all budget decisions for which no specific funding
30 source is identified and for programs with a delayed effective date.

31 NEW SECTION. **Sec. 5.** CAPTIONS NOT LAW. Captions used in this act
32 are not any part of the law.

33 NEW SECTION. **Sec. 6.** Sections 2 through 4 of this act are each

1 added to chapter 43.88 RCW.

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