

SSB 5895 - S AMD 311

By Senators Hill, Hargrove

ADOPTED 04/23/2013

1 Beginning on page 2, line 4, strike all of sections 101 and 102 and  
2 insert the following:

3 "Sec. 101. RCW 43.135.025 and 2009 c 479 s 35 are each amended to  
4 read as follows:

5 (1) The state shall not expend from the general fund or related  
6 fund during any fiscal year state moneys in excess of the state  
7 expenditure limit established under this chapter.

8 (2) Except pursuant to a declaration of emergency under RCW  
9 (~~43.135.035~~) 43.135.034 or pursuant to an appropriation under RCW  
10 43.135.045(2), the state treasurer shall not issue or redeem any check,  
11 warrant, or voucher that will result in a state general fund or related  
12 fund expenditure for any fiscal year in excess of the state expenditure  
13 limit established under this chapter. A violation of this subsection  
14 constitutes a violation of RCW 43.88.290 and shall subject the state  
15 treasurer to the penalties provided in RCW 43.88.300. After July 1,  
16 2015, and prior to July 1, 2023, the state expenditure limit  
17 established by this section does not apply to:

18 (a) State allocations to school districts and educational service  
19 districts;

20 (b) Appropriations to the state's institutions of higher education  
21 or appropriations to state student financial aid programs;

22 (c) Appropriations for the early learning program under RCW  
23 43.215.141 and 43.215.142 and other licensed child care programs under  
24 chapter 43.215 RCW that promote positive child outcomes through  
25 curriculum, learning, and training;

26 (d) The costs of court rulings imposing new state costs issued  
27 after July 1, 2015, and prior to July 1, 2023;

28 (e) Expenditures of extraordinary revenue growth, as defined in  
29 Article 7, section 12 of the state Constitution, to the extent that the

1 extraordinary revenue growth is not deposited to the budget  
2 stabilization account; or

3 (f) The cost of extraordinary growth in the caseloads of state  
4 entitlement programs to the extent that total biennial entitlement  
5 caseload costs exceed by one-third the average biennial percentage  
6 growth over the prior five fiscal biennia, not including the cost of  
7 new entitlements or the expansion of existing entitlements after  
8 January 1, 2013, or the expansion of medicaid eligibility under the  
9 federal affordable care act.

10 The exceptions established in (a) through (f) of this subsection  
11 shall be calculated by the state expenditure limit committee.

12 (3) The state expenditure limit for any fiscal year shall be the  
13 previous fiscal year's state expenditure limit increased by a  
14 percentage rate that equals the fiscal growth factor.

15 (4)(a) For purposes of computing the state expenditure limit for  
16 the fiscal year beginning July 1, ~~((2009))~~ 2013, the phrase "the  
17 previous fiscal year's state expenditure limit" means the total state  
18 expenditures from the state general fund(~~(, the public safety and~~  
19 ~~education account, the health services account, the violence reduction~~  
20 ~~and drug enforcement account, the student achievement fund, the water~~  
21 ~~quality account, and the equal justice subaccount, not including~~  
22 ~~federal funds,)) and related funds for the fiscal year beginning July  
23 1, ~~((2008))~~ 2012, plus the fiscal growth factor.~~

24 (b) For purposes of computing the state expenditure limit for the  
25 fiscal year beginning July 1, 2015, the phrase "the previous fiscal  
26 year's state expenditure limit" means the total state expenditures from  
27 the state general fund and related funds plus the fiscal growth factor,  
28 excluding expenditures for the purposes of subsection (2)(a), (b), and  
29 (c) of this section.

30 (c) For purposes of computing the state expenditure limit for the  
31 fiscal year beginning July 1, 2023, the phrase "the previous fiscal  
32 year's state expenditure limit" means the total state expenditures from  
33 the state general fund and related funds for the fiscal year beginning  
34 July 1, 2022, plus the fiscal growth factor, including expenditures for  
35 the purposes of subsection (2)(a) through (f) of this section.

36 (5) A state expenditure limit committee is established for the  
37 purpose of determining and adjusting the state expenditure limit as  
38 provided in this chapter. The members of the state expenditure limit

1 committee are the director of financial management, the attorney  
2 general or the attorney general's designee, and the chairs and ranking  
3 minority members of the senate committee on ways and means and the  
4 house of representatives committee on ways and means. All actions of  
5 the state expenditure limit committee taken pursuant to this chapter  
6 require an affirmative vote of at least four members.

7 (6) Each November, the state expenditure limit committee shall  
8 adjust the expenditure limit for the preceding fiscal year based on  
9 actual expenditures and known changes in the fiscal growth factor and  
10 then project an expenditure limit for the next two fiscal years. If,  
11 by November 30th, the state expenditure limit committee has not adopted  
12 the expenditure limit adjustment and projected expenditure limit as  
13 provided in subsection (5) of this section, the attorney general or his  
14 or her designee shall adjust or project the expenditure limit, as  
15 necessary.

16 (7)(a) "Fiscal growth factor," after July 1, 2015, and prior to  
17 July 1, 2023, means the average of the sum of inflation and population  
18 change for each of the prior three fiscal years.

19 (b) "Inflation" means the percentage change in the implicit price  
20 deflator for the United States for each fiscal year as published by the  
21 federal bureau of labor statistics.

22 (c) "Population change" means the percentage change in state  
23 population for each fiscal year as reported by the office of financial  
24 management.

25 (d) "Fiscal growth factor," prior to July 1, 2015, and after July  
26 1, 2023, means the average growth in state personal income for the  
27 prior ten fiscal years.

28 (8) "General fund" means the state general fund and related funds.

29 (9) "Related funds" means the Washington opportunity pathways  
30 account and the education legacy trust account."

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By Senators Hill, Hargrove

**ADOPTED 04/23/2013**

1 On page 1, line 2 of the title, strike "43.135.034,"

EFFECT: Amendment clarifying the inclusion of related funds in the state expenditure limit.

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