

SENATE BILL REPORT

SB 6355

AS OF FEBRUARY 4, 1994

Brief Description: Establishing expenditure limitations for local governments.

SPONSORS: Senator L. Smith

SENATE COMMITTEE ON WAYS & MEANS

Staff: Terry Wilson (786-7715)

Hearing Dates:

BACKGROUND:

Initiative No. 601, adopted by the voters in November 1993, established expenditure limits for the state general fund. However, no expenditure limits exist for local governments.

SUMMARY:

No city with a population greater than 5,000 persons, county with a population greater than 10,000 persons, fire protection district, library district, metropolitan park district, public utility district, or port district may expend in any fiscal year more than 104 percent of the municipality's expenditures in the previous fiscal year without the approval of the voters. The expenditure limitation is calculated by the auditor of the municipality. Increased expenditures approved by the voters are used for the purpose of computing the limitations for subsequent fiscal years. The expenditure limitation does not apply to gifts received by the municipality.

The treasurer of a municipality is prohibited from issuing or redeeming any check, warrant, or voucher that will result in an expenditure for any fiscal year in excess of the expenditure limit.

The limits apply to expenditures made beginning January 1, 1995.

Appropriation: none

Revenue: none

Fiscal Note: none requested

Effective Date: January 1, 1995