
HOUSE BILL 1737

State of Washington

55th Legislature

1997 Regular Session

By Representatives Poulsen, H. Sommers, Linville, Cole, Dickerson, Cody, Tokuda, Gombosky, Fisher, Keiser, Constantine, Kenney, Chopp, Butler, Ogden, Blalock, Murray and Mason

Read first time 02/06/97. Referred to Committee on Appropriations.

1 AN ACT Relating to the general fund expenditure limit; and amending
2 RCW 43.135.025.

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

4 **Sec. 1.** RCW 43.135.025 and 1994 c 2 s 2 are each amended to read
5 as follows:

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

9 (2) Except pursuant to a declaration of emergency under RCW
10 43.135.035 or pursuant to an appropriation under RCW 43.135.045(4)(b),
11 the state treasurer shall not issue or redeem any check, warrant, or
12 voucher that will result in a state general fund expenditure for any
13 fiscal year in excess of the state expenditure limit established under
14 this chapter. A violation of this subsection constitutes a violation
15 of RCW 43.88.290 and shall subject the state treasurer to the penalties
16 provided in RCW 43.88.300.

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

1 (4) For purposes of computing the state expenditure limit for the
2 fiscal year beginning July 1, 1995, the phrase "the previous fiscal
3 year's state expenditure limit" means the total state expenditures from
4 the state general fund, not including federal funds, for the fiscal
5 year beginning July 1, 1989, plus the fiscal growth factor. This
6 calculation is then computed for the state expenditure limit for fiscal
7 years 1992, 1993, 1994, and 1995, and as required under RCW
8 43.135.035(4).

9 (~~Each November, the office of financial management shall~~
10 ~~adjust the expenditure limit for the preceding fiscal year based on~~
11 ~~actual expenditures and~~) The expenditure limit for fiscal year 1996 is
12 the expenditure limit issued by the office of financial management in
13 July 1996 under the provisions of subsection (4) of this section and as
14 adjusted in accordance with RCW 43.135.035(4) and 43.135.060(2). For
15 all subsequent fiscal years, the expenditure limit shall be the
16 expenditure limit for the prior fiscal year, plus the fiscal growth
17 factor, and as adjusted in accordance with RCW 43.135.035(4) and
18 43.135.060(2). Each November, beginning with November 1997, the office
19 of financial management shall issue an expenditure limit in accordance
20 with subsection (4) of this section and RCW 43.135.035(4) and
21 43.135.060(2). At that time the office of financial management shall
22 adjust the limit for the current fiscal year based on known changes in
23 the fiscal growth factor and then project an expenditure limit for the
24 next two fiscal years. The office of financial management shall notify
25 the legislative fiscal committees of all adjustments to the state
26 expenditure limit and projections of future expenditure limits.

27 (6) "Fiscal growth factor" means the average of the sum of
28 inflation and population change for each of the prior three fiscal
29 years.

30 (7) "Inflation" means the percentage change in the implicit price
31 deflator for the United States for each fiscal year as published by the
32 federal bureau of labor statistics.

33 (8) "Population change" means the percentage change in state
34 population for each fiscal year as reported by the office of financial
35 management.

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