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HOUSE BILL 1738

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State of Washington

55th Legislature

1997 Regular Session

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

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

1 AN ACT Relating to the state expenditure limit; and amending RCW  
2 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 (5) Each November, the office of financial management shall adjust  
10 the expenditure limit for the preceding fiscal year based on actual  
11 expenditures and known changes in the fiscal growth factor and then  
12 project an expenditure limit for the next two fiscal years. The office  
13 of financial management shall notify the legislative fiscal committees  
14 of all adjustments to the state expenditure limit and projections of  
15 future expenditure limits.

16 (6) "Fiscal growth factor" means the average of the sum of  
17 inflation and population change of the five to twenty-five year old age  
18 cohort for each of the prior three fiscal years.

19 (7) "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 (8) "Population change" means the percentage change in state  
23 population ages five through twenty-five years old for each fiscal year  
24 as reported by the office of financial management.

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