
HOUSE BILL 1997

State of Washington

56th Legislature

1999 Regular Session

By Representatives Wensman, H. Sommers, D. Schmidt, Scott, Pennington, Edwards, Mielke, Ericksen, Doumit, Alexander and Haigh

Read first time 02/12/1999. Referred to Committee on Local Government.

1 AN ACT Relating to local government fiscal notes; amending RCW
2 43.132.020, 43.132.040, and 43.132.060; adding new sections to chapter
3 43.132 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
6 enhance the local government fiscal note process by concentrating
7 available resources on producing fewer fiscal notes and to establish a
8 process for a more comprehensive report on the fiscal impacts to local
9 governments arising from laws that have been enacted. Further, it is
10 the intent of the legislature that the varying effects of legislation
11 on different local governments be recognized. This act is enacted in
12 recognition of the responsibilities imposed by RCW 43.135.060.

13 **Sec. 2.** RCW 43.132.020 and 1995 c 399 s 79 are each amended to
14 read as follows:

15 The director of financial management or the director's designee
16 shall, in cooperation with appropriate legislative committees and
17 legislative staff, establish a mechanism for the determination of the
18 fiscal impact of proposed legislation which if enacted into law would

1 directly or indirectly increase or decrease revenues received or
2 expenditures incurred by counties, cities, towns, or any other
3 (~~political subdivisions of the state~~) units of local government. The
4 office of financial management shall, when requested by (~~a member~~)
5 the chairperson or ranking member of any standing committee of the
6 state legislature, report in writing as to such fiscal impact and said
7 report shall be known as a "fiscal note".

8 Such fiscal notes shall indicate by fiscal year the total impact on
9 the (~~subdivisions~~) local governments involved for the first two years
10 the legislation would be in effect and also a cumulative six year
11 forecast of the fiscal impact. Where feasible and applicable, the
12 fiscal note also shall indicate the fiscal impact on each individual
13 county or on a representative sampling of cities, towns, or other
14 (~~political subdivisions~~) units of local government.

15 A fiscal note as defined in this section shall be provided only
16 upon request of (~~any member of the state legislature~~) the chairperson
17 or ranking minority member of any standing committee of the senate or
18 house of representatives. A (~~legislator also may~~) request (~~that~~
19 ~~such~~) for a fiscal note (be revised to reflect the impact of proposed
20 amendments or substitute bills) on legislation shall be considered to
21 be a continuing request for a fiscal note on any formal alteration of
22 the legislation in the form of amendments to the legislation that are
23 adopted by a committee or a house of the legislature or a substitute
24 version of such legislation that is adopted by a committee and
25 preparation of the fiscal note on the prior version of the legislation
26 shall stop, unless the legislator requesting the fiscal note specifies
27 otherwise or the altered version is first adopted or enacted in the
28 last week of a legislative session.

29 Fiscal notes shall be completed within (~~seventy-two hours~~) one
30 week of the request unless a longer time period is allowed by the
31 requesting legislator. In the event a fiscal note has not been
32 completed within (~~seventy-two hours~~) one week of a request, a daily
33 report shall be prepared for the requesting legislator by the director
34 of financial management which report summarizes the progress in
35 preparing the fiscal note. If the request is referred to the director
36 of community, trade, and economic development, the daily report shall
37 also include the date and time such referral was made.

1 **Sec. 3.** RCW 43.132.040 and 1986 c 158 s 18 are each amended to
2 read as follows:

3 When a fiscal note is prepared and approved as to form and
4 completeness by the director of financial management, the director
5 shall transmit copies immediately to:

6 (1) The requesting legislator;

7 (2) With respect to proposed legislation held by the senate, the
8 chairperson of the committee which holds or has acted upon the proposed
9 legislation, the chairperson of the ways and means committee or
10 equivalent committees with jurisdiction over matters normally
11 considered by a ways and means committee, the chairperson of the local
12 government committee or equivalent committee that considers local
13 government matters, and the secretary of the senate; and

14 (3) With respect to proposed legislation held by the house of
15 representatives, the chairperson of the committee which holds or has
16 acted upon the proposed legislation, the chairpersons of the (~~revenue~~
17 ~~and taxation and appropriations committees~~) ways and means committee
18 or equivalent committees with jurisdiction over matters normally
19 considered by a ways and means committee, the chairperson of the local
20 government committee or equivalent committee that considers local
21 government matters, and the chief clerk of the house of
22 representatives.

23 **Sec. 4.** RCW 43.132.060 and 1977 ex.s. c 19 s 6 are each amended to
24 read as follows:

25 (1) Nothing in this chapter shall prevent either house of the
26 legislature from acting on any bill or resolution before it as
27 otherwise provided by the state Constitution, by law, and by the rules
28 of the senate and house of representatives, nor shall the lack of any
29 fiscal note as provided in this chapter or any error in the accuracy
30 thereof affect the validity of any measure otherwise duly passed by the
31 legislature.

32 (2) Subsection (1) of this section shall not alter the
33 responsibilities of RCW 43.135.060.

34 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.132 RCW
35 to read as follows:

36 The office of financial management, in consultation with the
37 department of community, trade, and economic development, shall

1 annually select laws that were enacted in the preceding five years and
2 prepare a report on the fiscal impacts to counties, cities, towns, and
3 other units of local government arising from these selected laws.
4 Legislators, local governments, associations of local governments,
5 other associations, and persons are encouraged to propose laws for such
6 purposes. The preparation of these reports is subject to available
7 funding.

8 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.132 RCW
9 to read as follows:

10 The office of financial management, in consultation with the
11 department of community, trade, and economic development, shall prepare
12 a report for the legislature on or before December 31st of every even-
13 numbered year on local government fiscal notes, and reports on the
14 fiscal impacts on local governments arising from selected laws, that
15 were prepared over the preceding two-year period.

--- END ---