
HOUSE BILL 2605

State of Washington

56th Legislature

2000 Regular Session

By Representatives H. Sommers, Doumit, Linville, Morris and Rockefeller; by request of Governor Locke

Read first time 01/17/2000. Referred to Committee on Appropriations.

1 AN ACT Relating to defining incentive savings for purposes of the
2 savings incentive account; and amending RCW 43.79.460.

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

4 **Sec. 1.** RCW 43.79.460 and 1998 c 302 s 1 are each amended to read
5 as follows:

6 (1) The savings incentive account is created in the custody of the
7 state treasurer. The account shall consist of all moneys appropriated
8 to the account by the legislature. The account is subject to the
9 allotment procedures under chapter 43.88 RCW, but no appropriation is
10 required for expenditures from the account.

11 (2) Within the savings incentive account, the state treasurer may
12 create subaccounts to be credited with incentive savings attributable
13 to individual state agencies, as determined by the office of financial
14 management in consultation with the legislative fiscal committees.
15 Moneys deposited in the subaccounts may be expended only on the
16 authorization of the agency's executive head or designee and only for
17 the purpose of one-time expenditures to improve the quality,
18 efficiency, and effectiveness of services to customers of the state,
19 such as one-time expenditures for employee training, employee

1 incentives, technology improvements, new work processes, or performance
2 measurement. Funds may not be expended from the account to establish
3 new programs or services, expand existing programs or services, or
4 incur ongoing costs that would require future expenditures.

5 (3) For purposes of this section, "incentive savings" means state
6 (~~general fund~~) appropriations that are unspent as of (~~June 30th of~~
7 ~~a fiscal year~~) the end of the fiscal period for which they were
8 appropriated, excluding any amounts included in across-the-board
9 reductions under RCW 43.88.110 or other reductions implemented because
10 of a revenue shortfall or cash deficit, and excluding unspent
11 appropriations for:

12 (a) Caseload and enrollment in entitlement programs, except to the
13 extent that an agency has clearly demonstrated that efficiencies have
14 been achieved in the administration of the entitlement program.
15 "Entitlement program," as used in this section, includes programs for
16 which specific sums of money are appropriated for pass-through to third
17 parties or other entities;

18 (b) Enrollments in state institutions of higher education;

19 (c) A specific amount contained in a condition or limitation to an
20 appropriation in the biennial appropriations act, if the agency did not
21 achieve the specific purpose or objective of the condition or
22 limitation;

23 (d) Debt service on state obligations; (~~and~~)

24 (e) State retirement system obligations;

25 (f) Federal or local funds;

26 (g) Bond retirement accounts;

27 (h) Dedicated accounts that distribute unspent balances to the
28 state general fund;

29 (i) Trust funds; and

30 (j) Capital appropriations.

31 (4) The office of fiscal [financial] management, after consulting
32 with the legislative fiscal committees, shall report to the treasurer
33 the amount of savings incentives achieved. By December 1, 1998, and
34 each December 1st thereafter, the office of financial management shall
35 submit a report to the fiscal committees of the legislature on the
36 implementation of this section. The report shall (a) evaluate the
37 impact of this section on agency reversions and end-of-biennium

1 expenditure patterns, and (b) itemize agency expenditures from the
2 savings recovery account.

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