
State Government Committee

HB 2823

Brief Description: Providing information on fiscal impacts of initiatives.

Sponsors: Representatives McDermott, Romero, Schmidt, Upthegrove, Schual-Berke, McIntire and Kagi.

Brief Summary of Bill

- Requires OFM to prepare a fiscal impact statement for each ballot measure that qualifies for the ballot.
- Requires that a 75-word summary of the fiscal impact statement, known as a notice of probable impacts, be printed on the ballots directly below the ballot title if the impact is over \$25 million.

Hearing Date: 2/7/02

Staff: Catherine Blinn (786-7114).

Background:

Initiatives to the people, initiatives to the Legislature, and referenda are established by the state constitution. The text of an initiative must be filed with the Secretary of State ten months before the election. The Attorney General writes the ballot title and a summary. The ballot title consists of a subject statement, a concise description of the measure, and a question. The ballot title becomes the title of the measure on all petitions, ballots and other proceedings, and the summary must appear following the ballot title on all petitions. The signed petitions for an initiative to the people must be filed with the Secretary of State at least four months before the election.

The voters' pamphlet must include, for each statewide initiative, the serial number, the official ballot title, a statement by the Attorney General explaining the law as it presently exists, a statement by the Attorney General explaining the effect of the proposed measure if it becomes law, arguments for and against the measure, the names of committee members who submitted the arguments, and the full text of the measure.

The Office of Financial Management (OFM) is required to prepare fiscal impact statements,

known as fiscal notes, on bills reviewed by the legislature. Fiscal notes must describe the expected increase or decrease in state or local revenues or expenditures caused by a bill, and are provided to the appropriate legislative committees.

Summary of Bill:

OFM, in consultation with the Secretary of State, the Department of Revenue, other state agencies, local governments, and legislative fiscal staff, must prepare a fiscal impact statement for each initiative to the people. The fiscal impact statements must describe projected increases or decreases in revenues, costs, expenditures, or indebtedness that state and local governments will experience if the initiative is approved by voters.

If the fiscal impact statement indicates an impact of over \$25 million, the OFM must prepare a 75-word summary, known as a notice of probable impacts, to be printed on the ballots under the ballot title. Both the fiscal impact statement and the notice of probable impacts must identify which programs, if any, will be eliminated. If the OFM cannot determine which specific government services or programs will be eliminated, the fiscal impact statement and notice of probable impacts must list five of the largest government services or programs currently funded by the impacted governments.

The OFM must file the notice of probable impacts with the Office of Secretary of State no more than 30 days after the initiative is certified for the ballot. Anyone dissatisfied with the notice of probable impacts may appeal to the Thurston County Superior Court. The court must examine the measure, the fiscal impact statement, the notice of probable impacts, and party's objections. The court must render a decision and, if necessary, provide a revised notice of probable impacts for printing on the ballots. The decision of the Thurston County Superior Court is final.

The notice of probable impacts must be printed on the ballots directly below the ballot title.

Rulemaking Authority: No express authority.

Appropriation: None.

Fiscal Note: Requested on January 30, 2001.

Effective Date: Ninety days after adjournment of session in which bill is passed.