
HOUSE BILL 2114

State of Washington

57th Legislature

2001 Regular Session

By Representatives Campbell, Kirby, Cody, Pennington, Ballasiotes, McMorris, Schual-Berke, Skinner, Tokuda, Marine, Cooper, Lisk, Boldt, Woods and Morell

Read first time 02/14/2001. Referred to Committee on Appropriations.

1 AN ACT Relating to establishing a joint legislative fiscal note
2 process; amending RCW 43.88A.010, 43.132.010, 43.132.800, and
3 43.132.810; adding a new chapter to Title 44 RCW; creating a new
4 section; recodifying RCW 43.88A.010, 43.132.010, 43.132.055,
5 43.132.060, 43.132.800, and 43.132.810; recodifying 2000 c 182 s 1
6 (uncodified); repealing RCW 43.88A.020, 43.88A.030, 43.88A.040,
7 43.88A.900, 43.132.020, 43.132.030, 43.132.040, and 43.132.050;
8 providing an effective date; and declaring an emergency.

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

10 **Sec. 1.** RCW 43.88A.010 and 1977 ex.s. c 25 s 1 are each amended to
11 read as follows:

12 The legislature hereby recognizes the necessity of developing a
13 uniform and coordinated procedure for determining the expected fiscal
14 impact of bills and resolutions on state and local government. The
15 legislature also recognizes that developing such statements of fiscal
16 impact, which shall be known as fiscal notes, requires the designation
17 of a state agency to be principally responsible therefor.

18 The legislature further finds that legislative confidence in the
19 accuracy, timeliness, and independence of fiscal notes and the fiscal

1 note process can best be promoted when fiscal notes are jointly
2 prepared through a nonpartisan process within the legislative branch.

3 **Sec. 2.** RCW 43.132.010 and 1977 ex.s. c 19 s 1 are each amended to
4 read as follows:

5 It is the intent of this chapter to create a uniform and
6 coordinated procedure within the legislative branch to determine the
7 fiscal impact of proposed legislation on units of local government.

8 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions in this
9 section apply throughout this chapter unless the context clearly
10 requires otherwise.

11 (1) "Fiscal note" means a written statement of the projected fiscal
12 impact on the state of a bill or resolution. The fiscal note shall
13 state whether the bill or resolution is projected to increase or
14 decrease state government revenues or expenditures. Fiscal notes shall
15 indicate by fiscal year the total impact on the state for the first two
16 years the legislation would be in effect and shall also include a
17 cumulative six-year forecast of the fiscal impact. Fiscal notes shall
18 separately identify the fiscal impacts on the operating and capital
19 budgets. "Fiscal note" also includes "local government fiscal note."

20 (2) "Local government" means any county, city, town, or other unit
21 of local government.

22 (3) "Local government fiscal note" means a written statement of the
23 projected fiscal impact of a bill or resolution on the local
24 governments of the state. Local government fiscal notes shall indicate
25 by fiscal year the total impact on the local governments involved for
26 the first two years the legislation would be in effect and shall also
27 include a cumulative six-year forecast of the fiscal impact. Where
28 feasible and applicable, the local government fiscal note also shall
29 indicate the fiscal impact on each individual county or on a
30 representative sampling of cities, towns, or other units of local
31 government.

32 (4) "The joint legislative fiscal note process" means the
33 legislature's process for preparing fiscal notes as established by rule
34 pursuant to section 4 of this act.

35 NEW SECTION. **Sec. 4.** JOINT LEGISLATIVE FISCAL NOTE PROCESS
36 ESTABLISHED. (1) The house of representatives and the senate shall

1 establish by rule a joint legislative fiscal note process for the joint
2 preparation of fiscal notes, including local government fiscal notes.
3 Under the process, fiscal notes shall be prepared jointly by staff of
4 senate committee services and the house of representatives office of
5 program research.

6 (2) The joint legislative fiscal note process shall ensure that
7 fiscal notes are timely, accurate, impartial, and nonpartisan.

8 NEW SECTION. **Sec. 5.** INTERAGENCY COOPERATION. To facilitate
9 fiscal note preparation, the office of financial management, other
10 state agencies, and the various associations of local government shall,
11 upon request, provide data, information, and analysis to the
12 legislature for purposes of the joint legislative fiscal note process.

13 NEW SECTION. **Sec. 6.** REQUESTS FOR FISCAL NOTES. Unless otherwise
14 specified by the rules adopted by the senate and the house of
15 representatives pursuant to section 4 of this act:

16 (1) Any legislator may request a fiscal note or local government
17 fiscal note on any bill or resolution.

18 (2) Fiscal notes shall be completed within one week of receipt of
19 the request, unless a longer time period is allowed by the requesting
20 legislator.

21 (3) A request for a fiscal note on legislation is a continuing
22 request for a fiscal note on any formal alteration of the legislation
23 in the form of amendments to the legislation that are adopted by a
24 committee or a house of the legislature or a substitute version of such
25 legislation that is adopted by a committee. If a formal alteration is
26 adopted on the legislation, preparation of the fiscal note on the prior
27 version of the legislation shall stop, unless the legislator requesting
28 the fiscal note specifies otherwise or the altered version is first
29 adopted or enacted in the last week of a legislative session.

30 (4) Any legislator may request a fiscal note on any legislative
31 proposal. The fiscal note shall be returned to the requesting
32 legislator. When the legislative proposal is introduced in either
33 house, copies shall be filed with the appropriate committees and
34 persons as provided in section 7 of this act.

35 NEW SECTION. **Sec. 7.** DISTRIBUTION OF FISCAL NOTES. (1) When a
36 fiscal note is completed, copies shall be filed immediately with:

1 (a) The chair of the committee to which the bill or resolution was
2 referred upon introduction in the house of origin;

3 (b) The senate committee on ways and means, or its successor;

4 (c) The house committees on revenue and appropriations, or their
5 successors;

6 (d) The requesting legislator;

7 (e) The secretary of the senate; and

8 (f) The chief clerk of the house of representatives.

9 (2) Whenever possible, the fiscal note shall be provided before or
10 at the time the bill or resolution is first heard by the first
11 committee of reference in the house of origin.

12 (3) When a fiscal note has been prepared for a bill or resolution,
13 a copy of the fiscal note shall be placed in the bill books or
14 otherwise attached to the bill or resolution and shall remain with the
15 bill or resolution throughout the legislative process insofar as
16 possible.

17 (4) The legislature, through the joint legislative fiscal note
18 process, shall make additional copies of the fiscal note available to
19 members of the legislature and others on request.

20 (5) Whenever proposed legislation accompanied by a fiscal note is
21 passed by either the senate or the house of representatives, the fiscal
22 note shall be transmitted with the bill to the other house.

23 **Sec. 8.** RCW 43.132.800 and 2000 c 182 s 5 are each amended to read
24 as follows:

25 (1) The (~~office of financial management, in consultation with the~~
26 ~~department of community, trade, and economic development~~) legislature,
27 through the joint legislative fiscal note process, shall annually
28 prepare a report on the fiscal impacts to counties, cities, towns, and
29 other units of local governments, arising from selected laws enacted in
30 the preceding five-year period. The office of financial management, in
31 consultation with the department of community, trade, and economic
32 development, shall annually select up to five laws to include within
33 this report from a recommended list of laws approved by the
34 legislature. The office of financial management, in consultation with
35 the department of community, trade, and economic development, may
36 select up to five laws to include within this report if the legislature
37 does not approve a recommended list.

1 (2) The preparation of the reports required in subsection (1) of
2 this section is subject to available funding.

3 **Sec. 9.** RCW 43.132.810 and 2000 c 182 s 6 are each amended to read
4 as follows:

5 The (~~office of financial management, in consultation with the~~
6 ~~department of community, trade, and economic development~~) legislature,
7 through the joint legislative fiscal note process, shall prepare a
8 report for the legislature on or before December 31st of every even-
9 numbered year on local government fiscal notes, and reports on the
10 fiscal impacts on local governments arising from selected laws, that
11 were prepared over the preceding two-year period.

12 NEW SECTION. **Sec. 10.** Sections 3 through 7 of this act constitute
13 a new chapter in Title 44 RCW.

14 NEW SECTION. **Sec. 11.** RCW 43.88A.010, 43.132.010, 43.132.055,
15 43.132.060, 43.132.800, 43.132.810, and 2000 c 182 s 1 (uncodified) are
16 each recodified as sections in the chapter created in section 10 of
17 this act.

18 NEW SECTION. **Sec. 12.** The following acts or parts of acts are
19 each repealed:

20 (1) RCW 43.88A.020 (Fiscal notes--Preparation--Contents--Duties of
21 office of financial management) and 1994 c 219 s 3, 1979 c 151 s 146,
22 & 1977 ex.s. c 25 s 2;

23 (2) RCW 43.88A.030 (Fiscal notes--Distribution) and 1986 c 158 s
24 16, 1979 ex.s. c 112 s 1, 1979 c 151 s 147, & 1977 ex.s. c 25 s 3;

25 (3) RCW 43.88A.040 (Fiscal notes--Preparation upon request of any
26 legislator) and 1979 c 151 s 148 & 1977 ex.s. c 25 s 4;

27 (4) RCW 43.88A.900 (Construction of chapter) and 1977 ex.s. c 25 s
28 5;

29 (5) RCW 43.132.020 (Fiscal notes--Preparation--Contents--Scope--
30 Revisions--Reports) and 2000 c 182 s 2, 1995 c 399 s 79, 1984 c 125 s
31 16, 1979 c 151 s 149, & 1977 ex.s. c 19 s 2;

32 (6) RCW 43.132.030 (Designation of department of community, trade,
33 and economic development to prepare fiscal notes--Cooperation of state
34 agencies, legislative staffs, and local government associations) and

1 1995 c 399 s 80, 1985 c 6 s 10, 1979 c 151 s 150, & 1977 ex.s. c 19 s
2 3;

3 (7) RCW 43.132.040 (Fiscal notes--Transmission of copies to
4 designated recipients) and 2000 c 182 s 3, 1986 c 158 s 18, 1979 c 151
5 s 151, & 1977 ex.s. c 19 s 4; and

6 (8) RCW 43.132.050 (Fiscal notes--Transmission of copies upon
7 request) and 1986 c 158 s 19, 1979 c 151 s 152, & 1977 ex.s. c 19 s 5.

8 NEW SECTION. **Sec. 13.** Captions used in this act are not any part
9 of the law.

10 NEW SECTION. **Sec. 14.** This act is necessary for the immediate
11 preservation of the public peace, health, or safety, or support of the
12 state government and its existing public institutions, and takes effect
13 July 1, 2001.

--- END ---