
HOUSE BILL 3142

State of Washington 58th Legislature 2004 Regular Session

By Representative Sommers; by request of Office of Financial Management

Read first time 01/29/2004. Referred to Committee on Appropriations.

1 AN ACT Relating to eliminating selected detail from the governor's
2 budget submittal; and amending RCW 43.88.030.

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

4 **Sec. 1.** RCW 43.88.030 and 2002 c 371 s 911 are each amended to
5 read as follows:

6 (1) The director of financial management shall provide all agencies
7 with a complete set of instructions for submitting biennial budget
8 requests to the director at least three months before agency budget
9 documents are due into the office of financial management. The
10 director shall provide agencies and committees that are required under
11 RCW 44.40.070 to develop comprehensive six-year program and financial
12 plans with a complete set of instructions for submitting these program
13 and financial plans at the same time that instructions for submitting
14 other budget requests are provided. The budget document or documents
15 shall consist of the governor's budget message which shall be
16 explanatory of the budget and shall contain an outline of the proposed
17 financial policies of the state for the ensuing fiscal period, as well
18 as an outline of the proposed six-year financial policies where
19 applicable, and shall describe in connection therewith the important

1 features of the budget. The message shall set forth the reasons for
2 salient changes from the previous fiscal period in expenditure and
3 revenue items and shall explain any major changes in financial policy.
4 Attached to the budget message shall be such supporting schedules,
5 exhibits and other explanatory material in respect to both current
6 operations and capital improvements as the governor shall deem to be
7 useful to the legislature. The budget document or documents shall set
8 forth a proposal for expenditures in the ensuing fiscal period, or six-
9 year period where applicable, based upon the estimated revenues and
10 caseloads as approved by the economic and revenue forecast council and
11 caseload forecast council or upon the estimated revenues and caseloads
12 of the office of financial management for those funds, accounts,
13 sources, and programs for which the forecast councils do not prepare an
14 official forecast, including those revenues anticipated to support the
15 six-year programs and financial plans under RCW 44.40.070. In
16 estimating revenues to support financial plans under RCW 44.40.070, the
17 office of financial management shall rely on information and advice
18 from the transportation revenue forecast council. Revenues shall be
19 estimated for such fiscal period from the source and at the rates
20 existing by law at the time of submission of the budget document,
21 including the supplemental budgets submitted in the even-numbered years
22 of a biennium. However, the estimated revenues and caseloads for use
23 in the governor's budget document may be adjusted to reflect budgetary
24 revenue transfers and revenue and caseload estimates dependent upon
25 budgetary assumptions of enrollments, workloads, and caseloads. All
26 adjustments to the approved estimated revenues and caseloads must be
27 set forth in the budget document. The governor may additionally
28 submit, as an appendix to each supplemental, biennial, or six-year
29 agency budget or to the budget document or documents, a proposal for
30 expenditures in the ensuing fiscal period from revenue sources derived
31 from proposed changes in existing statutes.

32 Supplemental and biennial documents shall reflect a six-year
33 expenditure plan consistent with estimated revenues from existing
34 sources and at existing rates for those agencies required to submit
35 six-year program and financial plans under RCW 44.40.070. Any
36 additional revenue resulting from proposed changes to existing statutes
37 shall be separately identified within the document as well as related
38 expenditures for the six-year period.

1 The budget document or documents shall also contain:

2 (a) Revenues classified by fund and source for the immediately past
3 fiscal period, those received or anticipated for the current fiscal
4 period, those anticipated for the ensuing biennium, and those
5 anticipated for the ensuing six-year period to support the six-year
6 programs and financial plans required under RCW 44.40.070;

7 (b) The undesignated fund balance or deficit, by fund;

8 (c) Such additional information dealing with expenditures,
9 revenues, workload, performance, and personnel as the legislature may
10 direct by law or concurrent resolution;

11 (d) Such additional information dealing with revenues and
12 expenditures as the governor shall deem pertinent and useful to the
13 legislature;

14 (e) ~~((Tabulations showing))~~ Expenditures classified by ~~((fund))~~
15 account, function, ~~((activity,))~~ and agency. ~~((However, documents~~
16 ~~submitted for the 2003-05 biennial budget request need not show~~
17 ~~expenditures by activity;~~

18 ~~((f) A delineation of each agency's activities, including those~~
19 ~~activities funded from))~~ The expenditures will also include
20 nonbudgeted, nonappropriated ~~((sources, including funds maintained))~~
21 accounts outside the state treasury;

22 ~~((g))~~ (f) Identification of all proposed direct expenditures to
23 implement the Puget Sound water quality plan under chapter 90.71 RCW,
24 shown by agency and in total; and

25 ~~((h))~~ (g) Tabulations showing each postretirement adjustment by
26 retirement system established after fiscal year 1991, to include, but
27 not be limited to, estimated total payments made to the end of the
28 previous biennial period, estimated payments for the present biennium,
29 and estimated payments for the ensuing biennium.

30 (2) The budget document or documents shall include detailed
31 estimates of all anticipated revenues applicable to proposed operating
32 or capital expenditures and shall also include all proposed operating
33 or capital expenditures. The total of beginning undesignated fund
34 balance and estimated revenues less working capital and other reserves
35 shall equal or exceed the total of proposed applicable expenditures.
36 The budget document or documents shall further include:

37 (a) Interest, amortization and redemption charges on the state
38 debt;

1 (b) Payments of all reliefs, judgments, and claims;

2 (c) Other statutory expenditures;

3 (d) Expenditures incident to the operation for each agency;

4 (e) Revenues derived from agency operations;

5 (f) Expenditures and revenues shall be given in comparative form
6 showing those incurred or received for the immediately past fiscal
7 period and those anticipated for the current biennium and next ensuing
8 biennium, as well as those required to support the six-year programs
9 and financial plans required under RCW 44.40.070;

10 (g) A showing and explanation of amounts of general fund and other
11 funds obligations for debt service and any transfers of moneys that
12 otherwise would have been available for appropriation;

13 (h) Common school expenditures on a fiscal-year basis;

14 (i) A showing, by agency, of the value and purpose of financing
15 contracts for the lease/purchase or acquisition of personal or real
16 property for the current and ensuing fiscal periods; and

17 (j) A showing and explanation of anticipated amounts of general
18 fund and other funds required to amortize the unfunded actuarial
19 accrued liability of the retirement system specified under chapter
20 41.45 RCW, and the contributions to meet such amortization, stated in
21 total dollars and as a level percentage of total compensation.

22 (3) A separate capital budget document or schedule shall be
23 submitted that will contain the following:

24 (a) A statement setting forth a long-range facilities plan for the
25 state that identifies and includes the highest priority needs within
26 affordable spending levels;

27 (b) A capital program consisting of proposed capital projects for
28 the next biennium and the two biennia succeeding the next biennium
29 consistent with the long-range facilities plan. Insomuch as is
30 practical, and recognizing emergent needs, the capital program shall
31 reflect the priorities, projects, and spending levels proposed in
32 previously submitted capital budget documents in order to provide a
33 reliable long-range planning tool for the legislature and state
34 agencies;

35 (c) A capital plan consisting of proposed capital spending for at
36 least four biennia succeeding the next biennium;

37 (d) A strategic plan for reducing backlogs of maintenance and
38 repair projects. The plan shall include a prioritized list of specific

1 facility deficiencies and capital projects to address the deficiencies
2 for each agency, cost estimates for each project, a schedule for
3 completing projects over a reasonable period of time, and
4 identification of normal maintenance activities to reduce future
5 backlogs;

6 (e) A statement of the reason or purpose for a project;

7 (f) Verification that a project is consistent with the provisions
8 set forth in chapter 36.70A RCW;

9 (g) A statement about the proposed site, size, and estimated life
10 of the project, if applicable;

11 (h) Estimated total project cost;

12 (i) For major projects valued over five million dollars, estimated
13 costs for the following project components: Acquisition, consultant
14 services, construction, equipment, project management, and other costs
15 included as part of the project. Project component costs shall be
16 displayed in a standard format defined by the office of financial
17 management to allow comparisons between projects;

18 (j) Estimated total project cost for each phase of the project as
19 defined by the office of financial management;

20 (k) Estimated ensuing biennium costs;

21 (l) Estimated costs beyond the ensuing biennium;

22 (m) Estimated construction start and completion dates;

23 (n) Source and type of funds proposed;

24 (o) Estimated ongoing operating budget costs or savings resulting
25 from the project, including staffing and maintenance costs;

26 (p) For any capital appropriation requested for a state agency for
27 the acquisition of land or the capital improvement of land in which the
28 primary purpose of the acquisition or improvement is recreation or
29 wildlife habitat conservation, the capital budget document, or an
30 omnibus list of recreation and habitat acquisitions provided with the
31 governor's budget document, shall identify the projected costs of
32 operation and maintenance for at least the two biennia succeeding the
33 next biennium. Omnibus lists of habitat and recreation land
34 acquisitions shall include individual project cost estimates for
35 operation and maintenance as well as a total for all state projects
36 included in the list. The document shall identify the source of funds
37 from which the operation and maintenance costs are proposed to be
38 funded;

1 (q) Such other information bearing upon capital projects as the
2 governor deems to be useful;

3 (r) Standard terms, including a standard and uniform definition of
4 normal maintenance, for all capital projects;

5 (s) Such other information as the legislature may direct by law or
6 concurrent resolution.

7 For purposes of this subsection (3), the term "capital project"
8 shall be defined subsequent to the analysis, findings, and
9 recommendations of a joint committee comprised of representatives from
10 the house capital appropriations committee, senate ways and means
11 committee, legislative transportation committee, legislative evaluation
12 and accountability program committee, and office of financial
13 management.

14 (4) No change affecting the comparability of agency or program
15 information relating to expenditures, revenues, workload, performance
16 and personnel shall be made in the format of any budget document or
17 report presented to the legislature under this section or RCW
18 43.88.160(1) relative to the format of the budget document or report
19 which was presented to the previous regular session of the legislature
20 during an odd-numbered year without prior legislative concurrence.
21 Prior legislative concurrence shall consist of (a) a favorable majority
22 vote on the proposal by the standing committees on ways and means of
23 both houses if the legislature is in session or (b) a favorable
24 majority vote on the proposal by members of the legislative evaluation
25 and accountability program committee if the legislature is not in
26 session.

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