

SSB 6130 - S AMD 66

By Senators Hargrove, Hatfield, Brown

ADOPTED 02/10/2010

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 43.135  
4 RCW to read as follows:

5 In order to preserve funding for education, public safety, health  
6 care, and safety net services for elderly, disabled, and vulnerable  
7 people, it is the intent of the legislature to provide a means to  
8 stabilize revenue collections.

9 **Sec. 2.** RCW 43.135.031 and 2008 c 1 s 2 are each amended to read  
10 as follows:

11 (1) After July 1, 2011, for any bill introduced in either the house  
12 of representatives or the senate that raises taxes as defined by RCW  
13 43.135.035 or increases fees, the office of financial management must  
14 expeditiously determine its cost to the taxpayers in its first ten  
15 years of imposition, must promptly and without delay report the results  
16 of its analysis by public press release via e-mail to each member of  
17 the house of representatives, each member of the senate, the news  
18 media, and the public, and must post and maintain these releases on its  
19 web site. Any ten-year cost projection must include a year-by-year  
20 breakdown. For any bill containing more than one revenue source, a  
21 ten-year cost projection for each revenue source will be included along  
22 with the bill's total ten-year cost projection. The press release  
23 shall include the names of the legislators, and their contact  
24 information, who are sponsors and cosponsors of the bill so they can  
25 provide information to, and answer questions from, the public.

26 (2) After July 1, 2011, any time any legislative committee  
27 schedules a public hearing on a bill that raises taxes as defined by  
28 RCW 43.135.035 or increases fees, the office of financial management  
29 must promptly and without delay report the results of its most

1 up-to-date analysis of the bill required by subsection (1) of this  
2 section and the date, time, and location of the hearing by public press  
3 release via e-mail to each member of the house of representatives, each  
4 member of the senate, the news media, and the public, and must post and  
5 maintain these releases on its web site. The press release required by  
6 this subsection must include all the information required by subsection  
7 (1) of this section and the names of the legislators, and their contact  
8 information, who are members of the legislative committee conducting  
9 the hearing so they can provide information to, and answer questions  
10 from, the public.

11 (3) After July 1, 2011, each time a bill that raises taxes as  
12 defined by RCW 43.135.035 or increases fees is approved by any  
13 legislative committee or by at least a simple majority in either the  
14 house of representatives or the senate, the office of financial  
15 management must expeditiously reexamine and redetermine its ten-year  
16 cost projection due to amendment or other changes during the  
17 legislative process, must promptly and without delay report the results  
18 of its most up-to-date analysis by public press release via e-mail to  
19 each member of the house of representatives, each member of the senate,  
20 the news media, and the public, and must post and maintain these  
21 releases on its web site. Any ten-year cost projection must include a  
22 year-by-year breakdown. For any bill containing more than one revenue  
23 source, a ten-year cost projection for each revenue source will be  
24 included along with the bill's total ten-year cost projection. The  
25 press release shall include the names of the legislators, and their  
26 contact information, and how they voted on the bill so they can provide  
27 information to, and answer questions from, the public.

28 (4) For the purposes of this section, "names of legislators, and  
29 their contact information" includes each legislator's position (senator  
30 or representative), first name, last name, party affiliation (for  
31 example, Democrat or Republican), city or town they live in, office  
32 phone number, and office e-mail address.

33 (5) For the purposes of this section, "news media" means any member  
34 of the press or media organization, including newspapers, radio, and  
35 television, that signs up with the office of financial management to  
36 receive the public press releases by e-mail.

37 (6) For the purposes of this section, "the public" means any

1 person, group, or organization that signs up with the office of  
2 financial management to receive the public press releases by e-mail.

3 **Sec. 3.** RCW 43.135.035 and 2009 c 479 s 36 are each amended to  
4 read as follows:

5 (1) After July 1, (~~(1995)~~) 2011, any action or combination of  
6 actions by the legislature that raises taxes may be taken only if  
7 approved by a two-thirds vote of each house of the legislature, and  
8 then only if state expenditures in any fiscal year, including the new  
9 revenue, will not exceed the state expenditure limits established under  
10 this chapter. Pursuant to the referendum power set forth in Article  
11 II, section 1(b) of the state Constitution, tax increases may be  
12 referred to the voters for their approval or rejection at an election.

13 (2)(a) If the legislative action under subsection (1) of this  
14 section will result in expenditures in excess of the state expenditure  
15 limit, then the action of the legislature shall not take effect until  
16 approved by a vote of the people at a November general election. The  
17 state expenditure limit committee shall adjust the state expenditure  
18 limit by the amount of additional revenue approved by the voters under  
19 this section. This adjustment shall not exceed the amount of revenue  
20 generated by the legislative action during the first full fiscal year  
21 in which it is in effect. The state expenditure limit shall be  
22 adjusted downward upon expiration or repeal of the legislative action.

23 (b) The ballot title for any vote of the people required under this  
24 section shall be substantially as follows:

25 "Shall taxes be imposed on . . . . . in order to allow a  
26 spending increase above last year's authorized spending adjusted for  
27 personal income growth?"

28 (3)(a) The state expenditure limit may be exceeded upon declaration  
29 of an emergency for a period not to exceed twenty-four months by a law  
30 approved by a two-thirds vote of each house of the legislature and  
31 signed by the governor. The law shall set forth the nature of the  
32 emergency, which is limited to natural disasters that require immediate  
33 government action to alleviate human suffering and provide humanitarian  
34 assistance. The state expenditure limit may be exceeded for no more  
35 than twenty-four months following the declaration of the emergency and  
36 only for the purposes contained in the emergency declaration.

1 (b) Additional taxes required for an emergency under this section  
2 may be imposed only until thirty days following the next general  
3 election, unless an extension is approved at that general election.  
4 The additional taxes shall expire upon expiration of the declaration of  
5 emergency. The legislature shall not impose additional taxes for  
6 emergency purposes under this subsection unless funds in the education  
7 construction fund have been exhausted.

8 (c) The state or any political subdivision of the state shall not  
9 impose any tax on intangible property listed in RCW 84.36.070 as that  
10 statute exists on January 1, 1993.

11 (4) If the cost of any state program or function is shifted from  
12 the state general fund to another source of funding, or if moneys are  
13 transferred from the state general fund to another fund or account, the  
14 state expenditure limit committee, acting pursuant to RCW  
15 43.135.025(5), shall lower the state expenditure limit to reflect the  
16 shift. For the purposes of this section, a transfer of money from the  
17 state general fund to another fund or account includes any state  
18 legislative action taken that has the effect of reducing revenues from  
19 a particular source, where such revenues would otherwise be deposited  
20 into the state general fund, while increasing the revenues from that  
21 particular source to another state or local government account. This  
22 subsection does not apply to: (a) The dedication or use of lottery  
23 revenues under RCW 67.70.240(3), in support of education or education  
24 expenditures; or (b) a transfer of moneys to, or an expenditure from,  
25 the budget stabilization account.

26 (5) If the cost of any state program or function and the ongoing  
27 revenue necessary to fund the program or function are shifted to the  
28 state general fund on or after January 1, 2007, the state expenditure  
29 limit committee, acting pursuant to RCW 43.135.025(5), shall increase  
30 the state expenditure limit to reflect the shift unless the shifted  
31 revenue had previously been shifted from the general fund.

32 (6) For the purposes of chapter 1, Laws of 2008, "raises taxes"  
33 means any action or combination of actions by the legislature that  
34 increases state tax revenue deposited in any fund, budget, or account,  
35 regardless of whether the revenues are deposited into the general fund.

36 **Sec. 4.** RCW 43.135.041 and 2008 c 1 s 6 are each amended to read  
37 as follows:

1           (1)(a) After July 1, 2011, if legislative action raising taxes as  
2 defined by RCW 43.135.035 is blocked from a public vote or is not  
3 referred to the people by a referendum petition found to be sufficient  
4 under RCW 29A.72.250, a measure for an advisory vote of the people is  
5 required and shall be placed on the next general election ballot under  
6 chapter 1, Laws of 2008.

7           (~~(a)~~) (b) If legislative action raising taxes enacted after July  
8 1, 2011, involves more than one revenue source, each tax being  
9 increased shall be subject to a separate measure for an advisory vote  
10 of the people under the requirements of chapter 1, Laws of 2008.

11           (2) No later than the first of August, the attorney general will  
12 send written notice to the secretary of state of any tax increase that  
13 is subject to an advisory vote of the people, under the provisions and  
14 exceptions provided by chapter 1, Laws of 2008. Within five days of  
15 receiving such written notice from the attorney general, the secretary  
16 of state will assign a serial number for a measure for an advisory vote  
17 of the people and transmit one copy of the measure bearing its serial  
18 number to the attorney general as required by RCW 29A.72.040, for any  
19 tax increase identified by the attorney general as needing an advisory  
20 vote of the people for that year's general election ballot. Saturdays,  
21 Sundays, and legal holidays are not counted in calculating the time  
22 limits in this subsection.

23           (3) For the purposes of this section, "blocked from a public vote"  
24 includes adding an emergency clause to a bill increasing taxes, bonding  
25 or contractually obligating taxes, or otherwise preventing a referendum  
26 on a bill increasing taxes.

27           (4) If legislative action raising taxes is referred to the people  
28 by the legislature or is included in an initiative to the people found  
29 to be sufficient under RCW 29A.72.250, then the tax increase is exempt  
30 from an advisory vote of the people under chapter 1, Laws of 2008.

31           NEW SECTION.   **Sec. 5.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of the  
33 state government and its existing public institutions, and takes effect  
34 immediately."

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By Senators Hargrove, Hatfield, Brown

**ADOPTED 02/10/2010**

1           On page 1, line 1 of the title, after "ACT" strike the remainder of  
2 the title and insert "Relating to amending provisions related to  
3 Initiative No. 960; amending RCW 43.135.031, 43.135.035, and  
4 43.135.041; adding a new section to chapter 43.135 RCW; and declaring  
5 an emergency."

EFFECT: Strikes the underlying text. After July 1, 2011, notices and cost projections are required for bills which raise taxes or increase fees. After July 1, 2011, two-thirds majority is required to raise taxes. After July 1, 2011, a tax advisory vote is required for any tax increase not referred to voters or otherwise blocked from public vote. Provides an emergency clause, taking effect immediately.

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