

SENATE BILL REPORT

ESJR 8222

As Passed Senate, February 13, 2012

Brief Description: Requiring four-year balanced budgets.

Sponsors: Senators Kastama, Tom, Rolfes, Hobbs, Hatfield, Regala, Hill, Haugen and Litzow.

Brief History:

Committee Activity: Ways & Means: 2/06/12, 2/07/12 [DP, DNP].

Passed Senate: 2/13/12, 36-12.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Hatfield, Hewitt, Holmquist Newbry, Honeyford, Kastama, Padden, Schoesler and Tom.

Minority Report: Do not pass.

Signed by Senator Conway.

Staff: Steve Jones (786-7440)

Background: The expenses of the agencies, institutions, and programs of state government are appropriated by the Legislature in a biennial appropriations act. The state Budget and Accounting Act requires the Governor to submit to the Legislature a biennial budget proposal that is balanced within the state's existing revenues. However, neither state law nor the state Constitution require the Legislature to enact a balanced state budget act.

Summary of Engrossed Bill: Beginning with Fiscal Year 2014, the Legislature may not enact, nor may the Governor sign into law, a budget bill that makes appropriations from the state General Fund for that fiscal year in an amount that exceeds state General Fund Revenues, as forecast by the Economic and Revenue Forecast Council.

In addition, the Legislature may not enact, nor may the Governor sign into law, a budget bill that would require appropriations from the state General Fund to maintain current program and service levels and statutory mandates in any of the three subsequent fiscal years in an amount that exceeds state General Fund Revenues for that fiscal year, as forecast by the Economic and Revenue Forecast Council. This requirement does not apply in any year in

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which money is withdrawn from the Budget Stabilization Account, also known as the Rainy Day Fund.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The Joint Resolution takes effect if approved by the voters at the November 2012 general election.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.