
HOUSE BILL 2562

State of Washington

62nd Legislature

2012 Regular Session

By Representatives Alexander, Bailey, Angel, Kristiansen, Warnick, Haler, Rivers, Taylor, Dahlquist, Fagan, Klippert, McCune, and Parker

Read first time 01/17/12. Referred to Committee on Ways & Means.

1 AN ACT Relating to requiring a minimum amount of operating budget
2 reserves; adding a new section to chapter 43.88 RCW; and creating a new
3 section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds a healthy budget
6 reserve helps provide stability to the state budget process by reducing
7 the likelihood of tax increases or severe budget cuts during economic
8 downturns and helps guard against excessive spending during good
9 economic times. The legislature further finds economists conclude a
10 healthy state government budget reserve includes at least five percent
11 of budgeted expenditures.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.88 RCW
13 to read as follows:

14 (1) The governor may not propose, and the legislature may not
15 enact, any near general fund operating budget that does not set aside
16 at least five percent of near general fund budgeted expenditures as a
17 reserve amount.

1 (2) For the purposes of this section, the following definitions
2 apply:

3 (a) "Near general fund" means the state general fund, pension
4 funding stabilization account, the education legacy trust account
5 created in RCW 83.100.230, and the Washington opportunity pathways
6 account created in RCW 28B.76.526;

7 (b) "Operating budget" means the omnibus operating appropriations
8 act, or any combination of acts that make appropriations for operating
9 budget purposes; and

10 (c) "Reserve amount" means the unrestricted ending fund balance and
11 the budget stabilization account created in RCW 43.79.490.

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