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HOUSE JOINT RESOLUTION 4227

State of Washington 62nd Legislature 2012 Regular Session

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

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

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article VII of the Constitution of the state of Washington by adding a new section to read as follows:

Article VII, section (1) The legislature shall not appropriate and the state shall not expend from the general fund during any fiscal year state moneys in excess of the state expenditure limit established under this section.

- (2) The state expenditure limit for any fiscal year shall be the previous fiscal year's state expenditure limit adjusted by a percentage rate that equals the fiscal growth factor.
- (3) For the purposes of computing the state expenditure limit for the fiscal year beginning July 1, 2013, the phrase "the previous fiscal year's state expenditure limit" means the total state expenditures from the state general fund, not including federal funds, for the fiscal year beginning July 1, 2012, plus the fiscal growth factor.

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(4) Each November, the expenditure limit committee or its successor agency shall adjust the expenditure limit for the preceding fiscal year based on actual expenditures and known changes in the fiscal growth factor. Expenditure limits for the next two fiscal years must also be projected.

- (5) If the cost of any state program or function is shifted from the state general fund to another source of funding, or if the moneys are transferred from the state general fund to another fund or account, the expenditure limit committee or its successor agency shall lower the state expenditure limit to reflect the shift. If the cost of any state program or function and the ongoing revenue necessary to fund the program or function are shifted to the state general fund, the expenditure limit committee or its successor agency shall increase the state expenditure limit to reflect the shift unless the shifted revenue had previously been shifted from the general fund.
- (6) The state expenditure limit may be exceeded upon declaration of an emergency for a period not to exceed twenty-four months by a law approved with the favorable vote of two-thirds of the members of each house of the legislature and signed by the governor. The law shall set forth the nature of the emergency, which is limited to natural disasters that necessitate government action to protect life or public safety.
- 23 (7) For the purposes of this section, the following definitions 24 apply:
 - (a) "Fiscal growth factor" means the average of the sum of inflation and population change for each of the prior three fiscal years.
 - (b) "General fund" includes the state general fund, not including federal funds, and any related accounts the legislature includes as part of the general fund.
- 31 (c) "Inflation" means the percentage change in the implicit price 32 deflator for the United States for each fiscal year as published by the 33 federal bureau of economic analysis.
 - (d) "Population change" means the percentage change in state population for each fiscal year as reported by the office of financial management.
- 37 (8) The legislature may enact appropriate laws to carry out the 38 purposes of this section.

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BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of the foregoing constitutional amendment to be published at least four times during the four weeks next preceding the election in 3 every legal newspaper in the state. 4

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