
SENATE BILL 5872

State of Washington

62nd Legislature

2011 Regular Session

By Senators Harper, Kohl-Welles, Nelson, Roach, Hargrove, Litzow, Regala, Kastama, Eide, White, Kline, Chase, Prentice, Conway, and McAuliffe

Read first time 03/11/11. Referred to Committee on Ways & Means.

1 AN ACT Relating to evaluating the impacts of budget decisions;
2 amending RCW 43.88A.020; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that the continuing
5 economic crisis is not unique to Washington and has had devastating
6 impacts to the unemployed, homeowners, and critical state services and
7 a continued degeneration of our public schools, roads, and bridges.

8 The legislature fully acknowledges its constitutional requirement
9 to pass and maintain a balanced budget from year to year. Balancing
10 the budget exclusively through cuts to essential state programs,
11 however, can result in unexpected long-term costs in other areas of the
12 budget.

13 Therefore, in order to truly understand the ramifications of budget
14 decisions, the legislature intends to create a mechanism to more
15 accurately portray the true cost of cuts or enhancements to the state
16 budget, both in the short and long term.

17 **Sec. 2.** RCW 43.88A.020 and 2008 c 1 s 3 are each amended to read
18 as follows:

1 The office of financial management shall, in cooperation with
2 appropriate legislative committees and legislative staff, establish a
3 procedure for the provision of fiscal notes on the expected impact of
4 bills and resolutions which increase or decrease or tend to increase or
5 decrease state government revenues or expenditures. Fiscal notes must
6 also include an estimate of the impact of expenditure reductions or
7 increases on other state or local program expenditures. Such fiscal
8 notes shall indicate by fiscal year the impact for the remainder of the
9 biennium in which the bill or resolution will first take effect as well
10 as a cumulative forecast of the fiscal impact for the succeeding four
11 fiscal years. Fiscal notes shall separately identify the fiscal
12 impacts on the operating and capital budgets. Estimates of fiscal
13 impacts shall be calculated using the procedures contained in the
14 fiscal note instructions issued by the office of financial management.

15 In establishing the fiscal impact called for pursuant to this
16 chapter, the office of financial management shall coordinate the
17 development of fiscal notes with all state agencies affected.

18 The preparation and dissemination of the ongoing cost projections
19 and other requirements of RCW 43.135.031 for bills increasing taxes or
20 fees shall take precedence over fiscal notes.

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