

FINAL BILL REPORT

ESHB 2988

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Synopsis as Enacted

Brief Description: Making expenditures from the budget stabilization account.

Sponsors: House Committee on Appropriations (originally sponsored by Representative Dunshee).

House Committee on Appropriations

Background:

Budget Stabilization Account.

In 2007 the voters ratified a constitutional amendment that created the Budget Stabilization Account (BSA) as Article VII, section 12 of the state Constitution. Each year, the State Treasurer must deposit 1 percent of general state revenues (GSR) into the constitutionally created BSA. The term GSR is defined in the Constitution and is largely equivalent to the statutory State General Fund (GFS).

In general, appropriations from the BSA require a three-fifths majority in each chamber of the Legislature, but in the case of a catastrophic event or low employment growth, the Legislature may appropriate from the BSA with a constitutional majority vote of each chamber.

Four-Year Balanced Budget

The four-year balanced budget requirement, sometimes referred to as the Outlook, contains two balance requirements. First, the operating budget must be balanced in the general fund and related funds in the current biennium. Second, the estimated maintenance level costs of that budget in the ensuing biennium may not exceed the fiscal resources estimated for the ensuing biennium. However, the requirement to balance in the ensuing biennium does not apply in a biennium in which appropriations are made from the BSA.

Fire Suppression and Mobilization.

The Department of Natural Resources (DNR) is the primary fire suppression agency for the State of Washington. The DNR has responsibility for protecting state and private forested land, lands that threaten forested lands during a wildfire, and nonforested lands under a protection agreement. The DNR fights wildfires in coordination with a number of state,

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federal, and local agencies, but in general the DNR is responsible for the costs of fire suppression on lands under DNR protection.

The Washington Department of Fish and Wildlife (WDFW) has a protection agreement with the DNR for nonforested WDFW lands. The WDFW pays the DNR for the DNR's fire suppression costs on lands protected under this agreement, and also pays local fire districts for fire suppression on WDFW lands.

The Legislature traditionally appropriates a base amount to cover fire suppression costs in the operating budgets of the DNR and the WDFW. When either agency's estimated final costs for fire suppression exceed the base amount for the fiscal year, the agency requests additional funding in a supplemental budget.

The Chief of the Washington State Patrol (WSP) has the authority to mobilize jurisdictions under the Washington State Fire Services Mobilization Plan. The purpose of the mobilization plan is to provide a mechanism to quickly notify, assemble, and deploy fire service personnel and equipment to any local fire jurisdiction in Washington that has expended or will expend all available local and mutual aid resources in attempting to manage fires, disasters, or other events that jeopardize a jurisdiction's ability to provide for the protection of life and property. The State Fire Marshal within the WSP serves as the state fire resources coordinator when a state mobilization plan is mobilized.

Summary:

Legislative findings are made that 2015 wildfires constituted a catastrophic event that resulted in a state of emergency.

A total of \$189.5 million is appropriated from the Budget Stabilization Account (BSA) for fiscal year 2016 for fire suppression and mobilization.

The sum of \$154.966 million is appropriated from the BSA to the Department of Natural Resources and \$155,000 is appropriated from the BSA to the Washington Department of Fish and Wildlife for those agencies' fire suppression costs in the 2015 fire season. The agencies may not retain any portion of the appropriations for their indirect or administrative costs.

The sum of \$34.365 million is appropriated from the BSA to the Washington State Patrol for fire service mobilization costs.

Appropriations in the act do not suspend the requirement to balance in the ensuing biennium under the four-year balanced budget laws.

Votes on Final Passage:

First Special Session

House	88	7
Senate	39	4

Effective: April 18, 2016