
Appropriations Committee

HJR 4203

Brief Description: Amending the Constitution to permit appropriations from the budget stabilization account in certain cases where there has been a breach of information technology systems.

Sponsors: Representatives Hudgins, Scott, Stanford, Magendanz, Ormsby, Smith, S. Hunt, Tarleton and Ryu.

Brief Summary of Bill

- Proposed state constitutional amendment authorizes appropriations from the Budget Stabilization Account by a simple (constitutional) majority vote for a significant breach of state information technology systems.

Hearing Date: 2/19/15

Staff: Charlie Gavigan (786-7340).

Background:

Under the state Constitution, 1 percent of general state revenues is deposited into the Budget Stabilization Account (BSA) each fiscal year, as is extraordinary revenue growth. The Legislature may appropriate from the BSA by a constitutional (simple) majority of each chamber of the Legislature if: (1) forecasted state employment growth for a fiscal year is less than 1 percent; (2) the Governor declares an emergency resulting from a catastrophic event; or (3) the balance in the account exceeds 10 percent of general state revenues for the fiscal year, but only for the portion that exceeds 10 percent of general state revenues and only for construction of education related facilities. Other BSA appropriations require a three-fifths affirmative vote by each chamber of the Legislature.

General state revenues (GSR) include all state money received in the State Treasury for general purposes. General state revenues does not include enterprise funds (fees and revenues derived

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from the operation of any undertaking, facility, or project); money dedicated to a specific purpose; or proceeds from the sale of bonds or other indebtedness.

Based on the November 2015 Economic and Revenue Forecast Council revenue forecast, GSR for fiscal year 2016 is estimated to be \$17.8 billion.

Summary of Bill:

If the Governor declares by proclamation that a breach of one or more of the state's information technology systems requires significant state expenditures, the Legislature may appropriate moneys for that fiscal year from the Budget Stabilization Account by a constitutional (simple) majority of each chamber of the Legislature. "Significant state expenditures" resulting from repairing and protecting state information technology infrastructure or resulting from state liability due to the breach means expenditures as estimated by the Office of Financial Management that exceed 0.5 percent of general state revenues for that fiscal year.

Appropriation: None.

Fiscal Note: Available.