

SENATE BILL REPORT

SB 5667

As of February 25, 2015

Title: An act relating to the fiscal impacts of bills and budgets.

Brief Description: Addressing the fiscal impacts of bills and budgets.

Sponsors: Senators Hargrove, Miloscia, Hasegawa, Litzow, Rolfes, Billig, Keiser, Nelson, Frockt, Warnick and Kohl-Welles.

Brief History:

Committee Activity: Ways & Means: 2/23/15.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Steve Jones (786-7440)

Background: A fiscal note is a statement of estimated fiscal impacts of proposed legislation. A fiscal note estimates the state and local government revenue and expenditure impact of the proposed legislation for the current fiscal biennium and for the following two biennia. Fiscal notes are prepared by state agencies, and the process is supervised by the Office of Financial Management (OFM). Estimates of fiscal impacts are calculated under instructions issued by OFM.

Summary of Bill: Beginning in 2017, fiscal notes dealing with corrections, child welfare, and mental health issues must include an estimate of impacts on expenditures of other state and local government programs, and a return on investment as a result of the legislation.

OFM and the Washington State Institute for Public Policy must convene a workgroup to explore the establishment of a nonpartisan agency to conduct impartial fiscal analysis on behalf of the Legislature. The workgroup must include members of the Senate and House of Representatives, as well as representatives of the Legislative Evaluation and Accountability Program Committee, the State Treasurer, the Caseload Forecast Council, and the Economic and Revenue Forecast Council. The workgroup must report its findings and recommendations to the Legislature by December 1, 2016.

Appropriation: None.

Fiscal Note: Available.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Committee/Commission/Task Force Created: Yes.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: A neutral, independent body is needed to perform fiscal analysis. Good fiscal notes will reveal cost shifts and cost avoidances, while increasing transparency. Fiscal notes need to look at the broader picture by examining the impacts on other programs. Better fiscal analysis will result in fewer fiscal notes that have indeterminate findings. Local government will be helped by more complete fiscal analysis.

Persons Testifying: PRO: Brian Enslow, WA Assn. of Counties; Seth Dawson, WA Assn. for Children and Families; Kim Justice, WA State Budget and Policy Center; Laurie Lippold, Partners for Our Children.