

SENATE BILL REPORT

SB 6504

As of January 28, 2016

Title: An act relating to fiscal matters.

Brief Description: Making appropriations from the budget stabilization account.

Sponsors: Senators Hargrove, Ranker and Hasegawa; by request of Office of Financial Management.

Brief History:

Committee Activity: Ways & Means:

SENATE COMMITTEE ON WAYS & MEANS

Staff: Steve Jones (786-7440)

Background: The Budget Stabilization Account, commonly known as the Rainy Day Fund, is an account established in the state Constitution. Each fiscal year, 1 percent of general state revenues is deposited into the account. In addition, each fiscal biennium in which the state receives extraordinary revenue growth, three-fourths of that extraordinary revenue is deposited into the account. "Extraordinary revenue growth" is defined as the amount by which state biennial revenue growth exceeds by one-third the average biennial growth over the prior five fiscal biennia.

Moneys in the Budget Stabilization Account may be appropriated by the Legislature under one of the following three circumstances:

1. by a majority vote of each house of the Legislature if the Governor declares an emergency resulting from a catastrophic event requiring governmental action to protect life or public safety;
2. by a majority vote of each house of the Legislature, if annual state employment growth is forecasted to be less than 1 percent; or
3. by a three-fifths vote of each house of the Legislature, for any other purpose.

If moneys are appropriated as a result of a declaration of emergency under (1) above, the appropriation must be via separate legislation, and the expenditures are limited to the purposes of the emergency.

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.

On June 26, 2015, the Governor declared a state of emergency resulting from drought conditions and multiple wildfires. Resources from various state agencies were mobilized to respond to the wildfires.

Summary of Bill: Moneys are appropriated from the Budget Stabilization Account for fiscal year 2016 to pay for the fire suppression costs of the following state agencies:

- Department of Natural Resources, \$150,169,000;
- Department of Fish and Wildlife, \$432,000; and
- Washington State Patrol, \$27,645,000

Appropriation: \$178.2 million from the Budget Stabilization Account.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.