

HB 2008 - H AMD 313

By Representative MacEwen

WITHDRAWN 03/08/2017

1 On page 1, after line 5, insert the following:

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3 "NEW SECTION. **Sec. 1.** INTENT. Under Article IX, section 1 of
4 the state Constitution, it is the paramount duty of the state to
5 make ample provision for the education of all of Washington's
6 children. According to the state supreme court, this constitutional
7 provision requires that the state must amply provide for the
8 education of all Washington children as the state's first and
9 highest priority before any other state programs or operations. For
10 these reasons, it is the intent of the legislature to require that
11 all appropriations for K-12 basic education, together with
12 appropriations for other K-12 education programs, be passed as
13 separate legislation by both houses of the legislature and delivered
14 to the governor at a specified point in the regular legislative
15 session and before other appropriations legislation. Further,
16 because education is the state's first obligation, the legislature
17 should make provision for full funding of these K-12 appropriations
18 from within existing revenue sources without relying on new tax
19 sources or rates to support the state's paramount duty.

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21 **Sec. 2.** RCW 28A.150.380 and 2012 1st sp.s. c 10 s 3 are each
22 amended to read as follows:

23 APPROPRIATIONS FOR K-12 EDUCATION AND OTHER K-12 PURPOSES. (1)
24 The state legislature shall, at each regular session in an odd-
25 numbered year, appropriate for the current use of the common schools
26 such amounts as needed for state support to school districts during

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1 the ensuing biennium for the program of basic education under RCW
2 28A.150.200.

3 (2) In addition to those state funds provided to school
4 districts for basic education, the legislature may appropriate funds
5 to be distributed to school districts for other factors and for
6 other special programs to enhance or enrich the program of basic
7 education.

8 (3) Appropriations for purposes of this section and other K-12
9 education purposes must be:

10 (a) Proposed and enacted in legislation that is separate from
11 the omnibus operating appropriations act;

12 (b) Passed by both houses of the legislature and delivered to
13 the governor no later than March 31st for biennial appropriations
14 and February 15th for supplemental appropriations; and

15 (c) Based on revenue sources and rates existing in law at the
16 time of the enactment of the appropriations and may not rely on
17 changes to revenue laws to support the appropriations.

18 (4) Before either house of the legislature may take a final vote
19 on omnibus operating appropriation legislation, appropriations for
20 RCW 28A.150.380 and other K-12 purposes must be passed by both
21 houses of the legislature and delivered to the governor.

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24 NEW SECTION. Sec. 3. A new section is added to chapter 43.88
25 RCW to read as follows:

26 LEGISLATURE MUST ENACT K-12 APPROPRIATIONS BY SPECIFIED DATES.

27 (1) During regular legislative sessions, appropriations for the
28 purposes of RCW 28A.150.380 and other K-12 education purposes must
29 be:

30 (a) Proposed and enacted in legislation that is separate from
31 the omnibus operating appropriations act;

32 (b) Passed by both houses of the legislature and delivered to
33 the governor no later than March 31st for biennial appropriations
34 and February 15th for supplemental appropriations; and

1 (c) Based on revenue sources and rates existing in law at the
2 time of the enactment of the appropriations and may not rely on
3 changes to revenue laws to support the appropriations.

4 (2) Before either house of the legislature may take a final vote
5 on omnibus operating appropriation legislation, appropriations for
6 RCW 28A.150.380 and other K-12 purposes must be passed by both
7 houses of the legislature and delivered to the governor.

8 (3) The house of representatives and senate, jointly or
9 separately, may adopt rules or resolutions to implement their
10 respective responsibilities under this section.

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12 **Sec. 4.** RCW 43.88.030 and 2006 c 334 s 43 are each amended to
13 read as follows:

14 ADDITIONAL REQUIREMENTS FOR GOVERNOR'S K-12 BUDGET SUBMITTAL.

15 (1) The director of financial management shall provide all agencies
16 with a complete set of instructions for submitting biennial budget
17 requests to the director at least three months before agency budget
18 documents are due into the office of financial management. The
19 budget document or documents shall consist of the governor's budget
20 message which shall be explanatory of the budget and shall contain
21 an outline of the proposed financial policies of the state for the
22 ensuing fiscal period, as well as an outline of the proposed six-
23 year financial policies where applicable, and shall describe in
24 connection therewith the important features of the budget. The
25 governor's budget must propose a separate budget document or
26 documents for K-12 basic education under RCW 28A.150.380 and other
27 K-12 purposes. The biennial budget document or documents shall also
28 describe performance indicators that demonstrate measurable progress
29 towards priority results. The message shall set forth the reasons
30 for salient changes from the previous fiscal period in expenditure
31 and revenue items and shall explain any major changes in financial
32 policy. Attached to the budget message shall be such supporting
33 schedules, exhibits and other explanatory material in respect to
34 both current operations and capital improvements as the governor

1 shall deem to be useful to the legislature. The budget document or
2 documents shall set forth a proposal for expenditures in the ensuing
3 fiscal period, or six-year period where applicable, based upon the
4 estimated revenues and caseloads as approved by the economic and
5 revenue forecast council and caseload forecast council or upon the
6 estimated revenues and caseloads of the office of financial
7 management for those funds, accounts, sources, and programs for
8 which the forecast councils do not prepare an official forecast.
9 Revenues shall be estimated for such fiscal period from the source
10 and at the rates existing by law at the time of submission of the
11 budget document, including the supplemental budgets submitted in the
12 even-numbered years of a biennium. However, the estimated revenues
13 and caseloads for use in the governor's budget document may be
14 adjusted to reflect budgetary revenue transfers and revenue and
15 caseload estimates dependent upon budgetary assumptions of
16 enrollments, workloads, and caseloads. All adjustments to the
17 approved estimated revenues and caseloads must be set forth in the
18 budget document. The governor may additionally submit, as an
19 appendix to each supplemental, biennial, or six-year agency budget
20 or to the budget document or documents, a proposal for expenditures
21 in the ensuing fiscal period from revenue sources derived from
22 proposed changes in existing statutes; however, this proposal may
23 not rely on revenue sources derived from proposed changes in
24 existing statutes to fund expenditures for K-12 basic education
25 under RCW 28A.150.380 and other K-12 purposes.

26 The budget document or documents shall also contain:

27 (a) Revenues classified by fund and source for the immediately
28 past fiscal period, those received or anticipated for the current
29 fiscal period, and those anticipated for the ensuing biennium;

30 (b) The undesignated fund balance or deficit, by fund;

31 (c) Such additional information dealing with expenditures,
32 revenues, workload, performance, and personnel as the legislature
33 may direct by law or concurrent resolution;

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1 (d) Such additional information dealing with revenues and
2 expenditures as the governor shall deem pertinent and useful to the
3 legislature;

4 (e) Tabulations showing expenditures classified by fund,
5 function, and agency;

6 (f) The expenditures that include nonbudgeted, nonappropriated
7 accounts outside the state treasury;

8 (g) Identification of all proposed direct expenditures to
9 implement the Puget Sound water quality plan under chapter 90.71
10 RCW, shown by agency and in total; and

11 (h) Tabulations showing each postretirement adjustment by
12 retirement system established after fiscal year 1991, to include,
13 but not be limited to, estimated total payments made to the end of
14 the previous biennial period, estimated payments for the present
15 biennium, and estimated payments for the ensuing biennium.

16 (2) The budget document or documents shall include detailed
17 estimates of all anticipated revenues applicable to proposed
18 operating or capital expenditures and shall also include all
19 proposed operating or capital expenditures. The total of beginning
20 undesignated fund balance and estimated revenues less working
21 capital and other reserves shall equal or exceed the total of
22 proposed applicable expenditures. The budget document or documents
23 shall further include:

24 (a) Interest, amortization and redemption charges on the state
25 debt;

26 (b) Payments of all reliefs, judgments, and claims;

27 (c) Other statutory expenditures;

28 (d) Expenditures incident to the operation for each agency;

29 (e) Revenues derived from agency operations;

30 (f) Expenditures and revenues shall be given in comparative form
31 showing those incurred or received for the immediately past fiscal
32 period and those anticipated for the current biennium and next
33 ensuing biennium;

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1 (g) A showing and explanation of amounts of general fund and
2 other funds obligations for debt service and any transfers of moneys
3 that otherwise would have been available for appropriation;

4 (h) Common school expenditures on a fiscal-year basis;

5 (i) A showing, by agency, of the value and purpose of financing
6 contracts for the lease/purchase or acquisition of personal or real
7 property for the current and ensuing fiscal periods; and

8 (j) A showing and explanation of anticipated amounts of general
9 fund and other funds required to amortize the unfunded actuarial
10 accrued liability of the retirement system specified under chapter
11 41.45 RCW, and the contributions to meet such amortization, stated
12 in total dollars and as a level percentage of total compensation.

13 (3) The governor's operating budget document or documents shall
14 reflect the statewide priorities as required by RCW 43.88.090.

15 (4) The governor's operating budget document or documents shall
16 identify activities that are not addressing the statewide
17 priorities.

18 (5) A separate capital budget document or schedule shall be
19 submitted that will contain the following:

20 (a) A statement setting forth a long-range facilities plan for
21 the state that identifies and includes the highest priority needs
22 within affordable spending levels;

23 (b) A capital program consisting of proposed capital projects
24 for the next biennium and the two biennia succeeding the next
25 biennium consistent with the long-range facilities plan. Inasmuch as
26 is practical, and recognizing emergent needs, the capital program
27 shall reflect the priorities, projects, and spending levels proposed
28 in previously submitted capital budget documents in order to provide
29 a reliable long-range planning tool for the legislature and state
30 agencies;

31 (c) A capital plan consisting of proposed capital spending for
32 at least four biennia succeeding the next biennium;

33 (d) A strategic plan for reducing backlogs of maintenance and
34 repair projects. The plan shall include a prioritized list of

1 specific facility deficiencies and capital projects to address the
2 deficiencies for each agency, cost estimates for each project, a
3 schedule for completing projects over a reasonable period of time,
4 and identification of normal maintenance activities to reduce future
5 backlogs;

6 (e) A statement of the reason or purpose for a project;

7 (f) Verification that a project is consistent with the
8 provisions set forth in chapter 36.70A RCW;

9 (g) A statement about the proposed site, size, and estimated
10 life of the project, if applicable;

11 (h) Estimated total project cost;

12 (i) For major projects valued over five million dollars,
13 estimated costs for the following project components: Acquisition,
14 consultant services, construction, equipment, project management,
15 and other costs included as part of the project. Project component
16 costs shall be displayed in a standard format defined by the office
17 of financial management to allow comparisons between projects;

18 (j) Estimated total project cost for each phase of the project
19 as defined by the office of financial management;

20 (k) Estimated ensuing biennium costs;

21 (l) Estimated costs beyond the ensuing biennium;

22 (m) Estimated construction start and completion dates;

23 (n) Source and type of funds proposed;

24 (o) Estimated ongoing operating budget costs or savings
25 resulting from the project, including staffing and maintenance
26 costs;

27 (p) For any capital appropriation requested for a state agency
28 for the acquisition of land or the capital improvement of land in
29 which the primary purpose of the acquisition or improvement is
30 recreation or wildlife habitat conservation, the capital budget
31 document, or an omnibus list of recreation and habitat acquisitions
32 provided with the governor's budget document, shall identify the
33 projected costs of operation and maintenance for at least the two
34 biennia succeeding the next biennium. Omnibus lists of habitat and

1 recreation land acquisitions shall include individual project cost
2 estimates for operation and maintenance as well as a total for all
3 state projects included in the list. The document shall identify the
4 source of funds from which the operation and maintenance costs are
5 proposed to be funded;

6 (q) Such other information bearing upon capital projects as the
7 governor deems to be useful;

8 (r) Standard terms, including a standard and uniform definition
9 of normal maintenance, for all capital projects;

10 (s) Such other information as the legislature may direct by law
11 or concurrent resolution.

12 For purposes of this subsection (5), the term "capital project"
13 shall be defined subsequent to the analysis, findings, and
14 recommendations of a joint committee comprised of representatives
15 from the house capital appropriations committee, senate ways and
16 means committee, legislative evaluation and accountability program
17 committee, and office of financial management.

18 (6) No change affecting the comparability of agency or program
19 information relating to expenditures, revenues, workload,
20 performance and personnel shall be made in the format of any budget
21 document or report presented to the legislature under this section
22 or RCW 43.88.160(1) relative to the format of the budget document or
23 report which was presented to the previous regular session of the
24 legislature during an odd-numbered year without prior legislative
25 concurrence. Prior legislative concurrence shall consist of (a) a
26 favorable majority vote on the proposal by the standing committees
27 on ways and means of both houses if the legislature is in session or
28 (b) a favorable majority vote on the proposal by members of the
29 legislative evaluation and accountability program committee if the
30 legislature is not in session."

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32 Renumber remaining sections consecutively and correct internal
33 references accordingly.

34 Correct the title.

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EFFECT: Declares legislative intent that appropriations for K-12 basic education and other education be enacted separately from and prior to the omnibus budget bill, and that K-12 appropriations must be based on existing tax laws. Amends the Basic Education Act and Budget & Accounting Act to specify that appropriations for K-12 basic and other education must be:

- Proposed and enacted separately from the omnibus budget bill;
- Passed by both houses of the Legislature and delivered to the Governor no later than March 31 for biennial appropriations and February 15 for supplemental appropriations;
- Passed by both houses of the Legislature and delivered to the Governor before either house of the Legislature may take a final vote on the omnibus budget bill;
- Based on existing revenue sources and rates, without relying on changes to revenue laws to support the appropriations.

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