

# SENATE BILL REPORT

## SHB 1876

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As of February 16, 2022

**Title:** An act relating to public investment impact disclosures for certain ballot measures that repeal, levy, or modify any tax or fee and have a fiscal impact statement that shows that adoption of the measure would cause a net change in state revenue.

**Brief Description:** Concerning public investment impact disclosures for certain ballot measures that repeal, levy, or modify any tax or fee and have a fiscal impact statement that shows that adoption of the measure would cause a net change in state revenue.

**Sponsors:** House Committee on State Government & Tribal Relations (originally sponsored by Representatives Gregerson, Valdez, Fitzgibbon, Simmons, Chopp, Ramel and Pollet).

**Brief History:** Passed House: 2/12/22, 54-44.

**Committee Activity:** State Government & Elections: 2/18/22.

### Brief Summary of Bill

- Requires a public investment impact disclosure to appear on the ballot as part of the ballot title for certain ballot measures that describes the state investments that will be affected if the measure is adopted.
- Specifies that the public investment impact disclosure is not subject to appeal or to other legal requirements for ballot titles.

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## SENATE COMMITTEE ON STATE GOVERNMENT & ELECTIONS

**Staff:** Samuel Brown (786-7470)

**Background:** Ballot Titles and Short Summaries. Each initiative and referendum contains a short description known as the ballot title. The ballot title consists of three things— a statement of the subject of the measure, a concise description of the measure, and a question in a prescribed form for the voter. The statement of subject must be ten or fewer words and

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sufficiently broad, yet precise, to give notice of the measure's subject. The concise description must be 30 or fewer words, truly and impartially describe the measure, and clearly identify the proposition to be voted on.

The ballot title and summary of an initiative are prepared by the Attorney General, subject to appeal to Thurston County Superior Court. Decisions of the Thurston County Superior Court on ballot titles and summaries are final and not subject to appeal.

Fiscal Impact Statements. For initiatives and referenda that appear on the ballot, the Office of Financial Management (OFM) prepares a fiscal impact statement that describes, in 100 words or fewer, any projected increase or decrease in revenues, costs, expenditures, or indebtedness that the state or local governments would experience if the ballot measure were approved by voters. The fiscal impact statement may include estimates and descriptions where appropriate. Fiscal impact statements must be completed by July 25th, and they are posted on the Secretary of State's website and included in the voters' pamphlet.

**Summary of Bill:** Public Investment Impact Disclosure. A public investment impact disclosure must appear on the ballot as part of the ballot title for any ballot measure that:

- repeals, levies, or modifies a tax or fee; and
- has a fiscal impact statement that shows the measure would cause a net change in state revenue.

This disclosure must include a description of up to ten words of the investments that will be affected if the measure is adopted. If the fiscal impact is primarily to the general fund, the description must list the top three categories of state services funded by the general fund in the current state budget, and it may be up to 15 words in length.

Drafting the Disclosure. The disclosure must be drafted by the Attorney General, who may consult with OFM or other state and local agencies as needed, five days after fiscal impact statements are filed. The disclosure is not subject to appeal or to other legal requirements for ballot titles.

Fiscal Impact Statements. Fiscal impact statements on ballot measures prepared by OFM are due to the Secretary by July 25th, rather than August 10th.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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