

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1876

67th Legislature
2022 Regular Session

Passed by the House March 10, 2022
Yeas 55 Nays 43

**Speaker of the House of
Representatives**

Passed by the Senate March 10, 2022
Yeas 27 Nays 22

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1876** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1876

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 2022 Regular Session

State of Washington 67th Legislature 2022 Regular Session

By House State Government & Tribal Relations (originally sponsored by Representatives Gregerson, Valdez, Fitzgibbon, Simmons, Chopp, Ramel, and Pollet)

READ FIRST TIME 01/28/22.

1 AN ACT Relating to public investment impact disclosures for
2 certain ballot measures that repeal, levy, or modify any tax or fee
3 and have a fiscal impact statement that shows that adoption of the
4 measure would cause a net change in state revenue; amending RCW
5 29A.72.050, 29A.72.290, and 29A.72.025; adding new sections to
6 chapter 29A.72 RCW; and creating a new section.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** The legislature recognizes that the people
9 have reserved for themselves the power to enact or reject legislation
10 through the initiative and referendum process, as provided in Article
11 II, section 1 of the state Constitution. The legislature finds that
12 when exercising this right, the people are entitled to know the
13 fiscal impact that their vote will have on public investments at the
14 time they cast their ballots. The legislature further finds that when
15 a ballot measure will affect funding for public investments, a
16 neutral, nonprejudicial disclosure of the public investments affected
17 will provide greater transparency and necessary information for
18 voters.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 29A.72
20 RCW to read as follows:

1 (1) The attorney general must prepare a public investment impact
2 disclosure for any ballot measure that:

3 (a) Repeals, levies, or modifies any tax or fee, including
4 changing the scope or application of an existing tax or fee; and

5 (b) Has a fiscal impact statement, as provided by RCW 29A.72.025,
6 that shows that adoption of the measure would cause a net change in
7 state revenue.

8 (2) The public investment impact disclosure must include a
9 description of the investments that will be affected if the measure
10 is adopted. The description must be sufficiently broad to reflect the
11 subject of the investments that will be impacted by the change in
12 revenue that will result from adoption of the measure, but also
13 sufficiently precise to give notice of the subject matter of the
14 investments that will be impacted by the change in revenue that will
15 result from adoption of the measure. The description may not exceed
16 10 words, unless the fiscal impact is primarily to the state general
17 fund, in which case the description must list the top three
18 categories of state services funded by the general fund in the
19 current state budget and may not exceed 15 words. The attorney
20 general may consult with the office of financial management or any
21 other state or local agencies as necessary to procure accurate
22 information to draft the description.

23 (3) The format of the public investment impact disclosure, as it
24 appears on the ballot, is:

25 "This measure would (increase or decrease) funding for
26 (description of services)."

27 (4) In drafting the public investment impact disclosure, the
28 attorney general must use neutral language that cannot reasonably be
29 expected to create prejudice for or against the measure. The language
30 of the disclosure is not subject to appeal, except as provided in
31 this act.

32 (5) The attorney general must file the public investment impact
33 disclosure with the secretary of state no later than July 23rd.

34 (6) The secretary of state must certify the public investment
35 impact disclosure and timely transmit it to each county auditor for
36 its inclusion on the ballot.

37 (7) Public investment impact disclosures are not considered part
38 of the ballot title under this chapter and are not subject to any of
39 the legal requirements for ballot titles.

1 **Sec. 3.** RCW 29A.72.050 and 2003 c 111 s 1806 are each amended to
2 read as follows:

3 (1) The ballot title for an initiative to the people, an
4 initiative to the legislature, a referendum bill, or a referendum
5 measure consists of: (a) A statement of the subject of the measure;
6 (b) a concise description of the measure; and (c) a question in the
7 form prescribed in this section for the ballot measure in question.
8 The statement of the subject of a measure must be sufficiently broad
9 to reflect the subject of the measure, sufficiently precise to give
10 notice of the measure's subject matter, and not exceed ten words. The
11 concise description must contain no more than thirty words, be a true
12 and impartial description of the measure's essential contents,
13 clearly identify the proposition to be voted on, and not, to the
14 extent reasonably possible, create prejudice either for or against
15 the measure.

16 (2) If a public investment impact disclosure is required under
17 section 2 of this act, the disclosure must appear in the middle of
18 the ballot title, after the concise description and before the
19 question. The disclosure is not, however, considered part of the
20 ballot title and is not subject to any of the legal requirements for
21 ballot titles under this chapter.

22 (3) For an initiative to the people, or for an initiative to the
23 legislature for which the legislature has not proposed an
24 alternative, the ballot title and public investment impact
25 disclosure, if applicable, must be displayed on the ballot
26 substantially as follows:

27 "Initiative Measure No. . . . concerns (statement of
28 subject). This measure would (concise description). (Public
29 investment impact disclosure, if applicable). Should this
30 measure be enacted into law?

31 Yes
32 No

33 (~~(3)~~) (4) For an initiative to the legislature for which the
34 legislature has proposed an alternative, the ballot title and public
35 investment impact disclosure, if applicable, must be displayed on the
36 ballot substantially as follows:

1 "Initiative Measure Nos. . . . and . . .B concern (statement
2 of subject).

3 Initiative Measure No. . . . would (concise description).
4 (Public investment impact disclosure, if applicable).

5 As an alternative, the legislature has proposed Initiative
6 Measure No. . . .B, which would (concise description).
7 (Public investment impact disclosure, if applicable).

8 1. Should either of these measures be enacted into law?

9 Yes

10 No

11 2. Regardless of whether you voted yes or no above, if one of
12 these measures is enacted, which one should it be?

13 Measure No.

14 or

15 Measure No.

16 ((4)) (5) For a referendum bill submitted to the people by the
17 legislature, the ballot issue and public investment impact
18 disclosure, if applicable, must be displayed on the ballot
19 substantially as follows:

20 "The legislature has passed Bill No. . . . concerning
21 (statement of subject). This bill would (concise
22 description). (Public investment impact disclosure, if
23 applicable). Should this bill be:

24 Approved

25 Rejected

26 ((5)) (6) For a referendum measure by state voters on a bill
27 the legislature has passed, the ballot issue and public investment
28 impact disclosure, if applicable, must be displayed on the ballot
29 substantially as follows:

30 "The legislature passed Bill No. . . . concerning
31 (statement of subject) and voters have filed a sufficient
32 referendum petition on this bill. This bill would (concise
33 description). (Public investment impact disclosure, if
34 applicable). Should this bill be:

1 Approved

2 Rejected

3 ((+6)) (7) The legislature may specify the statement of subject
4 or concise description, or both, in a referendum bill that it refers
5 to the people. The legislature may specify the concise description
6 for an alternative it submits for an initiative to the legislature.
7 If the legislature fails to specify these matters, the attorney
8 general shall prepare the material that was not specified. The
9 statement of subject and concise description as so provided must be
10 included as part of the ballot title unless changed on appeal.

11 The attorney general shall specify the statement of subject and
12 concise description for an initiative to the people, an initiative to
13 the legislature, and a referendum measure. The statement of subject
14 and concise description as so provided must be included as part of
15 the ballot title unless changed on appeal.

16 **Sec. 4.** RCW 29A.72.290 and 2013 c 11 s 76 are each amended to
17 read as follows:

18 The county auditor of each county shall print on the official
19 ballots for the election at which initiative and referendum measures
20 and measures for an advisory vote of the people are to be submitted
21 to the people for their approval or rejection, the serial numbers
22 ~~((and)),~~ ballot titles, and public investment impact disclosures
23 certified by the secretary of state and the serial numbers and short
24 descriptions of measures for an advisory vote of the people. They
25 must appear under separate headings in the order of the serial
26 numbers as follows:

- 27 (1) Initiatives to the people;
- 28 (2) Referendum measures;
- 29 (3) Referendum bills;
- 30 (4) Initiatives to the legislature;
- 31 (5) Initiatives to the legislature and legislative alternatives;
- 32 (6) Advisory votes;
- 33 (7) Proposed constitutional amendments.

34 **Sec. 5.** RCW 29A.72.025 and 2009 c 415 s 7 are each amended to
35 read as follows:

36 The office of financial management, in consultation with the
37 secretary of state, the attorney general, and any other appropriate

1 state or local agency, shall prepare a fiscal impact statement for
2 each of the following state ballot measures: (1) An initiative to the
3 people that is certified to the ballot; (2) an initiative to the
4 legislature that will appear on the ballot; (3) an alternative
5 measure appearing on the ballot that the legislature proposes to an
6 initiative to the legislature; (4) a referendum bill referred to
7 voters by the legislature; and (5) a referendum measure appearing on
8 the ballot. The secretary of state shall notify the office of
9 financial management and the attorney general when the sponsor of a
10 ballot measure has made an appointment to submit petitions to the
11 secretary of state for filing. The office of financial management and
12 appropriate state agencies may begin work on a fiscal impact
13 statement prior to the submission of petitions. Fiscal impact
14 statements must be written in clear and concise language, avoid legal
15 and technical terms when possible, and be filed with the secretary of
16 state no later than (~~the tenth day of August~~) July 23rd if a public
17 investment impact disclosure is required under section 2 of this act,
18 and no later than July 31st for all other measures. Fiscal impact
19 statements may include easily understood graphics.

20 A fiscal impact statement must describe any projected increase or
21 decrease in revenues, costs, expenditures, or indebtedness that the
22 state or local governments will experience if the ballot measure were
23 approved by state voters. Where appropriate, a fiscal impact
24 statement may include both estimated dollar amounts and a description
25 placing the estimated dollar amounts into context. A fiscal impact
26 statement must include both a summary of not to exceed one hundred
27 words and a more detailed statement that includes the assumptions
28 that were made to develop the fiscal impacts.

29 Fiscal impact statements must be available online from the
30 secretary of state's website and included in the state voters'
31 pamphlet. Additional information may be posted on the website of the
32 office of financial management.

33 NEW SECTION. Sec. 6. A new section is added to chapter 29A.72
34 RCW to read as follows:

35 Any persons, including either or both houses of the legislature,
36 dissatisfied with the public investment impact disclosure for a state
37 initiative or referendum may, within three days from the filing of
38 the public investment impact disclosure in the office of the
39 secretary of state, appeal to the superior court of Thurston county

1 by petition setting forth the measure, the public investment impact
2 disclosure, and their objections to the public investment impact
3 disclosure and requesting amendment of the public investment impact
4 disclosure by the court. Saturdays, Sundays, and legal holidays are
5 not counted in calculating the time limits contained in this section.

6 A copy of the petition on appeal together with a notice that an
7 appeal has been taken shall be served upon the secretary of state,
8 upon the attorney general, and upon the person proposing the measure
9 if the appeal is initiated by someone other than that person. Upon
10 the filing of the petition on appeal or at the time to which the
11 hearing may be adjourned by consent of the appellant, the court shall
12 accord first priority to examining the proposed measure, the public
13 investment impact disclosure, and the objections to that public
14 investment impact disclosure, may hear arguments, and shall, within
15 five days, render its decision and file with the secretary of state a
16 certified copy of such public investment impact disclosure as it
17 determines will meet the requirements of section 2 of this act. The
18 decision of the superior court shall be final. Such appeal shall be
19 heard without costs to either party.

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