

Explanatory Statement

The Law as it Presently Exists

Washington statutes currently impose conditions on tax increases, but the legislature has temporarily suspended their effect. Under these statutes, any action or combination of actions by the legislature that raises taxes may be taken only if approved by a two-thirds vote of each house of the legislature, and then only if state expenditures in a given fiscal year, including new revenue, will not exceed state expenditure limits established in law. These statutes provide that actions resulting in expenditures in excess of the expenditure limit will require approval by the people at a November election, with some exceptions for expenditures made in response to declared emergencies. The 2010 session of the legislature amended these laws to suspend their effect until July 1, 2011.

Washington statutes currently provide that a state fee may not be imposed or increased in any fiscal year without prior legislative approval. This requirement does not apply to assessments made by agricultural commodity commissions or to the forest products commission.

The Effect of the Proposed Measure, if Approved

This measure would reverse the action of the 2010 legislature by replacing the current statute regarding tax increases and the state expenditure limit with a new section reading the same as the pre-2010 version of the law and restating that any action or combination of actions by the legislature that raises taxes may be taken only if approved by at least two-thirds legislative approval in both the house of representatives and the senate. Consequently, for the period beginning with the effective date of this measure, those requirements would not be suspended.

The measure would rephrase the language relating to increases in state fees, providing that a fee may only be imposed or increased in any fiscal year if approved with majority legislative approval in both the house of representatives and the senate.