Sections 28 and 29 of this act shall expire on July 1, 1983. The additional taxes imposed under this act shall take effect on the dates designated in this act notwithstanding the date this act becomes law under Article III, section 12 of the state Constitution.

Passed the Senate April 10, 1982.

Passed the House April 10, 1982.

Approved by the Governor April 19, 1982 with the exception of Section 25, which is vetoed.

Filed in Office of Secretary of State April 19, 1982.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to Section 25 of ESB 4250 entitled:

"AN ACT Relating to revenue and taxation"

Section 25 stipulates that revenues received under RCW 66.24.210(2) and 66.24.290(2) shall not be deposited into the liquor revolving fund. This is both unnecessary and superfluous since sections 23 and 24 dedicated the surtax proceeds to the General Fund and provide for the transferring of receipts to the General Fund.

With exception of Section 25, which I have vetoed, the remainder of ESB 4250 is approved.*

CHAPTER 36

[Substitute House Bill No. 1109] BUDGET STABILIZATION ACCOUNT—TRANSFER FORMULA—LEGISLATIVE APPROVAL OF APPROPRIATIONS

AN ACT Relating to the stabilization account; reenacting and amending section 43.88.020, chapter 8, Laws of 1965 as last amended by section 2, chapter 270, Laws of 1981 and by section 6, chapter 280, Laws of 1981 and RCW 43.88.020; amending section 3, chapter 280, Laws of 1981 and RCW 43.88.530; and amending section 4, chapter 280, Laws of 1981 and RCW 43.88.535.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 43.88.020, chapter 8, Laws of 1965 as last amended by section 2, chapter 270, Laws of 1981 and by section 6, chapter 280, Laws of 1981 and RCW 43.88.020 are each reenacted and amended to read as follows:

- (1) "Budget" shall mean a proposed plan of expenditures for a given period or purpose and the proposed means for financing these expenditures.
- (2) "Budget document" shall mean a formal, written statement offered by the governor to the legislature, as provided in RCW 43.88.030.
- (3) "Director of financial management" shall mean the official appointed by the governor to serve at the governor's pleasure and to whom the governor may delegate necessary authority to carry out the governor's duties as provided in this chapter. The director of financial management shall be head of the office of financial management which shall be in the office of the governor.

- (4) "Agency" shall mean and include every state office, officer, each institution, whether educational, correctional or other, and every department, division, board and commission, except as otherwise provided in this chapter.
- (5) "Public funds", for purposes of this chapter, shall mean all moneys, including cash, checks, bills, notes, drafts, stocks and bonds, whether held in trust, for operating purposes, or for capital purposes, and collected or disbursed under law, whether or not such funds are otherwise subject to legislative appropriation, including funds maintained outside the state treasury.
- (6) "Regulations" shall mean the policies, standards and requirements, stated in writing, designed to carry out the purposes of this chapter, as issued by the governor or his designated agent, and which shall have the force and effect of law.
- (7) "Ensuing biennium" shall mean the fiscal biennium beginning on July 1st of the same year in which a regular session of the legislature is held during an odd-numbered year pursuant to Article II, section 12 of the Constitution and which biennium next succeeds the current biennium.
- (8) "Dedicated fund" means a fund in the state treasury, or a separate account or fund in the general fund in the state treasury, that by law is dedicated, appropriated or set aside for a limited object or purpose; but "dedicated fund" shall not include a revolving fund or a trust fund.
- (9) "Revolving fund" means a fund in the state treasury, established by law, from which is paid the cost of goods or services furnished to or by a state agency, and which is replenished through charges made for such goods or services or through transfers from other accounts or funds.
- (10) "Trust fund" means a fund in the state treasury in which designated persons or classes of persons have a vested beneficial interest or equitable ownership, or which was created or established by a gift, grant, contribution, devise, or bequest that limits the use of the fund to designated objects or purposes.
- (11) "Administrative expenses" means expenditures for: (a) Salaries, wages, and related costs of personnel and (b) operations and maintenance including but not limited to costs of supplies, materials, services, and equipment.
- (12) "Fiscal year" means the year beginning July 1st and ending the following June 30th.
- (13) "Lapse" means the termination of authority to expend an appropriation.
- (14) "Legis!ative fiscal committees" means the legislative budget committee, the legislative evaluation and accountability program committee, the ways and means committees of the senate and house of representatives, and, where appropriate, the legislative transportation committee.
- (15) "Fiscal period" means the period for which an appropriation is made as specified within the act making the appropriation.

- (16) "Primary budget driver" means the primary determinant of a budget level, other than a price variable, which causes or is associated with the major expenditure of an agency or budget unit within an agency, such as a caseload, enrollment, workload, or population statistic.
- (((13))) (17) "Stabilization account" means the budget stabilization account created under RCW 43.88.525 as an account in the general fund of the state treasury.
- (((14))) (18) "State tax revenue limit" means the limitation created by chapter 43.135 RCW.
- (((15))) (19) "General state revenues" means the revenues defined by Article VIII, section 1(c) of the state Constitution.
- (20) "Annual growth rate in real personal income" means the estimated percentage growth in personal income for the state during the current fiscal year, expressed in constant value dollars, as published by the office of financial management or its successor agency.
- Sec. 2. Section 3, chapter 280, Laws of 1981 and RCW 43.88.530 are each amended to read as follows:
- (1) The state treasurer, pursuant to an appropriation, shall transfer((s)) to the stabilization account ((shall)) a sum equal ((one or cent of general state revenues as established by appropriation)) to the annual growth rate in real personal income minus three percentage points, multiplied by general state revenues for the immediately preceding fiscal year. Unless waived pursuant to RCW 43.88.535, transfers shall be made by the state treasurer during each biennium in eight equal amounts not later than the last day of each quarter commencing September 30, 1983.
- (2) The state treasurer pursuant to appropriation shall transfer the unobligated each surplus in the general fund as determined by the director of financial management after the conclusion of each biennium and following the certification of general state revenues by the state treasurer, provided that such revenues do not exceed the state tax revenue limit. No further deposits shall be made to the stabilization account during a biennium when the amount of the account equals or exceeds ((five)) eight percent of general state revenues for the biennium.
- Sec. 3. Section 4, chapter 280, Laws of 1981 and RCW 43.88.535 are each amended to read as follows:
- (1) Money in the budget stabilization account may be appropriated by a favorable vote of sixty percent of the members elected to each house of the legislature for the following purposes:
- (a) To provide for the continuation of agency programs at or near levels of existing appropriations when state revenues decline below projections((; such funds in the stabilization account as are necessary for that purpose may be transferred to the general fund in the state treasury and expended as follows:
 - (1) Pursuant to separate appropriation by the legislature; or

- (2) By executive order of the governor, when the legislature is not in session, pursuant to an appropriation to the governor's office for that purpose, setting forth conditions and limitations on the transfer and use of the moneys. The governor's executive order shall contain a statement of the conditions requiring the transfer to the general fund and the limitations on the expenditure of the funds within the terms of the appropriation: PRO-VIDED, That no moneys shall be transferred and used unless approved by the legislative budget committee));
- (b) To provide the governor with reserve expenditure authority for the purpose specified in subsection (1)(a) of this section;
 - (c) For labor force training; and
- (d) For any other purpose which the legislature finds would reduce unemployment caused by the state's economic cycle.
- (2) The legislature by appropriation may provide for, or the governor may authorize, the waiver of deposits in any ((biennium)) fiscal quarter to the stabilization account in the event of ((a transfer)) an expenditure from the account ((to the general fund)) during such ((biennium)) quarter.

Passed the House April 4, 1982.

Passed the Senate April 2, 1982.

Approved by the Governor April 20, 1982.

Filed in Office of Secretary of State April 20, 1982.

CHAPTER 37

[Second Substitute House Bill No. 784]
INSTITUTIONS OF HIGHER EDUCATION—TUITION AND FEES—APPROPRIATION

AN ACT Relating to institutions of higher education; amending section 2, chapter 273, Laws of 1971 ex. sess. as amended by section 1, chapter 149, Laws of 1972 ex. sess. and RCW 28B.15.012; amending section 3, chapter 273, Laws of 1971 ex. sess. as last amended by section 1, chapter 15, Laws of 1979 ex. sess. and RCW 28B.15.013; amending section 4, chapter 273, Laws of 1971 ex. sess. and RCW 28B.15.014; amending section 28B.10.215, chapter 223, Laws of 1969 ex. sess. as amended by section 1, chapter 68, Laws of 1974 ex. sess. and RCW 28B.10.215; amending section 28B.10.220, chapter 223, Laws of 1969 ex. sess. as amended by section 2, chapter 68, Laws of 1974 ex. sess. and RCW 28B.10.220; amending section 1, chapter 262, Laws of 1979 ex. sess. as amended by section 1, chapter 62, Laws of 1980 and RCW 28B.15.740; amending section 8, chapter 257, Laws of 1981 and RCW 28B.15.502; amending section 28B.15.100, chapter 223, Laws of 1969 ex. sess. as last amended by section 5, chapter 257, Laws of 1981 and RCW 28B.15.100; amending section 2, chapter 279, Laws of 1971 ex. sess. as last amended by section 1, chapter 257, Laws of 1981 and RCW 28B.15.031; amending section 9, chapter 257, Laws of 1981 and RCW 28B.15.820; amending section 2, chapter 257, Laws of 1981 and RCW 28B.15.067; amending section 7, chapter 322, Laws of 1977 ex. sess. as amended by section 3, chapter 257, Laws of 1981 and RCW 28B.15.070; amending section 4, chapter 257, Laws of 1981 and RCW 28B.15.076; amending section 6, chapter 257, Laws of 1981 and RCW 28B-.15.202; amending section 7, chapter 257, Laws of 1981 and RCW 28B.15.402; amending section 29, chapter 261, Laws of 1969 ex. sess. as last amended by section 1, chapter 148, Laws of 1979 ex. sess. and RCW 28B.15.520; amending section 1, chapter 269, Laws of 1969 ex. sess. and RCW 41.04.005; creating new sections; adding a new section to chapter 223, Laws of 1969 ex. sess. and to chapter 28B.15 RCW; repealing section 28B.10.200,