
SENATE BILL 6674

State of Washington

66th Legislature

2020 Regular Session

By Senator Fortunato

1 AN ACT Relating to requiring zero-based budget reviews to improve
2 state budgeting; adding a new section to chapter 43.88 RCW; creating
3 a new section; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
6 enhance the budget development process by improving the information
7 available for the governor, the legislature, and the public when
8 evaluating the budget. The legislature establishes the zero-based
9 review process in section 2 of this act to provide more thorough
10 analysis of the programs and services provided by state agencies and
11 to better prioritize the expenditure of public resources.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.88
13 RCW to read as follows:

14 (1) As used in this section unless the context clearly requires
15 otherwise:

16 (a) "Agency activity" means major activities of state agencies
17 pursuant to RCW 43.88.090 and described in the office of financial
18 management's agency activity inventory for the appropriate biennium.

19 (b) "Program" means a service or a group of services designed to
20 accomplish a specific public goal and result in specific public

1 benefits except for those entitlement services listed in the
2 definition of "caseload" under RCW 43.88C.010 (7) and (9). For the
3 zero-based budget review under this section, a program is any
4 distinguishable service or unit that makes up an agency activity. In
5 most cases, an agency activity will encompass several programs,
6 although in some cases the agency activity could be one program.

7 (c) "Zero-based budget review" means:

8 (i) Information and analysis regarding an agency's programs
9 prepared by the agency as required by subsection (3) of this section
10 that must be included as a separate document in an agency's biennial
11 budget request under this chapter; and

12 (ii) Consideration of the information provided under (c)(i) of
13 this subsection by the governor and the legislature during the budget
14 development process.

15 (2) Beginning in 2020 and in each even-numbered year thereafter,
16 the legislature must specify, in the omnibus operating appropriations
17 act or in other legislation, programs for which agencies must perform
18 a zero-based budget review under subsection (3) of this section. It
19 is the intent of the legislature that twenty-five percent of all
20 state programs be subject to a zero-based budget review each
21 biennium, so that every program receives a zero-based budget review
22 within a eight-year cycle. When selecting programs for review, the
23 legislature may specify programs by functional area, such as
24 education, health care, other human services, natural resources, and
25 general government, or may specify programs as prioritized by the
26 legislature. When selecting programs for a zero-based budget review
27 for a particular biennium, the legislature may broaden or narrow the
28 definition of program for specific agencies.

29 (3) Beginning with biennial budget requests for the 2021-2023
30 fiscal biennium and with each biennial budget request thereafter, by
31 August 1st agencies must submit zero-based budget reviews for the
32 programs identified by the legislature for review that biennium under
33 subsection (2) of this section. Information and analysis submitted by
34 agencies for the zero-based review under this section shall include:

35 (a) A statement of the statutory basis or other basis for the
36 creation of each program and the history of each program that is
37 being reviewed;

38 (b) A description of how each program fits within the strategic
39 plan and goals of the agency and an analysis of the quantified
40 objectives of each program within the agency;

1 (c) Any available performance measures indicating the
2 effectiveness and efficiency of each program;

3 (d) A description with supporting cost and staffing data of each
4 program and the populations served by each program, and the level of
5 funding and staff required to accomplish the goals of the program if
6 different than the actual maintenance level;

7 (e) An analysis of the major costs and benefits of operating each
8 program and the rationale for specific expenditure and staffing
9 levels;

10 (f) An analysis estimating each program's administrative and
11 other overhead costs;

12 (g) An analysis of the levels of services provided;

13 (h) Where applicable, an analysis estimating the amount of funds
14 or benefits that actually reach the intended recipients; and

15 (i) Other information and analysis requested by the legislature
16 in the legislation identifying the agency programs for review under
17 subsection (2) (a) of this section.

18 (4) (a) The governor and legislature shall consider the
19 information and analysis provided by agencies under this section in
20 the budget development process. The house of representatives
21 appropriations committee and the senate ways and means committee
22 shall hold at least one public hearing on the information and
23 analysis submitted by agencies under the zero-based budget review.

24 (b) The information and analysis submitted by agencies under the
25 zero-based budget review process must be filed electronically with
26 the state's fiscal web site managed by the legislative evaluation and
27 accountability program committee.

28 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
29 preservation of the public peace, health, or safety, or support of
30 the state government and its existing public institutions, and takes
31 effect immediately.

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