



EVERGREEN FREEDOM FOUNDATION

...because freedom matters!

April 5, 2006

Michael Murphy, State Treasurer
Office of the State Treasurer
P.O. Box 40200
Olympia, WA 98504-0200

Re: Compliance with RCW 43.135

Dear State Treasurer Murphy:

On March 17, 2006, Snohomish County Superior Court Judge James Allendoerfer ruled the state's 2005-07 budget violates the I-601 spending limit and ordered the spending limit adopted by the Expenditure Limit Committee on November 21, 2005, lowered by \$250 million to \$25,882,800,000. A copy of the transcript of the judge's oral ruling can be found here: <http://www.ewfa.org/pdfs/601ruling.pdf>

Assuming this ruling is upheld on appeal, what actions do you intend to take to comply with RCW 43.135.045(1)?

(1) . . . During each fiscal year, the state treasurer shall deposit in the emergency reserve fund all general fund -- state revenues in excess of the state expenditure limit for that fiscal year. Deposits shall be made at the end of each fiscal quarter based on projections of state revenues and the state expenditure limit . . .

Also, what actions do you intend to take to comply with RCW 43.135.025(2)?

(2) . . . the state treasurer shall not issue or redeem any check, warrant, or voucher that will result in a state general fund expenditure for any fiscal year in excess of the state expenditure limit established under this chapter. A violation of this subsection constitutes a violation of RCW 43.88.290 and shall subject the state treasurer to the penalties provided in RCW 43.88.300.

Thank you for your attention to this matter.

Sincerely,

Jason Mercier
Senior Budget Analyst

cc: Governor Christine Gregoire
Victor Moore, OFM Director
Maureen Hart, Attorney General's Office
Brian Sonntag, State Auditor
Rep. Helen Sommers
Sen. Margarita Prentice
Rep. Gary Alexander
Sen. Joe Zarelli