

---

HOUSE BILL 1940

---

State of Washington                      63rd Legislature                      2013 Regular Session

By Representatives Hudgins, Hunter, and Carlyle

Read first time 02/19/13. Referred to Committee on Appropriations.

1            AN ACT Relating to creating the office of the forecast council;  
2 amending RCW 82.33.010, 82.33.030, 43.88C.020, 43.88.120, and  
3 41.06.087; reenacting and amending RCW 82.33.020; adding a new chapter  
4 to Title 43 RCW; recodifying chapters 43.88C and 82.33 RCW; repealing  
5 RCW 43.88C.010; providing an effective date; and declaring an  
6 emergency.

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

8            NEW SECTION.    **Sec. 1.**    The definitions in this section apply  
9 throughout this chapter unless the context clearly requires otherwise:

10            (1) "Caseload," as used in this chapter, means the number of  
11 persons expected to meet entitlement requirements and require the  
12 services of public assistance programs, state correctional  
13 institutions, state correctional noninstitutional supervision, state  
14 institutions for juvenile offenders, the common school system, long-  
15 term care, medical assistance, foster care, adoption support, and the  
16 number of students who are eligible for the Washington college bound  
17 scholarship program and are expected to attend an institution of higher  
18 education as defined in RCW 28B.92.030.

19            (2) "Council" means the forecast council.

1 (3) "Director" means the director of the office of the forecast  
2 council.

3 (4) "Office" means the office of the forecast council.

4 NEW SECTION. **Sec. 2.** (1) The office is headed by a director  
5 appointed by the council. The council shall develop a process for the  
6 selection of the director. Approval by an affirmative vote of at least  
7 five members of the council is required for any decisions regarding  
8 employment of the director. The director must be employed for a term  
9 of three years. At the end of the first year of each three-year term  
10 the council shall consider extension of the director's term by one  
11 year. The council may fix the compensation of the director.

12 (2) The director may employ staff as necessary to perform the  
13 duties imposed by this chapter and to perform the duties necessary to  
14 support the work of the council.

15 **Sec. 3.** RCW 82.33.010 and 2012 1st sp.s. c 8 s 2 are each amended  
16 to read as follows:

17 (1) The (~~economic and revenue~~) office of the forecast council is  
18 hereby created. The council (~~shall~~) consists of two individuals  
19 appointed by the governor, the state treasurer, and four individuals,  
20 one of whom is appointed by the chairperson of each of the two largest  
21 political caucuses in the senate and house of representatives. The  
22 chair of the council (~~shall~~) must be selected from among the four  
23 caucus appointees. The council may select such other officers as the  
24 members deem necessary.

25 (2) The (~~council~~) director shall (~~employ an economic and revenue~~  
26 ~~forecast supervisor to~~) supervise the preparation of all economic and  
27 revenue forecasts (~~and~~) under RCW 82.33.020 (as recodified by this  
28 act), the presentation of the state budget outlook(~~s~~) under RCW  
29 82.33.060 (as recodified by this act), and the preparation of all  
30 caseload forecasts under RCW 43.88C.020 (as recodified by this act).  
31 (~~As used in this chapter, "supervisor" means the economic and revenue~~  
32 ~~forecast supervisor. Approval by an affirmative vote of at least five~~  
33 ~~members of the council is required for any decisions regarding~~  
34 ~~employment of the supervisor. Employment of the supervisor shall~~  
35 ~~terminate after each term of three years. At the end of the first year~~  
36 ~~of each three-year term the council shall consider extension of the~~

1 ~~supervisor's term by one year. The council may fix the compensation of~~  
2 ~~the supervisor. The supervisor shall employ staff sufficient to~~  
3 ~~accomplish the purposes of this section.)~~

4 (3) The ~~((economic and revenue forecast))~~ council ~~((shall))~~  
5 oversees the preparation of and ~~((approve))~~ approves the forecasts and  
6 outlooks under subsection (2) of this section, by an affirmative vote  
7 of at least five members, the official, optimistic, and pessimistic  
8 state economic and revenue forecasts prepared under RCW 82.33.020 ~~(as~~  
9 recodified by this act), the state budget outlook under RCW 82.33.060  
10 ~~(as recodified by this act)~~, and the caseload forecasts under RCW  
11 43.88C.020 (as recodified by this act). If the council is unable to  
12 approve a forecast before a date required in RCW 82.33.020 ~~(as~~  
13 recodified by this act), or a budget outlook, the ~~((supervisor))~~  
14 director shall submit the forecast or outlook without approval and the  
15 forecast ~~((shall have))~~ or outlook has the same effect as if approved  
16 by the council.

17 (4) ~~((The economic and revenue forecast council shall oversee the~~  
18 ~~preparation of and approve, by an affirmative vote of at least five~~  
19 ~~members, the state budget outlook prepared under RCW 43.88.060. If the~~  
20 ~~council is unable to approve a state budget outlook before a date~~  
21 ~~required in RCW 43.88.060, the supervisor shall submit the outlook~~  
22 ~~prepared under RCW 43.88.060 without approval and the outlook shall~~  
23 ~~have the same effect as if approved by the council.~~

24 ~~(5))~~ A councilmember who does not cast an affirmative vote for  
25 approval of the official economic and revenue forecast, the caseload  
26 forecast, or the state budget outlook may request, and the  
27 ~~((supervisor))~~ director shall provide, an alternative economic and  
28 revenue forecast, caseload forecast, or state budget outlook based on  
29 assumptions specified by the member including, for purposes of the  
30 state budget outlook, revenues to and expenditures from additional  
31 funds.

32 ~~((6))~~ (5) Members of the ~~((economic and revenue forecast))~~  
33 council ~~((shall))~~ serve without additional compensation but ~~((shall~~  
34 ~~be))~~ are reimbursed for travel expenses in accordance with RCW  
35 44.04.120 while attending sessions of the council or on official  
36 business authorized by the council. Nonlegislative members of the  
37 council ~~((shall be))~~ are reimbursed for travel expenses in accordance  
38 with RCW 43.03.050 and 43.03.060.

1       **Sec. 4.** RCW 82.33.020 and 2012 1st sp.s. c 8 s 3 and 2012 c 182 s  
2 1 are each reenacted and amended to read as follows:

3       (1) Four times each year the ((~~supervisor~~)) director must prepare,  
4 subject to the approval of the ((~~economic and revenue forecast~~))  
5 council under RCW 82.33.010 (as recodified by this act):

6       (a) An official state economic and revenue forecast;

7       (b) An unofficial state economic and revenue forecast based on  
8 optimistic economic and revenue projections; and

9       (c) An unofficial state economic and revenue forecast based on  
10 pessimistic economic and revenue projections.

11       (2) The ((~~supervisor~~)) director must submit forecasts prepared  
12 under this section, along with any unofficial forecasts provided under  
13 RCW 82.33.010 (as recodified by this act), to the governor and the  
14 members of the committees on ways and means and the chairs of the  
15 committees on transportation of the senate and house of  
16 representatives, including one copy to the staff of each of the  
17 committees, on or before November 20th, February 20th in the even-  
18 numbered years, March 20th in the odd-numbered years, June 27th, and  
19 September 27th. All forecasts must include both estimated receipts and  
20 estimated revenues in conformance with generally accepted accounting  
21 principles as provided by RCW 43.88.037. In odd-numbered years, the  
22 period covered by forecasts for the state general fund and related  
23 funds must cover the current fiscal biennium and the next ensuing  
24 fiscal biennium. In even-numbered years, the period covered by the  
25 forecasts for the state general fund and related funds shall be current  
26 fiscal and the next two ensuing fiscal biennia.

27       (3) All agencies of state government must provide to the  
28 ((~~supervisor~~)) director immediate access to all information relating to  
29 economic and revenue forecasts. Revenue collection information must be  
30 available to the ((~~supervisor~~)) director the first business day  
31 following the conclusion of each collection period.

32       (4) The ((~~economic and revenue forecast supervisor~~)) director and  
33 staff must ((~~co-locate and~~)) share information, data, and files with  
34 the tax research section of the department of revenue but may not  
35 duplicate the duties and functions of one another.

36       (5) As part of its forecasts under subsection (1) of this section,  
37 the ((~~supervisor~~)) director must provide estimated revenue from tuition  
38 fees as defined in RCW 28B.15.020.

1           (6) The ~~((economic and revenue forecast))~~ council must, in  
2 consultation with the economic and revenue forecast work group created  
3 in RCW 82.33.040 (as recodified by this act), review the existing  
4 ~~((economic and revenue forecast))~~ council revenue model, data, and  
5 methodologies and in light of recent economic changes, engage outside  
6 experts if necessary, and recommend changes to the ~~((economic and  
7 revenue forecast))~~ council ~~((revenue))~~ forecasting process to increase  
8 confidence and promote accuracy in the revenue forecast. The  
9 recommendations are due by September 30, 2012, and every five years  
10 thereafter.

11           **Sec. 5.** RCW 82.33.030 and 1984 c 138 s 3 are each amended to read  
12 as follows:

13           The administrator of the legislative evaluation and accountability  
14 program committee may request, and the ~~((supervisor))~~ director shall  
15 provide, alternative economic and revenue forecasts based on  
16 assumptions specified by the administrator.

17           **Sec. 6.** RCW 43.88C.020 and 1997 c 168 s 2 are each amended to read  
18 as follows:

19           (1) In consultation with the caseload forecast work group  
20 established under RCW 43.88C.030 (as recodified by this act), and  
21 subject to the approval of the ~~((caseload forecast))~~ council ~~((under  
22 RCW 43.88C.010))~~, the ~~((supervisor))~~ director shall prepare:

- 23           (a) An official state caseload forecast; and  
24           (b) Other caseload forecasts based on alternative assumptions as  
25 the council may determine.

26           (2) The ~~((supervisor))~~ director shall submit caseload forecasts  
27 prepared under this section ~~((, along with any unofficial forecasts  
28 provided under RCW 43.88C.010,))~~ to the governor and the members of the  
29 legislative fiscal committees, including one copy to the staff of each  
30 of the committees. The forecasts ~~((shall))~~ must be submitted at least  
31 three times each year and on such dates as the council determines will  
32 facilitate the development of budget proposals by the governor and the  
33 legislature.

34           (3) All agencies of state government shall provide to the  
35 ~~((supervisor))~~ director immediate access to all information relating to  
36 caseload forecasts.

1 (4) The administrator of the legislative evaluation and  
2 accountability program committee may request, and the ((supervisor))  
3 director shall provide, alternative caseload forecasts based on  
4 assumptions specified by the administrator.

5 (5) The official state caseload forecast under this section  
6 ((shall)) must be the basis of the governor's budget document as  
7 provided in RCW 43.88.030 and utilized by the legislature in the  
8 development of the omnibus biennial appropriations act.

9 **Sec. 7.** RCW 43.88.120 and 2000 2nd sp.s. c 4 s 13 are each amended  
10 to read as follows:

11 (1) Each agency engaged in the collection of revenues shall prepare  
12 estimated revenues and estimated receipts for the current and ensuing  
13 biennium and shall submit the estimates to the director of financial  
14 management and the director of revenue at times and in the form  
15 specified by the directors, along with any other information which the  
16 directors may request. For those agencies required to develop six-year  
17 programs and financial plans under RCW 44.40.070, six-year revenue  
18 estimates shall be submitted to the director of financial management  
19 and the transportation committees of the senate and the house of  
20 representatives unless the responsibility for reporting these revenue  
21 estimates is assumed elsewhere.

22 (2) A copy of such revenue estimates shall be simultaneously  
23 submitted to the economic and revenue forecast work group when required  
24 by the office of the ((economic and revenue)) forecast council.

25 **Sec. 8.** RCW 41.06.087 and 1997 c 168 s 4 are each amended to read  
26 as follows:

27 In addition to the exemptions set forth in RCW 41.06.070, this  
28 chapter does not apply to the ((economic and revenue forecast  
29 supervisor and staff employed under RCW 82.33.010 or the caseload  
30 forecast supervisor and staff employed under RCW 43.88C.010)) director  
31 and staff of the office of the forecast council under section 2 of this  
32 act.

33 NEW SECTION. **Sec. 9.** (1) The economic and revenue forecast  
34 council is hereby abolished and its powers, duties, and functions are  
35 hereby transferred to the office of the forecast council. All

1 references to the director or the economic and revenue forecast council  
2 in the Revised Code of Washington shall be construed to mean the  
3 director or the office of the forecast council.

4 (2)(a) All reports, documents, surveys, books, records, files,  
5 papers, or written material in the possession of the economic and  
6 revenue forecast council shall be delivered to the custody of the  
7 office of the forecast council. All cabinets, furniture, office  
8 equipment, motor vehicles, and other tangible property employed by the  
9 economic and revenue forecast council shall be made available to the  
10 office of the forecast council. All funds, credits, or other assets  
11 held by the economic and revenue forecast council shall be assigned to  
12 the office of the forecast council.

13 (b) Any appropriations made to the economic and revenue forecast  
14 council shall, on the effective date of this section, be transferred  
15 and credited to the office of the forecast council.

16 (c) If any question arises as to the transfer of any personnel,  
17 funds, books, documents, records, papers, files, equipment, or other  
18 tangible property used or held in the exercise of the powers and the  
19 performance of the duties and functions transferred, the director of  
20 financial management shall make a determination as to the proper  
21 allocation and certify the same to the state agencies concerned.

22 (3) All employees of the economic and revenue forecast council are  
23 transferred to the jurisdiction of the office of the forecast council.  
24 All employees classified under chapter 41.06 RCW, the state civil  
25 service law, are assigned to the office of the forecast council to  
26 perform their usual duties upon the same terms as formerly, without any  
27 loss of rights, subject to any action that may be appropriate  
28 thereafter in accordance with the laws and rules governing state civil  
29 service.

30 (4) All rules and all pending business before the economic and  
31 revenue forecast council shall be continued and acted upon by the  
32 office of the forecast council. All existing contracts and obligations  
33 shall remain in full force and shall be performed by the office of the  
34 forecast council.

35 (5) The transfer of the powers, duties, functions, and personnel of  
36 the economic and revenue forecast council shall not affect the validity  
37 of any act performed before the effective date of this section.

1 (6) If apportionments of budgeted funds are required because of the  
2 transfers directed by this section, the director of financial  
3 management shall certify the apportionments to the agencies affected,  
4 the state auditor, and the state treasurer. Each of these shall make  
5 the appropriate transfer and adjustments in funds and appropriation  
6 accounts and equipment records in accordance with the certification.

7 (7) Nothing contained in this section may be construed to alter any  
8 existing collective bargaining unit or the provisions of any existing  
9 collective bargaining agreement until the agreement has expired or  
10 until the bargaining unit has been modified by action of the personnel  
11 resources board as provided by law.

12 NEW SECTION. **Sec. 10.** (1) The caseload forecast council is hereby  
13 abolished and its powers, duties, and functions are hereby transferred  
14 to the office of the forecast council. All references to the director  
15 or the caseload forecast council in the Revised Code of Washington  
16 shall be construed to mean the director or the office of the forecast  
17 council.

18 (2)(a) All reports, documents, surveys, books, records, files,  
19 papers, or written material in the possession of the caseload forecast  
20 council shall be delivered to the custody of the office of the forecast  
21 council. All cabinets, furniture, office equipment, motor vehicles,  
22 and other tangible property employed by the caseload forecast council  
23 shall be made available to the office of the forecast council. All  
24 funds, credits, or other assets held by the caseload forecast council  
25 shall be assigned to the office of the forecast council.

26 (b) Any appropriations made to the caseload forecast council shall,  
27 on the effective date of this section, be transferred and credited to  
28 the office of the forecast council.

29 (c) If any question arises as to the transfer of any personnel,  
30 funds, books, documents, records, papers, files, equipment, or other  
31 tangible property used or held in the exercise of the powers and the  
32 performance of the duties and functions transferred, the director of  
33 financial management shall make a determination as to the proper  
34 allocation and certify the same to the state agencies concerned.

35 (3) All employees of the caseload forecast council are transferred  
36 to the jurisdiction of the office of the forecast council. All  
37 employees classified under chapter 41.06 RCW, the state civil service

1 law, are assigned to the office of the forecast council to perform  
2 their usual duties upon the same terms as formerly, without any loss of  
3 rights, subject to any action that may be appropriate thereafter in  
4 accordance with the laws and rules governing state civil service.

5 (4) All rules and all pending business before the caseload forecast  
6 council shall be continued and acted upon by the office of the forecast  
7 council. All existing contracts and obligations shall remain in full  
8 force and shall be performed by the office of the forecast council.

9 (5) The transfer of the powers, duties, functions, and personnel of  
10 the caseload forecast council shall not affect the validity of any act  
11 performed before the effective date of this section.

12 (6) If apportionments of budgeted funds are required because of the  
13 transfers directed by this section, the director of financial  
14 management shall certify the apportionments to the agencies affected,  
15 the state auditor, and the state treasurer. Each of these shall make  
16 the appropriate transfer and adjustments in funds and appropriation  
17 accounts and equipment records in accordance with the certification.

18 (7) Nothing contained in this section may be construed to alter any  
19 existing collective bargaining unit or the provisions of any existing  
20 collective bargaining agreement until the agreement has expired or  
21 until the bargaining unit has been modified by action of the personnel  
22 resources board as provided by law.

23 NEW SECTION. **Sec. 11.** Sections 1, 2, 9, and 10 of this act  
24 constitute a new chapter in Title 43 RCW.

25 NEW SECTION. **Sec. 12.** All provisions of chapters 43.88C and 82.33  
26 RCW are recodified in chapter 43.--- RCW (the new chapter created under  
27 section 11 of this act).

28 NEW SECTION. **Sec. 13.** RCW 43.88C.010 (Caseload forecast council--  
29 Caseload forecast supervisor--Oversight and approval of official  
30 caseload forecast--Alternative forecast--Travel reimbursement--  
31 Definitions) and 2012 c 217 s 3, 2011 c 304 s 2, 2000 c 90 s 1, & 1997  
32 c 168 s 1 are each repealed.

33 NEW SECTION. **Sec. 14.** This act is necessary for the immediate

1 preservation of the public peace, health, or safety, or support of the  
2 state government and its existing public institutions, and takes effect  
3 July 1, 2013.

--- END ---