

FINAL BILL REPORT

SHB 2758

C 152 L 96

Synopsis as Enacted

Brief Description: Measuring state fiscal conditions.

Sponsors: By House Committee on Appropriations (originally sponsored by Representatives Huff, Cooke and Silver).

House Committee on Appropriations
Senate Committee on Ways & Means

Background: The Economic and Revenue Forecast Council provides the official state economic and revenue forecast four times per year. The six-member council consists of four legislators and two appointees of the Governor. The legislators are selected by the chairs of the party caucuses in the Senate and the House of Representatives. Currently, the Governor's appointees are the directors of the Office of Financial Management and the Department of Revenue.

The Economic and Revenue Forecast Council employs a forecast supervisor and staff for the preparation of the forecasts. The forecasts are subject to approval by the members of the council. The council staff monitors daily changes in the economic outlook throughout the year and advises the council on anticipated shifts in tax collections. The official forecasts are submitted to the Governor, the fiscal committees of the House of Representatives and Senate, and the Legislative Transportation Committee on a regular basis.

Summary: The Economic Climate Council is established. The Economic Climate Council is to select no more than 10 benchmarks that characterize the competitive environment of the state. General criteria are provided for the selection of benchmarks. These criteria include the availability of comparative data from other states, the timeliness of obtaining benchmark data, and the accuracy and validity of the benchmarks as indicators of the economic climate.

The Economic Climate Council is to report to the Legislature on the selected benchmarks by September 30, 1996. The council will also prepare an official state economic climate report twice per year on the status of the benchmarks and will note any changes since the previous report. The report is to be submitted to the Governor and fiscal committees of the Legislature by March 31 and September 30 every year. The first report is due by September 30, 1996.

The Economic and Revenue Forecast Council will act as the Economic Climate Council until July 1, 1997. In that role, the Economic and Revenue Forecast Council will make a recommendation to the Legislature by September 30, 1996, regarding the permanent structure, composition, and staffing of the Economic Climate Council. The Economic and Revenue Forecast Council will create an advisory committee to assist the Economic Climate Council in selecting benchmarks and developing reports. The advisory committee is to provide a process to ensure public participation in the selection of the benchmarks.

Votes on Final Passage:

House	97	0
Senate	49	0

Effective: June 6, 1996