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## Transportation Committee

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### HB 1838

**Brief Description:** Transferring the responsibilities for the transportation revenue forecast for the transportation budget to the economic and revenue forecast council.

**Sponsors:** Representatives Fey and Barkis.

#### Brief Summary of Bill

- Requires the Economic and Revenue Forecast Council (ERFC) to prepare and approve the transportation revenue forecast beginning with the September 2024 revenue forecast.
- Adds legislative Transportation Committee legislators and the Director of the Department of Licensing as council members who sit with the ERFC when it considers and approves the transportation revenue forecast.
- Directs that the Chair of the ERFC, when conducting transportation business, must be selected from among the four Transportation Committee legislators and that the transportation forecast will be a six year forecast.

**Hearing Date:** 2/20/23

**Staff:** Beth Redfield (786-7140).

#### Background:

The Economic and Revenue Forecast Council (ERFC) consists of the State Treasurer, four legislators representing the two largest political caucuses of the Senate and House of Representatives, and two individuals appointed by the Governor. The Chair of the ERFC is selected from among the four caucus appointees.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

The ERFC Director prepares, on a quarterly basis, state economic and revenue forecasts for the Omnibus Operating Budget subject to the approval of the ERFC. To facilitate compliance with the four-year balanced budget requirement, the ERFC must approve budget outlooks of the proposed Governor's budget and the enacted budget. A councilmember who does not cast an affirmative vote for approval of the official economic and revenue forecast or state budget outlook may request and alternative forecast or outlook based on assumptions specified by the councilmember.

The ERFC Director must share information, data and files with the Department of Revenue (DOR). The ERFC Workgroup receives revenue collection information the first business day following the conclusion of the collection period. The members of the ERFC Workgroup include one staff member appointed by the executive or chairperson of the DOR, Office of Financial Management (OFM), Legislative Evaluation and Accountability Program Committee, and the Ways and Means Committees of the Senate and House of Representatives.

The Transportation Revenue Forecast Council consists of staff who forecast transportation revenues collected by the Washington State Department of Transportation (WSDOT), Department of Licensing (DOL), the OFM, the DOR, and the Washington State Patrol. The transportation revenue forecast is prepared quarterly on the same schedule as the ERFC forecast and uses the economic forecast approved by the ERFC. The transportation revenue forecast is for a 10 year period. House and Senate Transportation Committee staff are included in the process for legislative input and to ensure access to the forecast information.

**Summary of Bill:**

Beginning with the September 2024 revenue forecast, the ERFC must prepare and approve the transportation revenue forecast.

The Chairs and Ranking members of the House and Senate Transportation Committees are added to the ERFC to sit with the council when it considers and approves the transportation revenue forecast. The Director of DOL is also added to the council to sit with the council when it considers and approves the transportation revenue forecast.

The Chair of the Council is selected from among the four Transportation Committee legislators when conducting transportation business. The provision that a council member who does not cast an affirmative vote may request an alternative forecast is extended to the transportation members of the council. The transportation forecast will be a six year forecast. Staff of the House and Senate Transportation Committees, the WSDOT, and the DOL are added to the technical Workgroup for the transportation revenue forecast.

**Appropriation:** None.

**Fiscal Note:** Requested on February 18, 2023.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.