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**SUBSTITUTE SENATE BILL 5963**

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**State of Washington**

**66th Legislature**

**2019 Regular Session**

**By** Senate Ways & Means (originally sponsored by Senator Rolfes)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to requiring the state budget outlook to include  
2 an inflationary increase to the cost of employee and provider  
3 salaries, wages, and rates; amending RCW 82.33.060; and declaring an  
4 emergency.

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

6 **Sec. 1.** RCW 82.33.060 and 2012 1st sp.s. c 8 s 4 are each  
7 amended to read as follows:

8 (1) To facilitate compliance with, and subject to the terms of,  
9 RCW 43.88.055, the state budget outlook work group shall prepare,  
10 subject to the approval of the economic and revenue forecast council  
11 under RCW 82.33.010, an official state budget outlook for state  
12 revenues and expenditures for the general fund and related funds. In  
13 odd-numbered years, the period covered by the November state budget  
14 outlook shall be the current fiscal biennium and the next ensuing  
15 fiscal biennium. In even-numbered years, the period covered by the  
16 November state budget outlook shall be the next two ensuing fiscal  
17 biennia. The revenue and caseload projections used in the outlook  
18 must reflect the most recent official forecasts adopted by the  
19 economic and revenue forecast council and the caseload forecast  
20 council for the years for which those forecasts are available.

21 (2) The outlook must:

1 (a) Estimate revenues to and expenditures from the state general  
2 fund and related funds. The estimate of ensuing biennium expenditures  
3 must include maintenance items including, but not limited to,  
4 continuation of current programs, forecasted growth of current  
5 entitlement programs, and actions required by law, including  
6 legislation with a future implementation date. Beginning in the  
7 2019-2021 fiscal biennium, estimates of maintenance items for the  
8 ensuing biennium expenditures must also include an inflationary  
9 increase to salaries of public employees and wages and rates for  
10 providers considered employees solely for the purposes of collective  
11 bargaining that is based on the implicit price deflator, compiled by  
12 the bureau of economic analysis, United States department of  
13 commerce. Estimates of ensuing biennium expenditures must exclude  
14 policy items including, but not limited to, legislation not yet  
15 enacted by the legislature, collective bargaining agreements not yet  
16 approved by the legislature, and changes to levels of funding for  
17 employee salaries and benefits unless those changes are required by  
18 statute. Estimated maintenance level expenditures must also exclude  
19 costs of court rulings issued during or within fewer than ninety days  
20 before the beginning of the current legislative session;

21 (b) Address major budget and revenue drivers, including trends  
22 and variability in these drivers;

23 (c) Clearly state the assumptions used in the estimates of  
24 baseline and projected expenditures and any adjustments made to those  
25 estimates;

26 (d) Clearly state the assumptions used in the baseline revenue  
27 estimates and any adjustments to those estimates; and

28 (e) Include the impact of previously enacted legislation with a  
29 future implementation date.

30 (3) The outlook must also separately include projections based on  
31 the revenues and expenditures proposed in the governor's budget  
32 documents submitted to the legislature under RCW 43.88.030.

33 (4) The economic and revenue forecast council shall submit state  
34 budget outlooks prepared under this section to the governor and the  
35 members of the committees on ways and means of the senate and house  
36 of representatives, including one copy to the staff of each of the  
37 committees, as required by this section.

38 (5) Each January, the state budget outlook work group shall also  
39 prepare, subject to the approval of the economic and revenue forecast  
40 council, a state budget outlook for state revenues and expenditures

1 that reflects the governor's proposed budget document submitted to  
2 the legislature under chapter 43.88 RCW. Within thirty days following  
3 enactment of an operating budget by the legislature, the work group  
4 shall prepare, subject to the approval of the economic and revenue  
5 forecast council, a state budget outlook for state revenues and  
6 expenditures that reflects the enacted budget.

7 (6) All agencies of state government shall provide to the  
8 supervisor immediate access to all information relating to state  
9 budget outlooks.

10 (7) The state budget outlook work group must publish its proposed  
11 methodology on the economic and revenue forecast council web site.  
12 The state budget outlook work group, in consultation with the  
13 economic and revenue forecast work group and outside experts if  
14 necessary, must analyze the extent to which the proposed methodology  
15 for projecting expenditures for the ensuing fiscal biennia may be  
16 reliably used to determine the future impact of appropriations and  
17 make recommendations to change the outlook process to increase  
18 reliability and accuracy. The recommendations are due by December 1,  
19 2013, and every five years thereafter.

20 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
21 preservation of the public peace, health, or safety, or support of  
22 the state government and its existing public institutions, and takes  
23 effect immediately.

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