Call to Order
Director Schumacher called the meeting to order at 10:07 a.m.

Governance
Representative Ormsby moved to nominate Senator Ranker for the chair position of the Economic and Revenue Forecast Council, seconded by Senator Braun. Motion unanimously approved at 10:08 a.m.

Approval of the Minutes
Representative Ormsby moved to adopt the meeting minutes from November 16, 2016, seconded by Director Smith. Motion unanimously approved at 10:09 a.m.

Presentation on Budget Outlook
Pam Davidson, Andy Toulon, and Michael Bezanson requested guidance from the council as they prepare the outlook on the Governor's proposed budget regarding the federal remote sales tax legislation included in the Governor's proposed budget. The Governor's budget assumes that by Fiscal Year 2020, Congress will approve national remote sales tax legislation estimated by the Department of Revenue to bring in about $360 million in the 2019-21 biennium. Discussion ensued regarding a state bill or budget proviso linked to the remote sales tax legislation, concern about including items outside of current law, and the process of inclusion in future budget outlooks.

Motion
Senator Braun moved not to include the national remote sales tax legislation into the budget outlook and to direct Budget Outlook Work Group staff to propose a rule to deal with similar revenue in future outlooks. Director Schumacher seconded the motion. Motion unanimously passed at 10:18 a.m.

Adjournment
Meeting adjourned at 10:18 a.m.
Call to Order
Representative Ormsby called the meeting to order at 10:04 a.m.

Approval of the Minutes
Director Smith moved, seconded by Representative Nealey, to adopt the meeting minutes from January 17, 2017. Motion passed at 10:04 a.m.

Presentation on Budget Outlook
Michael Bezanson, Andy Toulon, and Pam Davidson provided an overview of the methodology for the State Budget Outlook (January 2017).

Motion to Adopt the Budget Outlook
Senator Braun moved, seconded by Director Smith to adopt the outlook on the Governor’s new law budget. Motion passed at 10:15 a.m.

Presentation on Criteria
The Budget Outlook Work Group provided information on criteria for use of future biennia resources from an expected federal act per the request of ERFC members on January 17, 2017.

Senator Braun moved to apply the current ERFC criteria for assuming state revenue redirections and transfers of existing state revenues to assumptions for estimated revenue changes from a federal act, seconded by Treasurer Davidson. Motion passed unanimously at 10:22 a.m.

Adjournment
Meeting adjourned at 10:22 a.m.
Call to Order
Senator Ranker called the meeting to order at 10:01 a.m.

Motion
Director Schumacher made a motion to approve the meeting minutes from the January 23, 2017 meeting, seconded by Representative Nealey. Council approved the motion at 10:02 a.m.

Presentation on the Economic Forecast
Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes and provided background information on both the U.S. and Washington economies. Discussion ensued regarding small business optimism, labor productivity and employment, and uncertainty around the cannabis industry.

Adjournment
Meeting adjourned at 10:20 a.m.
Meeting Minutes
Revenue Review
March 16, 2017
John A. Cherberg, Hearing Room 3

Economic and Revenue Forecast Council
Members Present
Kevin Ranker, Senator, Chair
John Braun, Senator
Terry Nealey, House of Representatives (via phone)
Timm Ormsby, House of Representatives
Vikki Smith, Department of Revenue
David Schumacher, Office of Financial Management
Duane Davidson, Treasurer

Staff
Steve Lerch, Executive Director, ERFC

Call to Order
Senator Ranker called the meeting to order at 10:01 a.m.

Motion
Treasurer Davidson made one correction to the members present in the meeting minutes from March 2, 2017. Representative Ormsby moved, seconded by Treasurer Davidson, to approve the amended meeting minutes. Council approved the motion at 10:02 a.m.

Forecast Presentation
Dr. Lerch presented information on the final economic and revenue forecast. Dr. Lerch summarized the forecast changes. Discussion ensued regarding total revenue through 2021 and detail on revenue act sources above the November forecast.

Motion
Director Schumacher moved, seconded by Director Smith, to adopt the baseline revenue forecast. Council unanimously approved the motion at 10:20 a.m.

Adjournment
Meeting adjourned at 10:21 a.m.
Meeting Minutes
Economic Review
June 7, 2017
John A Cherberg, Senate Hearing Room 3

Economic and Revenue Forecast Council
Members Present
John Braun, Senate
Terry Nealey, House of Representatives (via phone)
Timm Ormsby, House of Representatives
David Schumacher, Office of Financial Management
Vikki Smith, Department of Revenue
Duane Davidson, Treasurer

Staff
Steve Lerch, Executive Director, ERFC

Call to Order
Director Schumacher called the meeting to order at 10:07 a.m.

Motion
Director Smith made a motion to approve the meeting minutes from the March 16, 2017 meeting, seconded by Representative Ormsby. Council approved the motion at 10:08 a.m.

Presentation on the Economic Forecast
Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes and provided background information on both the U.S. and Washington economies.

Adjournment
Meeting adjourned at 10:21 a.m.
Call to Order
Director Schumacher called the meeting to order at 10:02 a.m.

Motion
Representative Ormsby made a motion to approve the meeting minutes from the June 7, 2017 meeting, seconded by Director Smith. Council approved the motion at 10:02 a.m.

Forecast Presentation
Dr. Lerch presented information on the final economic and revenue forecast. Dr. Lerch summarized the forecast changes. There was a brief discussion regarding future Federal Reserve interest rate increases in the forecast.

Motion
Representative Ormsby moved, seconded by Director Smith, to adopt the baseline revenue forecast. Council unanimously approved the motion at 10:14 a.m.

Adjournment
Meeting adjourned at 10:14 a.m.
Meeting Minutes
Budget Outlook Adoption
July 28, 2017
John A. Cherberg, Hearing Room 2

Economic and Revenue Forecast Council

Members Present
John Braun, Senate (via phone)
Terry Nealey, House of Representatives
Timm Ormsby, House of Representatives (via phone)
Duane Davidson, Treasurer
David Schumacher, OFM

Staff
Steve Lerch, Executive Director
Budget Outlook Work Group representatives:
Andy Toulon, House
Amanda Cecil, Senate

Call to Order
Director Schumacher called the meeting to order at 10:32 a.m.

Request for Guidance
Members of the Budget Outlook Work Group requested guidance regarding the Tobacco Arbitration Settlement as outlined in a memo dated July 28, 2017. Discussion ensued among members.

Motion
Representative Ormsby, seconded by Representative Nealey, moved to include the anticipated $15 million tobacco arbitration award into the official outlook. Motion approved at 10:41 a.m.

Presentation on Budget Outlook
Andy Toulon and Amanda Cecil provided an overview of the methodology for the State Budget Outlook. The presented outlook does include the tobacco arbitration award discussed above.

Motion to Adopt the Budget Outlook
Senator Braun moved, seconded by Representative Nealey, to adopt the outlook on the 2017-19 Operating Budget. Motion passed at 10:50 a.m.

Adjournment
Meeting adjourned at 10:54 a.m.
Meeting Minutes
Economic Review
September 6, 2017
John A Cherberg, Senate Hearing Room 3

Economic and Revenue Forecast Council Members
Present
Kevin Ranker, Senate (via phone)
John Braun, Senate (via phone)
Terry Nealey, House of Representatives (via phone)
Timm Ormsby, House of Representatives (via phone)
Duane Davidson, Treasurer
David Schumacher, Office of Financial Management
Vikki Smith, Department of Revenue

Staff
Steve Lerch, Executive Director, ERFC

Call to Order
Director Schumacher called the meeting to order at 10:01 a.m.

Motion
Senator Ranker made a motion to approve the meeting minutes from the June 20, 2017 meeting, seconded by Director Smith. Council approved the motion at 10:01 a.m.

Motion
Treasurer Davidson made a motion to approve the meeting minutes from the July 28, 2017 meeting, seconded by Director Smith. Council approved the motion at 10:02 a.m.

Motion
Senator Ranker made a motion to extend the employment contract for the executive director, including 2.5% wage increases in 2017 and 2018 in addition to general wage increases as passed by the legislature. Motion seconded by Director Smith. Council approved the motion at 10:05 a.m.

Presentation on the Economic Forecast
Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes and provided background information on both the U.S. and Washington economies. Discussion ensued regarding house price appreciation data, change in aerospace employment, and medical cannabis sales.

Adjournment
Meeting adjourned at 10:22 a.m.
Meeting Minutes
Revenue Review
September 20, 2017
John A. Cherberg, Hearing Room 3

Economic and Revenue Forecast Council
Members Present
Timm Ormsby, House of Representatives
Vikki Smith, Department of Revenue
David Schumacher, Office of Financial Management
Shawn Myers, Assistant Treasurer

Call to Order
Director Schumacher called the meeting to order at 10:00 a.m.

Forecast Presentation
Dr. Lerch presented information on the final economic and revenue forecast. Dr. Lerch summarized the forecast changes. Discussion ensued.

Forecast Adoption
Absent a quorum, the forecast submitted by the supervisor of the forecast, Dr. Lerch, will have the same effect as if approved by the Council. The September economic and revenue forecast is adopted upon adjournment.

Adjournment
Meeting adjourned at 10:14 a.m.

1 RCW 43.08.120 Assistant—Deputies—Responsibilities for acts.
Meeting Minutes
Economic Review
November 1, 2017
John A Cherberg, Senate Hearing Room 3

Economic and Revenue Forecast Council Members

Present
John Braun, Senate (via phone)
Terry Nealey, House of Representatives (via phone)
Timm Ormsby, House of Representatives (via phone)
Duane Davidson, Treasurer
David Schumacher, Office of Financial Management
Vikki Smith, Department of Revenue

Staff
Steve Lerch, Executive Director, ERFC
Andy Toulon, House
Pam Davidson, OFM
Michael Bezanson, Senate

Call to Order
Director Schumacher called the meeting to order at 10:00 a.m.

Motion
Director Smith made a motion to approve the meeting minutes from the September 20, 2017 meeting, seconded by Treasurer Davidson. Council approved the motion at 10:00 a.m.

Motion
Treasurer Davidson made a motion to approve the meeting minutes from the September 6, 2017 meeting, seconded by Director Smith. Council approved the motion at 10:01 a.m.

Preparation for the November Budget Outlook
The State Budget Outlook Work Group provided information on the methodology for the November 2017 Budget Outlook and received the following guidance from the council:

Costs related to fire mobilization in 2017. The Council does want to include estimated fire mobilization costs as a subset to the maintenance level in the November 2017 Outlook.

Trueblood fines from delays in providing forensic mental health services. The Council does want to include an adjustment for Trueblood fine costs through the end of fiscal year 2018 in the November 2017 outlook.
**Presentation on the Economic Forecast**
Dr. Lerch presented information on the preliminary economic forecast. Dr. Lerch summarized the forecast changes and provided background information on both the U.S. and Washington economies. Discussion ensued regarding aerospace employment and personal income revisions.

**Adjournment**
Meeting adjourned at 10:35 a.m.
Meeting Minutes
Revenue Review
November 20, 2017
John A Cherberg, Senate Hearing Room 3

Economic and Revenue Forecast Council

Members Present
Christine Rolfes, Senate (via phone)
John Braun, Senate
Timm Ormsby, House of Representatives
Terry Nealey, House of Representatives (via phone)
Duane Davidson, Treasurer
David Schumacher, Treasurer
Vikki Smith, Department of Revenue

Staff
Steve Lerch, Executive Director, ERFC
Andy Toulon, House
Pam Davidson, OFM
Amanda Cecil, Senate

Call to Order
Director Schumacher called the meeting to order at 10:02 a.m.

Motion
Director Smith moved, seconded by Representative Ormsby, to adopt the November 1, 2017 meeting minutes. Motion passed at 10:02 a.m.

Forecast Presentation
Dr. Lerch presented information on the final economic and revenue forecast. Dr. Lerch summarized the forecast changes. Discussion ensued regarding the U.S. economic forecast assumptions, nonstore retailer employment, and tax growth rates between biennia.

Motion
Representative Ormsby moved, seconded by Director Smith, to adopt the baseline revenue forecast. Council approved the motion at 10:17 a.m.

Budget Outlook Presentation
Members of the Budget Outlook Work Group presented the state budget outlook. Discussion ensued regarding the budget stabilization fund, general state revenues, capital budget, and the typical timing of federal health care funding for the Children’s Health Insurance Program.

Motion
Representative Ormsby moved to adopt an official outlook, seconded by Senator Braun. Motion passed at 10:33 a.m.

Adjournment
With no further business, the meeting adjourned at 10:33 a.m.