(1) For the purpose of establishing an employer's rate of contribution for the tax year beginning January 1, 1985, the department shall calculate a percentage rate of savings for benefit charges for the fiscal year ending June 30, 1985 and apply the rate as though RCW 50.29.020(2)(g) had been in effect for fiscal years 1984, 1983, 1982, and 1981. For fiscal years ending June 30, 1986, and beyond, benefit charges will be calculated pursuant to RCW 50.29.020(2)(g).

(2) For the purpose of establishing an employer's rate of contribution for the tax year beginning January 1, 1986, the department shall calculate the percentage rate of savings for benefit charges for the fiscal year ending 1985, and apply the rate to fiscal years 1984, 1983, and 1982.

(3) For the purpose of establishing an employer's rate of contribution for the tax year beginning January 1, 1987, the department shall calculate the average percentage rate of savings for benefit charges for fiscal years 1986 and 1985, and apply the rate to fiscal years 1984 and 1983.

(4) For the purpose of establishing an employer's rate of contribution for the tax year beginning January 1, 1988, the department shall calculate the average percentage rate of savings for benefit charges for fiscal years 1987, 1986, and 1985, and apply the rate to fiscal year 1984.

(5) If any part of this section is found to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this section is hereby declared to be inoperative solely to the extent of the conflict, and such finding or determination shall not affect the operation of the remainder of this section. The rules under this section shall meet federal requirements which are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

<u>NEW SECTION.</u> Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate March 4, 1986. Passed the House March 1, 1986. Approved by the Governor March 21, 1986. Filed in Office of Secretary of State March 21, 1986.

CHAPTER 112

[Substitute House Bill No. 1401]

ECONOMIC FORECASTS-----GOVERNOR'S BUDGET OR BUDGET DOCUMENT

AN ACT Relating to economic forecasts; and amending RCW 43.88.030 and 82.01.120. Be it enacted by the Legislature of the State of Washington: Sec. 1. Section 43.88.030, chapter 8, Laws of 1965 as last amended by section 7, chapter 138, Laws of 1984 and RCW 43.88.030 are each amended to read as follows:

(1) The budget document or documents shall consist of the governor's budget message which shall be explanatory of the budget and shall contain an outline of the proposed financial policies of the state for the ensuing fiscal period and shall describe in connection therewith the important features of the budget. The message shall set forth the reasons for salient changes from the previous fiscal period in expenditure and revenue items and shall explain any major changes in financial policy. Attached to the budget message shall be such supporting schedules, exhibits and other explanatory material in respect to both current operations and capital improvements as the governor shall deem to be useful to the legislature. The budget document or documents shall set forth a proposal for expenditures in the ensuing fiscal period based upon the estimated revenues as approved by the economic and revenue forecast council for such fiscal period from the source and at the rates existing by law at the time of submission of the budget document((: PROVIDED, That)). However, the estimated revenues for use in the governor's budget document may be adjusted to reflect budgetary revenue transfers and revenue estimates dependent upon budgetary assumptions of enrollments, workloads, and caseloads. All adjustments to the approved estimated revenues must be set forth in the budget document. The governor may additionally submit, as an appendix to each agency budget or to the budget document or documents, a proposal for expenditures in the ensuing fiscal period from revenue sources derived from proposed changes in existing statutes.

The budget document or documents shall also contain:

(a) Revenues classified by fund and source for the immediately past fiscal period, those received or anticipated for the current fiscal period, and those anticipated for the ensuing biennium;

(b) Cash surplus or deficit, by fund, to the extent provided by RCW 43.88.040 and 43.88.050;

(c) Such additional information dealing with expenditures, revenues, workload, performance and personnel as the legislature may direct by law or concurrent resolution;

(d) Such additional information dealing with revenues and expenditures as the governor shall deem pertinent and useful to the legislature;

(c) Tabulations showing expenditures classified by fund, function, activity and object; and

(f) A delineation of each agency's activities, including those activities funded from nonbudgeted, nonappropriated sources, including funds maintained outside the state treasury.

(2) The budget document or documents shall include detailed estimates of all anticipated revenues applicable to proposed operating or capital expenditures and shall also include all proposed operating or capital expenditures. The total of anticipated revenues shall equal or exceed the total of proposed applicable expenditures. The budget document or documents shall further include:

(a) Interest, amortization and redemption charges on the state debt;

(b) Payments of all reliefs, judgments and claims;

(c) Other statutory expenditures;

(d) Expenditures incident to the operation for each agency;

(e) Revenues derived from agency operations;

(f) Expenditures and revenues shall be given in comparative form showing those incurred or received for the immediately past fiscal period and those anticipated for the current biennium and next ensuing biennium.

(3) A separate budget document or schedule may be submitted consisting of:

(a) Expenditures incident to current or pending capital projects and to proposed new capital projects, relating the respective amounts proposed to be raised therefor by appropriations in the budget and the respective amounts proposed to be raised therefor by the issuance of bonds during the fiscal period;

(b) A capital program consisting of proposed capital projects for at least the two fiscal periods succeeding the next fiscal period. The capital program shall include for each proposed project a statement of the reason or purpose for the project along with an estimate of its cost;

(c) Such other information bearing upon capital projects as the governor shall deem to be useful to the legislature;

(d) Such other information relating to capital improvement projects as the legislature may direct by law or concurrent resolution.

(4) No change affecting the comparability of agency or program information relating to expenditures, revenues, workload, performance and personnel shall be made in the format of any budget document or report presented to the legislature under this section or RCW 43.88.160(1) relative to the format of the budget document or report which was presented to the previous regular session of the legislature during an odd-numbered year without prior legislative concurrence. Prior legislative concurrence shall consist of (a) a favorable majority vote on the proposal by the standing committees on ways and means of both houses if the legislature is in session or (b) a favorable majority vote on the proposal by members of the legislative evaluation and accountability program committee if the legislature is not in session.

Sec. 2. Section 1, chapter 138, Laws of 1984 and RCW 82.01.120 are each amended to read as follows:

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(1) The director shall employ an economic and revenue forecast supervisor to supervise the preparation of all economic and revenue forecasts. As used in this section and RCW 82.01.125 and 82.01.130, "supervisor" means the economic and revenue forecast supervisor. Approval by an affirmative vote of at least five members of the economic and revenue forecast council is required for any decisions regarding employment of the supervisor. Employment of the supervisor shall terminate after each term of three years, unless the supervisor is reappointed by the director and approved by the economic and revenue forecast council for another three years. The supervisor shall employ staff sufficient to accomplish the purposes of this section.

(2) Four times each year the supervisor shall prepare, subject to the approval of the economic and revenue forecast council under RCW 82.01.130(2):

(a) An official state economic and revenue forecast;

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

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

(3) The supervisor shall submit forecasts prepared under this section, along with any unofficial forecasts provided under RCW 82.01.130(3), to the governor and the legislature on or before ((December)) November 20th, February 20th in the even-numbered years, March 20th in the odd-numbered years, June 20th, and September 20th.

Passed the House February 15, 1986. Passed the Senate March 6, 1986. Approved by the Governor March 21, 1986. Filed in Office of Secretary of State March 21, 1986.

CHAPTER 113

[House Bill No. 1450]

MOTOR VEHICLE EQUIPMENT STANDARDS——COMMISSION ON EQUIPMENT

AN ACT Relating to motor vehicle equipment standards; amending RCW 46.37.310, 46-.37.380, 46.37.420, 46.37.430, 46.37.440, 46.37.510, 46.37.530, and 46.37.535; and reenacting and amending RCW 46.37.320.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 46.37.310, chapter 12, Laws of 1961 and RCW 46.37-.310 are each amended to read as follows:

(1) ((On and after January 1, 1938,)) No person ((shall)) may have for sale, sell, or offer for sale for use upon or as a part of the equipment of a motor vehicle, trailer, or semitrailer, or use upon any such vehicle any head lamp, auxiliary((;)) or fog lamp, rear lamp, signal lamp, or reflector, which reflector is required ((hereunder)) under this chapter, or parts of any of the foregoing which tend to change the original design or performance, unless