

Overview of requirements and processes for the Expenditure Limit and Balanced Budget/Outlook

	Expenditure Limit	4-year Balanced Budget and State Budget Outlook
Summary	Limits State General Fund expenditures in a particular fiscal year; the limit is suspended until 2021	Requires the enacted budget to balance over 4 years
Approval Authority	Expenditure Limit Committee (RCW 43.135.025 (5)); if the Committee does not act to set the limit the Attorney General sets the limit	Economic and Revenue Forecast Council (RCW 82.33.010); if the Council does not act to adopt the Outlook, the Outlook as presented to the Council is adopted
Membership	OFM Director, Attorney General, Chairs and Ranking members of the House and Senate Ways and Means Committees	2 members appointed by the Governor (currently the OFM Director and the Director of the Department of Revenue); State Treasurer; 4 members, one each appointed by the 2 largest caucuses in the House and Senate
Subject funds	State General Fund	State General Fund, Education Legacy Trust Account, Opportunity Pathways Account
Timing for analysis	Each November, prior to November 30th; the expenditure limit is not required until July 1, 2021 (Chapter 29, Laws of 2015, 3rd Special Session (EHB 2267))	3 times each year: November to reflect the adopted budget plus updated information; January to reflect the Governor's proposed budget(s); within 30 days of enactment of the legislative budget
Calculation	The previous fiscal year's expenditure limit, adjusted for actual expenditures (rebasings) and transfers, and increased by the 10-year average growth in personal income	"Projected maintenance level" shall not exceed the available fiscal resources for the next ensuing biennium (RCW 43.88.055 (b)); RCW 82.33.060 (2) specifies process and requirements for this calculation.
Exclusions	No exclusions, except provided by EHB 2267	The 4-year balancing is not required when an appropriations bill makes net reductions in the general fund or when an appropriation is made from the Budget Stabilization Account (RCW 43.88.055 (3) and (4))
Time horizon	Each fiscal year	The current biennium and the ensuing biennium; 4-years
Preparation/Staffing	Not specified; by practice, staff from the House Office of Program Research, Senate Committee Services and Office of Financial Management	State budget outlook work group: staff from the OFM, LEAP, State Treasurer, Economic and Revenue Forecast Council, Caseload Forecast Council, Senate Ways and Means Committee, House Ways and Means Committee (RCW 82.33.070)