

Multiple Agency Fiscal Note Summary

Bill Number: 5458 S SB	Title: Historical documents
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Estimated Cash Receipts

Agency Name	2005-07		2007-09		2009-11	
	GF- State	Total	GF- State	Total	GF- State	Total
Total \$						

Local Gov. Courts *						
Local Gov. Other **		7,120,000		7,120,000		7,120,000
Local Gov. Total		7,120,000		7,120,000		7,120,000

Estimated Expenditures

Agency Name	2005-07			2007-09			2009-11		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Revenue	.0	2,800	2,800	.0	2,800	2,800	.0	2,800	2,800
Employment Security Department	.0	0	74,880	.0	0	74,880	.0	0	74,880
Total	0.0	\$2,800	\$77,680	0.0	\$2,800	\$77,680	0.0	\$2,800	\$77,680

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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Prepared by: Mike Steenhout, OFM	Phone: 360-902-0554	Date Published: Final 3/ 9/2005
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Department of Revenue Fiscal Note

Bill Number: 5458 S SB	Title: Historical documents	Agency: 140-Department of Revenue
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
GF-STATE-State 001-1	1,400	1,400	2,800	2,800	2,800
Total \$	1,400	1,400	2,800	2,800	2,800

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/07/2005
Agency Preparation: Kim Davis	Phone: 360-570-6087	Date: 03/08/2005
Agency Approval: Don Gutmann	Phone: 360-570-6073	Date: 03/08/2005
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 03/08/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Note: This fiscal note reflects SSB 5458.

Section 1 amends RCW 36.22.170 and increases the surcharge of \$2 to \$4 per instrument charged by the County Auditor for each document recorded, in addition to any other charge authorized by law. One dollar of the surcharge is to be deposited in the county general fund to be used at the discretion of the county commissioners to promote historical preservation or historical programs, which may include preservation of historic documents.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

There is no impact on state revenue collections.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The Department will incur costs of approximately \$2,800 during the 2005-2007 Biennium. FY 06 costs include:

1. \$1,400 for filing fees to record documents with counties.

In addition, the Department will incur estimated costs of \$1,400 during FY 07 and \$2,800 during each of the 2007-2009 and 2009-2011 Biennia. These ongoing costs are as described in one above.

The Department will absorb these costs. However, should this bill and other similar bills pass, the net impact may result in costs above the level the Department can reasonably absorb. In that event, the Department will need additional resources to implement the legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
E-	1,400	1,400	2,800	2,800	2,800
Total \$	\$1,400	\$1,400	\$2,800	\$2,800	\$2,800

Part IV: Capital Budget Impact

NONE.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

No new rule required.

Individual State Agency Fiscal Note

Bill Number: 5458 S SB	Title: Historical documents	Agency: 540-Employment Security Department
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
Administrative Contingency Account-State 120-1	37,440	37,440	74,880	74,880	74,880
Total \$	37,440	37,440	74,880	74,880	74,880

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/07/2005
Agency Preparation: Lois Smith	Phone: 360-902-9340	Date: 03/07/2005
Agency Approval: Nancy Muir-Clouse	Phone: 360-902-9486	Date: 03/09/2005
OFM Review: Cheri Keller	Phone: 360-902-0553	Date: 03/09/2005

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Increases the surcharge for the preservation of historical documents on any documents recorded by the county auditor from two to four dollars.

When liens or warrants are issued by the Employment Security Department (ESD) for claimants or employers that have not submitted reports or payments, documents are taken to either the county clerk or the county auditor. ESD is required to pay to file/record these documents, but adds these charges to the corresponding employer's or claimant's bill, some of which are never paid (e.g., due to offers in compromise, write-offs, etc.).

The increase in the surcharge would increase the amount of money ESD pays upfront to record these documents, which in turn increases the amount billed to those claimants and employers. Since some liabilities to ESD are never paid in full, the surcharge increase would result in a net increase in unrecovered recording fees.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The expenditures reflect only those amounts not recovered from claimants and employers with a UI benefit overpayment or unpaid tax liability. The increase in the proposed legislation is an additional \$2 each time a document is recorded (once to file, again to release).

Currently, the department files warrants but not liens on benefit overpayments and files both warrants and liens on employer liabilities. Historically, 40% of filing fees paid for claimant documents (warrants) are recovered; 25% fees recovered for employer documents (warrants and liens). Therefore, unrecovered fees are 60% for claimant documents; 75% for employer documents.

Claimant Warrants:
12,480 unrecovered (60% of 20,800 total) @ \$2 (file fee paid upfront; release fee not paid unless recovered) = \$24,960

Employer Warrants:
1,080 unrecovered (75% of 1,445 total) @ \$2 (file fee paid upfront; release fee not paid unless recovered) = \$2,160

Employer Liens:
2,580 unrecovered (75% of 3,445 total) @ \$4 (file and release fees both paid upfront) = \$10,320

Total cost for ESD: \$37,440.

Notification of increase in surcharge to staff would occur through staff memorandums: minimal time/cost involved and not reflected in fiscal impact as it is part of regular correspondence.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	37,440	37,440	74,880	74,880	74,880
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$37,440	\$37,440	\$74,880	\$74,880	\$74,880

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 5458 S SB	Title: Historical documents
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☒ Counties:
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

Jurisdiction	FY 2006	FY 2007	2005-07	2007-09	2009-11
City					
County	3,560,000	3,560,000	7,120,000	7,120,000	7,120,000
Special District					
TOTAL \$	3,560,000	3,560,000	7,120,000	7,120,000	7,120,000
GRAND TOTAL \$					21,360,000

Estimated expenditure impacts to:

Jurisdiction	FY 2006	FY 2007	2005-07	2007-09	2009-11
City					
County					
Special District					
TOTAL \$					
GRAND TOTAL \$					0

Part III: Preparation and Approval

Fiscal Note Analyst: Dahra Latham	Phone: 360-725-5036	Date: 03/08/2005
Leg. Committee Contact:	Phone:	Date: 03/07/2005
Agency Approval: Dahra Latham	Phone: 360-725-5036	Date: 03/08/2005
OFM Review: Mike Steenhout	Phone: 360-902-0554	Date: 03/08/2005

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

This bill would amend RCW 36.22.170 by increasing the surcharge county auditors collect for recording documents from two dollars to four dollars. It would also change the distribution of these funds.

Under current law, 50% of the collected fees are deposited with the State Treasurer for distribution under RCW 36.22.190 to county treasurers for use in the centennial document preservation and modernization account. The remaining 50% is retained in the county auditor's operation and maintenance fund for the ongoing preservation of historical documents of all county offices and departments.

The bill would require that one dollar from each four-dollar surcharge be deposited in the county general fund, for use in historical preservation or historical programs. The remaining revenue would be divided equally between the State Treasurer and the county auditor. Funds sent to the State Treasurer would be distributed to the county treasurers, according to the formula described in RCW 36.22.190, to be used for the preservation of historical documents. Funds retained by the county auditors would also be used for historical document preservation.

DIFFERENCE BETWEEN ORIGINAL AND SUBSTITUTE:

The original bill increased the fee to five dollars, and did not change the current distribution.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

No expenditure impact is identified.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

The additional two dollar fee collected would provide a \$3,560,000 increase in annual county revenue.

DISCUSSION AND ASSUMPTIONS:

For the year 2001, County Auditors reported approximately 1,780,000 documents were subject to the surcharge fee. Assuming this volume to be typical, the two dollar fee increase would yield \$3,560,000. More recent information on the number of documents is pending.

The bill would require that one dollar from each four-dollar surcharge be deposited in the county general fund, for use in historical preservation or historical programs. The remaining revenue would be divided equally between the State Treasurer and the county auditor. Funds sent to the State Treasurer would be distributed back to the county treasurers, according to the formula described in RCW 36.22.190, to be used for the preservation of historical documents. Funds retained by the county auditors would also be used for historical document preservation.

Consequently, though not all new revenue resulting from the bill would be retained by the county where it was collected, all increased revenue would ultimately be county revenue.

DIFFERENCE BETWEEN ORIGINAL AND SUBSTITUTE:

The original bill increased the fee to five dollars.

SOURCE:

Washington Association of County Officials