

Multiple Agency Fiscal Note Summary

Bill Number: 6746 SB	Title: Weatherization assistance
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Estimated Cash Receipts

Agency Name	2007-09		2009-11		2011-13	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Revenue	(1,103,000)	(1,105,000)	(2,306,000)	(2,310,000)	(2,447,000)	(2,451,000)
Total \$	(1,103,000)	(1,105,000)	(2,306,000)	(2,310,000)	(2,447,000)	(2,451,000)

Local Gov. Courts *						
Local Gov. Other **		(353,000)		(739,000)		(784,000)
Local Gov. Total		(353,000)		(739,000)		(784,000)

Estimated Expenditures

Agency Name	2007-09			2009-11			2011-13		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Revenue	.1	46,200	46,200	.0	0	0	.0	0	0
Total	0.1	\$46,200	\$46,200	0.0	\$0	\$0	0.0	\$0	\$0

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

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Prepared by: Ryan Black, OFM	Phone: 360-902-0417	Date Published: Final 2/ 4/2008
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 19269

Department of Revenue Fiscal Note

Bill Number: 6746 SB	Title: Weatherization assistance	Agency: 140-Department of Revenue
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2008	FY 2009	2007-09	2009-11	2011-13
GF-STATE-State 01 - Taxes 01 - Retail Sales Tax		(1,103,000)	(1,103,000)	(2,306,000)	(2,447,000)
Performance Audit Account-State 01 - Taxes 01 - Retail Sales Tax		(2,000)	(2,000)	(4,000)	(4,000)
Total \$		(1,105,000)	(1,105,000)	(2,310,000)	(2,451,000)

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	0.2		0.1		
Fund					
GF-STATE-State 001-1	46,200		46,200		
Total \$	46,200		46,200		

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: 01/23/2008
Agency Preparation: Ray Philen	Phone: 360-570-6078	Date: 02/02/2008
Agency Approval: Don Gutmann	Phone: 360-570-6073	Date: 02/02/2008
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 02/04/2008

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.

Provides a sales and use tax exemption for tangible personal property or labor and services used in the weatherization of a residence under the weatherization assistance program in RCW 70.164.

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.

ASSUMPTIONS/DATA SOURCES

The effective date of this legislation is assumed to be 90 days after the close of the legislative session.

REVENUE ESTIMATES

Using information from Department of Community, Trade, and Economic Development it is estimated that \$17 million per year is spent on low-income residential weatherization by various program participants. Using this amount the loss in general fund revenue is \$1.1 million in Fiscal Year 2009. The loss in local tax revenue is \$357,000.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000):

FY 2008 -	\$ (0)
FY 2009 -	\$ (1,105)
FY 2010 -	\$ (1,138)
FY 2011 -	\$ (1,172)
FY 2012 -	\$ (1,207)
FY 2013 -	\$ (1,244)

Local Government, if applicable (cash basis, \$000):

FY 2008 -	\$ (0)
FY 2009 -	\$ (357)
FY 2010 -	\$ (368)
FY 2011 -	\$ (379)
FY 2012 -	\$ (390)
FY 2013 -	\$ (402)

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.

To implement this legislation, the Department of Revenue (Department) will incur costs of approximately \$46,200 in Fiscal Year 2008. These costs are for developing and mailing a special notice and answering questions. Time and effort equates to approximately 0.2 FTE.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	0.2		0.1		
A-	13.600		13,600		
B-	3.400		3,400		
E-	27.900		27,900		
J-	1.300		1,300		
Total \$	\$46,200		\$46,200		

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2008	FY 2009	2007-09	2009-11	2011-13
TAX POLICY SP 1	51,861	0.1		0.1		
TAX POLICY SP 4	75,080	0.1		0.1		
Total FTE's		0.2		0.1		

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 rule-making required.

LOCAL GOVERNMENT FISCAL NOTE

Revised

Department of Community, Trade and Economic Development

Bill Number: 6746 SB	Title: Weatherization assistance
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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 2008	FY 2009	2007-09	2009-11	2011-13
City		(137,000)	(137,000)	(286,000)	(303,000)
County		(124,000)	(124,000)	(260,000)	(276,000)
Special District		(92,000)	(92,000)	(193,000)	(205,000)
TOTAL \$		(353,000)	(353,000)	(739,000)	(784,000)
GRAND TOTAL \$					(1,876,000)

Estimated expenditure impacts to:

Jurisdiction	FY 2008	FY 2009	2007-09	2009-11	2011-13
City					
County					
Special District					
TOTAL \$					
GRAND TOTAL \$					0

Part III: Preparation and Approval

Fiscal Note Analyst: Gary Reid	Phone: (360) 725 5032	Date: 02/04/2008
Leg. Committee Contact:	Phone:	Date: 01/23/2008
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/04/2008
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 02/04/2008

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 exempt from sales and use tax tangible personal property or labor and services used in home weatherization under the program established in chapter 70.164 RCW.

The bill would take effect 90 days after adjournment of the legislative session, June 12, 2008.

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.

Since sales and use taxes are collected and administered at the state and taxpayer level, there would be no impact on local government expenditures.

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 Dept. of Revenue (DOR) estimates lost sales and use taxes to local governments in FY 2009 at \$357,000. In FY 2009 counties could experience a loss of approximately \$124,000, cities \$137,000, and special districts \$92,000.

The bill would result in the following loss of sales and use tax revenue for local government (cash basis, \$000) :

FY 2008 -- (\$0)
FY 2009 -- (\$357)
FY 2010 -- (\$368)
FY 2011 -- (\$379)
FY 2012 -- (\$390)
FY 2013 -- (\$402)

Distribution of losses among counties, cities, and special districts is estimated as the following (cash basis, \$000):

	County	City	Special District
FY 2008 --	\$0	\$0	\$0
FY 2009 --	(\$124)	(\$137)	(\$92)
FY 2010 --	(\$128)	(\$141)	(\$95)
FY 2011 --	(\$132)	(\$145)	(\$98)
FY 2012 --	(\$136)	(\$149)	(\$101)
FY 2013 --	(\$140)	(\$154)	(\$104)

METHODOLOGY:

The distributions in this note for counties, cities, and special districts are based on DOR data for local sales and use tax distributions for 2007. This results in a distribution of 35.22 percent to counties, 38.72 percent to cities, and 26.06 percent to special districts. The one percent DOR administrative fee has also been deducted.

SOURCES:

Department of Revenue Fiscal Note
Department of Revenue Local Tax Distributions 2007
Office of the Code Reviser