

Multiple Agency Fiscal Note Summary

Bill Number: 6170 SB	Title: Biofuel grant program
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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	(235,000)	(235,000)	(235,000)	(235,000)	0	0
Total \$	(235,000)	(235,000)	(235,000)	(235,000)	0	0

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

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	.4	70,400	70,400	.1	9,600	9,600	.0	0	0
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Total	0.4	\$70,400	\$70,400	0.1	\$9,600	\$9,600	0.0	\$0	\$0

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

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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 19555

Department of Revenue Fiscal Note

Bill Number: 6170 SB	Title: Biofuel grant program	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 05 - Bus and Occup Tax		(235,000)	(235,000)	(235,000)	
Total \$		(235,000)	(235,000)	(235,000)	

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	0.7	0.1	0.4	0.1	
Fund					
GF-STATE-State 001-1	58,400	12,000	70,400	9,600	
Total \$	58,400	12,000	70,400	9,600	

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: Bob Lee	Phone: (360)786-7404	Date: 02/01/2008
Agency Preparation: Ray Philen	Phone: 360-570-6078	Date: 02/06/2008
Agency Approval: Kim Davis	Phone: 360-570-6087	Date: 02/06/2008
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 02/07/2008

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.

Establishes a biofuel economic development grant program. Program grant funding may only be granted to eligible farmers as follows: two cents per pound for oil seed; twenty-five cents per bushel for grains, including corn; and eighty-four cents per ton of sugar beets.

A business and occupation tax credit is established for persons engaged in the activity of administering a biofuel economic development grant program. Tax credits are equal to 100 percent of the amount of biofuel economic development grants paid by the person in a calendar year.

Expires December 1, 2009.

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

Biofuel Development in Washington, WSU, September 2007.
Department of Revenue excise tax returns.

REVENUE ESTIMATES

No ethanol plants are currently in operation in Washington and are not expected to contribute significantly to the revenue impact for this legislation before the expiration date. It is estimated that three biodiesel producers may be able to utilize the business and occupation tax credit in section 2. The loss in general fund revenue is \$235,000 in Fiscal Years 2009 and 2010.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000):

FY 2009 -	\$ (235)
FY 2010 -	\$ (235)

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

To implement this legislation, the Department of Revenue (Department) will incur costs of approximately \$58,400 in Fiscal Year 2008. These costs are for programming to set up, test, verify the computer systems, and development of a new addendum to handle the credit. Time and effort equates to approximately 0.7 FTE.

The Department will incur costs of approximately \$12,000 in Fiscal Year 2009. These costs are for handling the new addendum when filed and printing for the new addendum. Time and effort equates to approximately 0.1 FTE.

The Department will incur ongoing costs of approximately \$9,600 in Fiscal Year 2010. Costs are for printing the new addendum, processing additional out of balance returns, and answering taxpayer questions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	0.7	0.1	0.4	0.1	
A-	39.600	5,100	44,700	5,100	
B-	10.000	1,300	11,300	1,300	
E-	4.500	5,600	10,100	3,200	
J-	4.300		4,300		
Total \$	\$58,400	\$12,000	\$70,400	\$9,600	

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
EXCISE TAX EX 3	50,563	0.1	0.1	0.1	0.1	
EXCISE TAX EX 4	55,839	0.2		0.1		
IT SPEC 4	63,195	0.4		0.2		
Total FTE's		0.7	0.1	0.4	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.

Individual State Agency Fiscal Note

Bill Number: 6170 SB	Title: Biofuel grant program	Agency: 495-Department of Agriculture
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Part I: Estimates

☒ **No Fiscal Impact**

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.
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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Bob Lee	Phone: (360)786-7404	Date: 02/01/2008
Agency Preparation: Jeff Canaan	Phone: 360 902-1918	Date: 02/05/2008
Agency Approval: Mark Johnson	Phone: 360-902-1986	Date: 02/07/2008
OFM Review: David Giglio	Phone: 360-902-0654	Date: 02/07/2008

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.

Senate Bill 6170 establishes a biofuel economic development grant program. The purpose of the program is to encourage the production of feedstock grown in Washington and to maintain biofuel infrastructure in the state. A biofuel producer, agricultural cooperative, or both may opt to administer a biofuel economic development grant under this proposal.

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.

N/A

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.

WSDA does not expect any increase in workload or additional expenditures as a result of this proposal. If unanticipated costs are incurred, the agency will request additional funding through the normal budget process.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

N/A

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.

N/A