

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5545 S SB	<b>Title:</b> Park & open space allocation
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## Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Revenue	Non-zero but indeterminate cost. Please see discussion."					
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Local Gov. Courts *						
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.					
Local Gov. Total						

## Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Revenue	.1	14,800	14,800	.0	0	0	.0	0	0
<b>Total</b>	<b>0.1</b>	<b>\$14,800</b>	<b>\$14,800</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>

Local Gov. Courts *									
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Total									

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<b>Prepared by:</b> Ryan Black, OFM	<b>Phone:</b> 360-902-0417	<b>Date Published:</b> Final
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

FNPID 23429

FNS029 Multi Agency rollup

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 5545 S SB	<b>Title:</b> Park & open space allocation	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>Indeterminate Impact</b>
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### Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.2		0.1		
<b>Fund</b>					
GF-STATE-State 001-1	14,800		14,800		
<b>Total \$</b>	14,800		14,800		

*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: Dianne Criswell	Phone: (360) 786-7433	Date: 02/24/2009
Agency Preparation: Matthew Bryan	Phone: 360-570-6074	Date: 02/25/2009
Agency Approval: Don Gutmann	Phone: 360-570-6073	Date: 02/25/2009
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 02/25/2009

Request # 5545-2-1

## 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.*

This act relates to local retail sales and use tax for parks and recreation, trails, and open space allocation; and adding a new section to chapter 82.14 RCW.

Section 1 of this legislation authorizes that upon the joint request of a metropolitan park district, a city with a population of more than 150,000, and a county legislative authority in a county with a national park and a population of more than 500,000 and less than 1,500,000, the county shall submit an authorizing proposition to the county voters, fixing and imposing an additional local sales and use tax for the purposes of acquiring, building, improving park and recreation programs, trails, and open space allocation. The additional tax rate will not be greater than one tenth of one percent.

The funding distribution will be in accordance outlined in Part 5 of this bill by the county treasurer to the county, metropolitan park district, and local jurisdictions.

The proposition must be placed on a ballot for a special or general election to be held no later than one year after the date of the joint request. The proposition is approved if it receives the votes of a majority of those voting on the proposition.

Part 8 of this bill establishes a community trail advisory authority that will administer a grant program with the portion of the funding distribution dedicated to these projects. The county parks and recreation department will assist in the administration of the grant program.

### 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 AND DATA SOURCES

Estimate was done using actual taxpayer data from Pierce County. It was forecasted using the November 2008 Economic and Revenue Forecast.

#### REVENUE ESTIMATES

There is no impact to state revenues as a result of this legislation.

Since this local tax would require voter approval, the impact to local governments is indeterminate. Pierce County is the only county to meet the requirements of the legislation. The revenue gain to Pierce County, assuming voter approval, would be \$13.3 million in Fiscal Year 2012.

### 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*

To implement this legislation, the Department of Revenue (Department) will incur costs of approximately \$14,800 in Fiscal Year 2010. These costs are for updating the tax rate change notices and flyer, establishing new distribution line codes,

creating a new report for tracking funds distributed to counties, and monitoring the implementation of these changes. Time and effort equates to approximately .16 FTE.

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.2		0.1		
A-Salaries and Wages	9,000		9,000		
B-Employee Benefits	2,200		2,200		
E-Goods and Services	2,600		2,600		
J-Capital Outlays	1,000		1,000		
<b>Total \$</b>	<b>\$14,800</b>		<b>\$14,800</b>		

#### 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 2010	FY 2011	2009-11	2011-13	2013-15
EXCISE TAX EX 4	55,839	0.2		0.1		
<b>Total FTE's</b>	<b>55,839</b>	<b>0.2</b>		<b>0.1</b>		

### 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 is required.

# LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

<b>Bill Number:</b> 5545 S SB	<b>Title:</b> Park & open space allocation
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## Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

### Legislation Impacts:

- ☒ Cities: Cities in Pierce County
- ☒ Counties: Pierce County
- ☒ Special Districts: Metropolitan park districts in Pierce County
- ☒ Specific jurisdictions only:
- ☐ Variance occurs due to:

## Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☒ Legislation provides local option: Pierce County may bring the proposition to the voters
- ☒ Key variables cannot be estimated with certainty at this time: When and if the ballot proposition passes.

### Estimated revenue impacts to:

Indeterminate Impact
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### Estimated expenditure impacts to:

Indeterminate Impact
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## Part III: Preparation and Approval

Fiscal Note Analyst: Darleen Muhly	Phone: (360) 725 5030	Date: 03/03/2009
Leg. Committee Contact: Dianne Criswell	Phone: (360) 786-7433	Date: 02/24/2009
Agency Approval: David Elliott	Phone: (360) 725 5033	Date: 03/03/2009
OFM Review: Ryan Black	Phone: 360-902-0417	Date: 03/03/2009

## 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 allow a county with a national park and a population between 150,000 and 1 million (Pierce County), upon the joint request of metropolitan parks district (Metro Parks Tacoma), that county and a city with a greater than 150,000 population (Tacoma), to submit a ballot measure to the county voters to authorize an additional 0.1 percent sales and use tax. These funds must be used for the following costs:

- a) Financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, or improvement of trails, parks and recreation
- b) Allocating grants to build acquire, and maintain part of an interconnecting trail system
- c) Purchasing open space
- d) Costs above and costs related to parks in the county.

Subsection 1(5) of the bill specifies that, if the joint request and the authorizing proposition include provisions for costs under (d), the tax be distributed as follows:

- 30 percent to a metropolitan park district that contains a city with greater than 170,000 (Metro Parks Tacoma), not to replace or supplant existing per capita funding from a city with over 100,000 persons
- 33 percent to the county (Pierce County), not to replace or supplant existing per capita funding
- 20 percent to a grant program to cities with population less 170,000 (Excludes Tacoma)
- 10 percent to open space allocation administered per the county's (Pierce County's) conservation futures program
- 7 percent distributed per capita to metropolitan park districts, other than the one above, in existence in 2008. (At least two: Key Peninsula Metro Parks and PenMet Parks)

The county parks department would administer and the community trails advisory authority would set guidelines and priorities for the grant program. The county may recover its costs of administering the program from the funds allocated to the grant program.

#### DIFFERENCES BETWEEN THIS AND THE ORIGINAL BILL:

The two versions have different tax revenue distributions. In the original bill, the distribution of the tax was as follows:

- 30 percent to a metropolitan park district that contains a city with greater than 170,000, not to replace or supplant existing per capita funding from a city with over 100,000 persons
- 40 percent (rather than 33 percent in the substitute) to the county, not to replace or supplant existing per capita funding
- 20 percent to a grant program to the cities (with no population threshold as in substitute version)
- 10 percent to open space allocation to administered per the county's conservation futures program

The 7 percent per capita distribution to other metropolitan park districts was not in the original bill.

### 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.*

This bill provides a local option to Pierce County, Tacoma, and Tacoma Metro Parks. Expenditure impacts of this local option are indeterminate depending on when and if the ballot proposition passes. Expenditures could include the elections costs, grants administration, and improving trails, parks and recreation.

Elections are conducted by county auditors. After an election, the auditor bills each jurisdiction for the jurisdiction's prorated share of the cost of the election. In this case, costs would be allocated by the county based on the Budgeting, Accounting, and Reporting System (BARS) manual. Election costs vary based on factors including the size of the county, the number of other jurisdictions sharing the same election date, and the number of registered voters being served. Costs for an election can range from \$2,000 to over \$100,000.

### 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.*

This bill would provide for the local option to submit a ballot proposition to Pierce County voters to collect a 0.1 percent sales and use tax. It is not known when the ballot proposition would be submitted to the voters or if the proposition would pass. Therefore, the revenue impact is indeterminate.

According to Pierce County, a ballot proposition would likely not go before the voters before 2011. Assuming the ballot proposition passes

and collections began in 2012, total local government revenue impacts would be \$13.3 million in that first year, with \$4 million going to Metro Parks Tacoma, \$931,000 going to other metropolitan park districts, \$6 million going to Pierce County, and 2.4 million going to cities.

#### METHODOLOGY:

Local distributions are based on the distributions in Section 1(5) with 30 percent going to Metro Parks Tacoma, 7 percent going to other metropolitan park districts, 18 percent going to the city grant program and 45 percent going to the county. These distributions are based on the breakdown detailed in Section 1(5) with the assumption of a 10 percent overhead charge by the county to administer the grant program.

#### DIFFERENCES IN REVENUE IMPACT BETWEEN THIS AND THE ORIGINAL VERSION:

In the original bill, assuming the ballot proposition passed and collections began in 2012, \$4 million would have gone to Metro Parks Tacoma, \$6.9 million to Pierce County, and 2.4 million to cities. These estimates are based on distributions of 30 percent to Metro Parks Tacoma, 18 percent to the city grant program and 52 percent to the county. These distributions were based on the breakdown detailed in Section 1(5) of the original bill with the assumption of a 10 percent overhead charge by the county to administer the grant program.

The distribution to other metropolitan park districts beside Metro Parks Tacoma was not in the original bill. According to the Municipal Research Services Center, there are at least two other metropolitan park districts in Pierce County, Key Peninsula Metro Parks and PenMet Parks.

#### SOURCES:

Department of Revenue fiscal note  
Pierce County Parks  
City of Tacoma  
Municipal Research Services Center