

Multiple Agency Fiscal Note Summary

Bill Number: 2916 HB	Title: Comprehensive plans/review
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Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Total \$						

Local Gov. Courts *						
Local Gov. Other **						
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 Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total	0.0	\$0	\$0	0.0	\$0	\$0	0.0	\$0	\$0

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

Estimated Capital Budget Impact

Agency Name	2009-11		2011-13		2013-15	
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Department of Commerce						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

The Department of Commerce's fiscal note was revised to remove expenditure savings that cannot directly be attributed to the bill. The Governor's Proposed 2010 Operating Budget includes a reduction of \$3.762 million State General Fund for grants to local governments with the assumption that the local government growth management plan update timelines are extended by three years (as stipulated by this bill).

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

** See local government fiscal note

FNPID 25569

FNS029 Multi Agency rollup

Prepared by: Tristan Wise, OFM	Phone: (360) 902-0538	Date Published: Revised
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 25569

Individual State Agency Fiscal Note

Revised

Bill Number: 2916 HB	Title: Comprehensive plans/review	Agency: 103-Department of Commerce
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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.
- ☐ 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: Ethan Moreno	Phone: 360-786-7386	Date: 01/21/2010
Agency Preparation: Paul Johnson	Phone: 360-725-3048	Date: 01/27/2010
Agency Approval: Karen Larkin	Phone: 360-725-3003	Date: 01/27/2010
OFM Review: Tristan Wise	Phone: (360) 902-0538	Date: 01/28/2010

Request # 059-600-2

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.

PURPOSE OF THE REVISION: The explanation about grant reductions is amended.

Section 1 extends the time interval between periodic Growth Management Act (GMA) updates by local governments from seven years to ten years and consolidates the urban growth updates with the rest of the periodic update schedule. Other technical amendments are made to remove out-dated provisions and eliminate duplicate subsections.

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.

PURPOSE OF THE REVISION: The explanation about the reductions in technical assistance grants is amended to provide separate figures for each fiscal year of the biennium.

Grants Benefits and Client Services

In the 2009 operating budget, growth management staff for technical assistance to local governments was funded at a level of 60% below the previous biennium. The proposed 2010 supplemental operating budget request reduces the growth management planning update grants to local governments by \$(1,650,000) in FY2010 and \$(2,112,000) in FY2011 and re-directs part of the remaining growth management technical staff to support the technical assistance program for shoreline management planning.

The Department of Commerce will update its GMA technical guidance and the relevant portions of the Washington Administrative Code. These rulemaking and technical changes will be completed as part of other ongoing revisions.

Part III: Expenditure Detail

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.

The Department of Commerce will revise Chapter 365-196 WAC to implement the changes to the periodic update deadlines in section 1.

Request # 059-600-2

Individual State Agency Fiscal Note

Bill Number: 2916 HB	Title: Comprehensive plans/review	Agency: 461-Department of Ecology
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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.
- ☐ 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: Ethan Moreno	Phone: 360-786-7386	Date: 01/21/2010
Agency Preparation: Gordon Wiggerhaus	Phone: 360-407-6994	Date: 01/27/2010
Agency Approval: Patricia McLain	Phone: 360-407-7005	Date: 01/27/2010
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 01/27/2010

Request # 10-066-1

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 bill would amend RCW 36.70A, Growth Management (GMA) and RCW 90.58, Shoreline Management (SMA).

Under current law, RCW 36.70A.130(4) contains deadlines for local governments to update their comprehensive GMA plans. Currently there are four groups of counties, and each group of counties and cities has a different deadline. Current law initial deadlines were: 2004, 2005, 2006, and 2007. Then, every seven years after those initial deadlines, local governments must update their GMA plans. So, under the GMA as currently written, plan updates are due on December 1 of 2011, 2012, 2013, and 2014.

Section 1 of the bill would change the initial deadlines for local governments to update their comprehensive GMA plans to December 1 of 2014, 2016, 2018, and 2020 with updates every 10 years thereafter.

Under current law, RCW 90.58.080 contains deadlines for updates to local governments' Shoreline Master Programs (SMP). There are six groups of governments, and each group has its own deadline. The Shoreline Management Act uses the same groups of governments and the same update deadlines as the Growth Management Act, with the following 'early adopter' exceptions. The deadline for Port Townsend, Bellingham, Everett, Snohomish Co., and Whatcom Co. was December 1, 2005. The deadline for King Co. and cities within King Co. with populations greater than 10,000 is December 1, 2011. There are four other groups of counties, and their deadlines are December 1 of 2011, 2012, 2013, and 2014. Governments may be given an additional year to complete their SMPs (RCW 90.58.080(8)). Local governments are required to update SMPs every seven years after their initial updates. The 'early adopter' jurisdictions' SMP updates are due seven years from the deadlines defined in the Growth Management Act.

Section 2 of the bill would keep the above deadlines for initial SMP updates, but change the frequency of updates to every 10 years. For the four groups of local governments, the deadline for their second round of SMP updates would be December 1 of 2021, 2023, 2025, and 2027. Updates would be required every 10 years thereafter.

Under current law, Ecology supports local governments to update the wetlands Critical Area Ordinances part of their comprehensive Growth Management plans, and their Shoreline Master Program plans. This bill would stagger the GMA and SMA deadlines so that both plan updates for a local government would not be due in the same year. Section 1 would move back the deadlines to update Wetland CAOs by several years, which means that local governments would submit fewer Wetlands CAOs to Ecology for review during fiscal years 2012, 2013, and 2014. Under Section 2, the current law SMP deadlines of FY 2011, 2012, 2013, and 2014, would stay the same, but the frequency of updates would change to every 10 years thereafter.

Based on shared assumptions with the Department of Commerce, the bill's intent is that during these years local governments would shift their resources from completing CAOs to completing SMPs. The same local governments that would have their CAO deadlines moved back under this bill need to complete SMPs in these years. Thus, Ecology

wetlands staff would shift their support and review work with local governments from wetlands CAOs to wetlands portions of SMPs. Wetlands staff would be working on the same issues of wetlands protection for the same sets of local governments, but they would be working in the SMP regulatory framework rather than the GMA/CAO framework. Staff workload would continue at the same level, but work would shift from wetlands CAOs to SMPs, so there is no fiscal impact.

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.

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.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 2916 HB	Title: Comprehensive plans/review
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Deadlines for cities and counties to review and revise their comprehensive plans and development regulations under the Growth Management Act, and their Shoreline Master Programs, would be extended. Subsequent rounds of GMA and SMP updates would occur every ten years instead of every seven years.
- ☒ Counties: As above
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☒ Variance occurs due to: Expenditures for GMA updates vary widely by jurisdiction based on factors including size, population growth, specific details of existing plans and regulations, whether changes to the GMA have already been incorporated into local plans through amendment, etc.

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: Two scenarios showing the range of potential estimates are provided because the actual statewide expenditure impact of GMA updates cannot be accurately determined. Please see the attachment for additional detail. Changes to SMP updates would not impact local expenditures within the timeframe of this fiscal note.

Estimated revenue impacts to:

Jurisdiction	FY 2010	FY 2011	2009-11	2011-13	2013-15
City					
County					
Special District					
TOTAL \$					
GRAND TOTAL \$					

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Jaime Kaszynski	Phone: 360-725-2717	Date: 01/27/2010
Leg. Committee Contact: Ethan Moreno	Phone: 360-786-7386	Date: 01/21/2010
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 01/27/2010
OFM Review: Tristan Wise	Phone: (360) 902-0538	Date: 01/28/2010

Part IV: Analysis

A. SUMMARY OF BILL

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

SECTION 1: Amends RCW 36.70A.130 to change the deadlines for counties and cities to review and, if needed, revise their comprehensive plans and development regulations to ensure compliance with the requirements of the Growth Management Act. Deadlines would be extended and result in county and city GMA updates being due on December 1 of the following years, shown by county:

Clallam, Clark, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom: 2014 (from 2011)

Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and Skamania: 2016 (from 2012)

Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and Yakima: 2018 (from 2013)

Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman: 2020 (from 2014)

Section 1 also consolidates urban growth area updates with the general GMA update schedule and changes the frequency of GMA updates from seven years to 10 years, such that the next round of updates for the above groups of counties would take place in 2024, 2026, 2028 and 2030.

SECTION 2: Amends RCW 90.58.080 to change the deadlines for counties and cities to review and, if needed, revise their shoreline master programs (SMP) after initial adoption on the programs. Deadlines for reviews would be extended and result in county and city SMP updates being due on December 1 of the following years, shown by county:

Clallam, Clark, Jefferson, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom: 2021 (from 2018)

Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and Skamania: 2023 (from 2019)

Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and Yakima: 2025 (from 2020)

Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman: 2027 (from 2021)

Section 2 also changes the frequency of SMP updates from seven years to 10 years, such that the next round of updates for the above groups of counties would take place in 2031, 2033, 2035 and 2037.

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.

GMA UPDATES

The proposed legislation would have no net impact on local government expenditures for the upcoming round of GMA updates. However, substantial (from under \$1 million to approximately \$10 million; see attached Table I) short-term annual expenditure reductions would result from shifting deadlines forward for cities and counties to update GMA-related plans. Expenditure decreases in fiscal years 2011, 2012, 2013 and 2014 would be followed by expenditure increases of the same magnitude in fiscal years 2014, 2016, 2018 and 2020 respectively. Subsequent rounds of GMA updates would occur every ten years rather than every seven years.

Expenditures incurred by cities and counties for GMA updates vary widely based on factors including size, population growth, specific details of existing plans and regulations, whether changes to the GMA have already been incorporated into local plans through annual amendments, and a variety of other factors. Total statewide expenditures for all GMA updates, therefore, cannot be accurately determined. An attachment presenting two possible scenarios is provided to illustrate the range of potential GMA update expenditure shifts that would result from the proposed legislation.

SMP UPDATES

Expenditure impacts related to the proposed change in deadlines for SMP updates are not addressed since the existing and proposed deadlines are beyond the six-year scope of this local government fiscal note. The first set of updates, for example, would be changed from 2018 to 2021. As with GMA updates, the proposed legislation would have no net expenditure impact for the first round of SMP updates since reductions in 2018, 2019, 2020 and 2021 would be matched by increases in 2021, 2023, 2025 and 2027. Subsequent rounds of SMP updates would occur every ten years rather than every seven years.

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.

No sections of the proposed legislation would have direct impact on local government revenue or revenue authority. As stated in the fiscal

note prepared by the Department of Commerce, the 2010 supplemental operating budget request reduces the GMA planning update grants to local governments for FY2010-11 by \$3,762,000. This bill would enact complimentary policy by deferring local expenditures for GMA updates that would have been partially funded by the grants proposed for elimination. It is unknown whether GMA grant funds would be restored by the time jurisdictions begin their updates in 2014 under the proposed legislation.

SOURCES

Department of Commerce, Growth Management Services

Department of Commerce fiscal note

Association of Washington Cities

Office of Financial Management, April 1, 2009 Population Estimate

HB 2916 – Timelines for review of comprehensive land use plans and shoreline master programs: Calculation of Range of Local Government Expenditure Impacts

Table I provides two scenarios to show the range of potential expenditure impacts estimated to result from the proposed deferral of GMA updates. No net expenditure impact would result from the proposal; expenditures would be shifted forward by three or more years. For example, the 117 jurisdictions with updates currently due in 2011 would have reduced expenditures in 2011 and increased expenditures in 2014 as shown. Expenditure impacts after 2015 are shown in *grey italics* for illustrative purposes.

Table I: Range of local government expenditure impacts estimated to result from three-year deferral of GMA updates.	2011	2012	2013	2014	2015	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
Reduced Expenditures										
Jurisdictions	117	35	69	99						
Low estimate	-\$3,090,000	-\$690,000	-\$1,410,000	-\$1,310,000						
High estimate	-\$9,600,000	-\$2,871,795	-\$5,661,538	-\$8,123,077						
Increased Expenditures										
Jurisdictions				117		<i>35</i>		<i>69</i>		<i>99</i>
Low estimate				\$3,090,000		<i>\$690,000</i>		<i>\$1,410,000</i>		<i>\$1,310,000</i>
High estimate				\$9,600,000		<i>\$2,871,795</i>		<i>\$5,661,538</i>		<i>\$8,123,077</i>

Table II (next page) shows the calculations leading to the low-end scenario estimate of expenditure impacts. The low-end estimate assumes that jurisdictions would, on average, only need to make small to moderate modifications to their comprehensive plans and development regulations. In this scenario, average costs are assumed to be \$100,000 in large jurisdictions (100,000 population and above), \$50,000 in medium jurisdictions (30,000 – 99,999 population) and \$10,000 in small jurisdictions (below 30,000 population).

These figures were derived from past research, including consultations with local governments, and were used in fiscal notes for bills that proposed amendments to the Growth Management Act in previous years including HB 1490 (2009), H-4122.1 (2008) and HB 1753 (2007).

**HB 2916 – Timelines for review of comprehensive land use plans and shoreline master programs:
Calculation of Range of Local Government Expenditure Impacts**

Table II: Low-end expenditure estimate based on average cost of \$100,000 in large jurisdictions, \$50,000 in medium jurisdictions and \$10,000 in small jurisdictions.	2011	2012	2013	2014
Large jurisdictions (100,000 population and above)	12	2	4	0
<i>Average cost of \$100,000</i>	\$1,200,000	\$200,000	\$400,000	\$0
Medium jurisdictions (30,000 – 99,999 population)	21	4	9	8
<i>Average cost of \$50,000</i>	\$1,050,000	\$200,000	\$450,000	\$400,000
Small jurisdictions (below 30,000 population)	84	29	56	91
<i>Average cost of \$10,000</i>	\$840,000	\$290,000	\$560,000	\$910,000
Total jurisdictions	117	35	69	99
Low-end estimate	\$3,090,000	\$690,000	\$1,410,000	\$1,310,000

Table III shows the calculations leading to the high-end scenario estimate of expenditure impacts. The high-end estimate is based on anecdotal information from cities and counties that GMA grant funding in past years accounted for approximately one-third of the total cost of a GMA update, reported to LGFN Program staff by both the Association of Washington Cities and the Growth Management Unit of the Department of Commerce (GMU).

Table III: High-end expenditure estimate based on a total cost to cities and counties of three times the level of ordinary GMA grant funding. * Estimated based on grant level/jurisdiction in 2011.	2011	2012*	2013*	2014*
Jurisdictions	117	35	69	99
Programmed level of GMA grants	\$3,200,000	\$957,265	\$1,887,179	\$2,707,692
High-end estimate	\$9,600,000	\$2,871,795	\$5,661,538	\$8,123,077

Of the \$3,762,000 in GMA grants for FY2010-11 listed in the Department of Commerce fiscal note, \$3.2 million were programmed for jurisdictions with updates due in 2011. The programmed level of \$3.2 million in grants for the 117 jurisdictions with updates scheduled in 2011 indicated an average grant amount of \$27,350. That figure was multiplied by the number of jurisdictions with updates scheduled in 2012, 2013 and 2014 to estimate the level of grants that would be programmed in those years. The high-end estimate was calculated by multiplying the level of grants that would be programmed by three. (For example, in 2011: \$3,200,000 in programmed grants X 3 = \$9,600,000.)