

Multiple Agency Fiscal Note Summary

Bill Number: 1296 HB	Title: Creating a water commission.
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Estimated Cash Receipts

Agency Name	2011-13		2013-15		2015-17	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of Financial Management	640,000	8,063,588	640,000	8,068,588	640,000	8,068,588
Department of Ecology	(640,000)	(8,063,588)	(640,000)	(8,068,588)	(640,000)	(8,068,588)
Total \$	0	0	0	0	0	0

Estimated Expenditures

Agency Name	2011-13			2013-15			2015-17		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Citizens' Commission on Salaries for Elected Officials	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	188.7	32,671,658	42,243,874	188.7	32,664,658	42,236,874	188.7	32,664,658	42,236,874
Department of Personnel	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	(187.7)	(32,257,858)	(41,830,074)	(187.7)	(32,257,858)	(41,830,074)	(187.7)	(32,257,858)	(41,830,074)
Total	1.0	\$413,800	\$413,800	1.0	\$406,800	\$406,800	1.0	\$406,800	\$406,800

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

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

** See local government fiscal note

FNPID 28701

FNS029 Multi Agency rollup

Estimated Capital Budget Impact

Agency Name	2011-13		2013-15		2015-17	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Department of Ecology						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)
Office of Financial Management						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	44,283,088	44,283,088	44,283,088	44,283,088	44,283,088	44,283,088
Total \$	\$0	\$0	\$0	\$0	\$0	\$0

Prepared by: Linda Steinmann, OFM	Phone: 360-902-0573	Date Published: Revised
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 1296 HB	Title: Creating a water commission.	Agency: 085-Office of the Secretary of State
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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: Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Preparation: Dalene Conant	Phone: 360-236-5046	Date: 01/20/2011
Agency Approval: Dan Speigle	Phone: 360-236-5050	Date: 01/20/2011
OFM Review: Heather Matthews	Phone: (360) 902-0543	Date: 01/26/2011

Request # 2011-19-1

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.

New section 4 would create a water commission and election of members in even-numbered years. Implementing would necessitate minimal staff time for setting up the office and jurisdiction in the Washington Election Information system. No additional staffing is needed and because elections for this office are conducted in even-numbered years, the state assumes no financial responsibility for placing the offices on the ballot. Counties would assume the cost of this election.

New section 5 requires the functions pertaining to department of ecology be transferred to the commission. We assumed the records relating to this transfer would remain in the state records center and the revolving fund charges related to the storage of those records would be transferred to the commission.

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

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.

Individual State Agency Fiscal Note

Bill Number: 1296 HB	Title: Creating a water commission.	Agency: 099-Comm on Salaries Elected Officials
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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:

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- ☐ 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: Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Preparation: Carol Sayer	Phone: 360-725-5669	Date: 01/20/2011
Agency Approval: Carol Sayer	Phone: 360-725-5669	Date: 01/20/2011
OFM Review: Heather Matthews	Phone: (360) 902-0543	Date: 01/24/2011

Request # 11-3-1

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.

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.

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 IV: Capital Budget Impact

NONE

Individual State Agency Fiscal Note

Revised

Bill Number: 1296 HB	Title: Creating a water commission.	Agency: 105-Office of Financial Management
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Part I: Estimates



No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
General Fund-State 001-1	320,000	320,000	640,000	640,000	640,000
General Fund-Federal 001-2	348,202	348,202	696,404	696,404	696,404
General Fund-Private/Local 001-7	1,561,092	1,561,092	3,122,184	3,122,184	3,122,184
Reclamation Revolving Account-State 027-1	1,667,000	1,667,000	3,334,000	3,334,000	3,334,000
Water Rights Tracking System Account-State 10g-1	65,000	70,000	135,000	140,000	140,000
Water Rights Processing Account-State 16v-1	68,000	68,000	136,000	136,000	136,000
Total \$	4,029,294	4,034,294	8,063,588	8,068,588	8,068,588

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	188.7	188.7	188.7	188.7	188.7
Account					
General Fund-State 001-1	16,339,329	16,332,329	32,671,658	32,664,658	32,664,658
General Fund-Federal 001-2	348,202	348,202	696,404	696,404	696,404
General Fund-Private/Local 001-7	1,561,092	1,561,092	3,122,184	3,122,184	3,122,184
Reclamation Revolving Account-State 027-1	1,254,699	1,254,699	2,509,398	2,509,398	2,509,398
Flood Control Assistance Account-State 02p-1	1,171,977	1,171,977	2,343,954	2,343,954	2,343,954
State and Local Improvements Revolving Account (Water Supply Facilities)-State 072-1	192,451	192,451	384,902	384,902	384,902
Water Rights Tracking System Account-State 10g-1	48,764	48,764	97,528	97,528	97,528
Basic Data Account-Non-Appropriated 116-6	155,000	155,000	310,000	310,000	310,000
Water Rights Processing Account-State 16v-1	53,923	53,923	107,846	107,846	107,846
Total \$	21,125,437	21,118,437	42,243,874	42,236,874	42,236,874

Request # 025-2

Estimated Capital Budget Impact:

	2011-13		2013-15		2015-17	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	44,283,088	44,283,088	44,283,088	44,283,088	44,283,088	44,283,088
Total \$	\$44,283,088	\$44,283,088	\$44,283,088	\$44,283,088	\$44,283,088	\$44,283,088

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:

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- ☐ 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:	Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Preparation:	Stephanie Lidren	Phone: 360-902-3056	Date: 02/14/2011
Agency Approval:	Aaron Butcher	Phone: 360-902-0406	Date: 02/14/2011
OFM Review:	Mike Steenhout	Phone: 360-902-0554	Date: 02/14/2011

Request # 025-2

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.

Section 3 creates a department of state government to be known as the Washington water commission. Section 4 states that the commission is to consist of seven members. Section 5 transfers the current duties and staff related to water resources and flood management from the Department of Ecology to the commission. Section 6 allows for the appointment of an administrative officer to be the head of the commission.

Revision captures correct capital budget numbers.

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.

Section 3 of the bill would direct the new commission to collect several fees that result in cash receipts. Estimates are based on 11-13 Department of Ecology revenue estimates for GF-S, Reclamation Revolving, Water Rights Tracking System and Water Rights Processing Accounts. GF-F and GF-P/L estimates are based on Department of Ecology current actuals and performance during the 09-11 biennium.

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 Washington water commission consists of seven members. In addition, the current duties and staff related to water resources and flood management are transferred from the Department of Ecology to the commission.

With the exception of the costs associated with the Administrative Officer position and the monthly commission meeting costs, the remainder of the costs included in this fiscal note are based on the current costs incurred by the Department of Ecology. It is assumed the commission would continue to be housed in the Ecology building, and facilities and many services could be provided by Ecology and reimbursed via an interagency agreement.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	188.7	188.7	188.7	188.7	188.7
A-Salaries and Wages	8,678,405	8,678,405	17,356,810	17,356,810	17,356,810
B-Employee Benefits	2,628,755	2,628,755	5,257,510	5,257,510	5,257,510
C-Personal Service Contracts	2,150,920	2,150,920	4,301,840	4,301,840	4,301,840
E-Goods and Services	3,489,915	3,489,915	6,979,830	6,979,830	6,979,830
G-Travel	162,783	162,783	325,566	325,566	325,566
J-Capital Outlays	120,127	113,127	233,254	226,254	226,254
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	234,000	234,000	468,000	468,000	468,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-agency administrative overhead	3,660,532	3,660,532	7,321,064	7,321,064	7,321,064
Total:	\$21,125,437	\$21,118,437	\$42,243,874	\$42,236,874	\$42,236,874

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 2012	FY 2013	2011-13	2013-15	2015-17
Administration		25.4	25.4	25.4	25.4	25.4
Flood Management		8.3	8.3	8.3	8.3	8.3
Water Resources		155.0	155.0	155.0	155.0	155.0
Total FTE's		188.7	188.7	188.7	188.7	188.7

Part IV: Capital Budget Impact

It is assumed that this bill intends to transfer the water resources and flood control related capital funds administered by the Department of Ecology to the Water Commission.

This revision captures correct numbers for the capital budget transfer.

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.

Individual State Agency Fiscal Note

Bill Number: 1296 HB	Title: Creating a water commission.	Agency: 111-Department of Personnel
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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:

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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: Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Preparation: Kelly Moore	Phone: 360-664-6314	Date: 01/25/2011
Agency Approval: Heidi Jones	Phone: 360-664-6338	Date: 01/25/2011
OFM Review: Heather Matthews	Phone: (360) 902-0543	Date: 01/26/2011

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 creates a Water Commission.

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.

DOP's information services division which supports HRMS is funded through the Data Processing Revolving Fund (419). Costs are recovered through charges to agencies.

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.

This bill is assumed to require the establishment of a new agency. To establish a new agency, the Human Resource Management System (HRMS) must be configured with all of the “company” data such as business area, personnel area, personnel sub-areas, etc. The new agency also needs the configuration of time management related tables for quotas, absence types, work schedules, wage types, etc. Additionally, coordination with the following agencies for unique new agency identification numbers and its subsequent configuration into the new agency configuration in HRMS: Internal Revenue Service (IRS), Labor and Industries (L&I), Department of Retirement Systems (DRS), Employment Security Department (ESD), Health Care Authority (HCA), and Office of Financial Management (OFM). Lastly, once all of the set up, coordination, and configuration work is complete, Department of Personnel (DOP) must thoroughly test the new agency configuration to ensure employees assigned to the new agency are paid correctly.

Based on this assumption, the system impacts would include:

Configuration of a new business area, personnel area, personnel sub areas, and tax company with the new agency name, address, and contact information - Estimated 9 hours work effort

Configuration of any time management related tables for quotas, absences, work schedules, time quota, wage types, compensation and shared leave pool functionality to reflect the new Personnel Area/Personnel Sub Area grouping – Estimated 4.5 hrs work effort.

Configuration of the new tax company would include the new Federal Employer's Identification Number (FEIN) and registration of the new agency with the Electronic Federal Tax Payment System (EFTPS) - Estimated 4 hours work effort.

Configuration of the Labor and Industries Firm Number and the associated Labor and Industries (medical aid) rates within the the system. Estimated 8 hours work effort

Configuration of the new agencies' retirement department numbers - Estimated 2 hours work effort

Configuration of the Employment Security firm number for unemployment insurance reporting - Estimated 8 hours work effort

Configuration of any financial reporting information as needed - Estimated 4 hours work effort

Establishing the new agencies for the Health Care Authority (HCA) insurance system. Estimated 1 hour work effort.

Mainframe development to updates the Health Care Authority (HCA) insurance system. AFRSCODE, crosswalk tables, medical aide firm number, EOS distribution for reports, PERSTBLE for billing, Online Assist Help documentation, validation/testing - Estimated 4 hour work effort

Configuration of agency security for the new agencies' security administrators for HRMS and HCA's insurance system and any security access needed to assign roles for the employees needing access to HRMS - Estimated 80 hour work effort

Configuration of the new agency for payroll batch processing (setting up payroll variants)- Estimated 8 hour work effort

Configuration of any reporting changes as needed for the new agency - Estimated 7 hours work effort

System testing of the the configuration changes to add the new agencies –Estimated 115 hour work effort

Total estimate to add one new agency 254.5 hours.

The costs would be one time and DOP would require the use of contractors to make these changes at the rate of \$260 per hour. Cost impact - 254.5 hours @ \$260 per hour = \$66,170.

The costs would be incurred in Fiscal Year 2011 due to the implementation date of the new agency of July 1, 2011.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

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.

Individual State Agency Fiscal Note

Bill Number: 1296 HB	Title: Creating a water commission.	Agency: 461-Department of Ecology
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Part I: Estimates



No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2012	FY 2013	2011-13	2013-15	2015-17
General Fund-State 001-1	(320,000)	(320,000)	(640,000)	(640,000)	(640,000)
General Fund-Federal 001-2	(348,202)	(348,202)	(696,404)	(696,404)	(696,404)
General Fund-Private/Local 001-7	(1,561,092)	(1,561,092)	(3,122,184)	(3,122,184)	(3,122,184)
Reclamation Revolving Account-State 027-1	(1,667,000)	(1,667,000)	(3,334,000)	(3,334,000)	(3,334,000)
Water Rights Tracking System Account-State 10G-1	(65,000)	(70,000)	(135,000)	(140,000)	(140,000)
Water Rights Processing Account-State 16V-1	(68,000)	(68,000)	(136,000)	(136,000)	(136,000)
Total \$	(4,029,294)	(4,034,294)	(8,063,588)	(8,068,588)	(8,068,588)

Estimated Expenditures from:

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	(187.7)	(187.7)	(187.7)	(187.7)	(187.7)
Account					
General Fund-State 001-1	(16,128,929)	(16,128,929)	(32,257,858)	(32,257,858)	(32,257,858)
General Fund-Federal 001-2	(348,202)	(348,202)	(696,404)	(696,404)	(696,404)
General Fund-Private/Local 001-7	(1,561,092)	(1,561,092)	(3,122,184)	(3,122,184)	(3,122,184)
Reclamation Revolving Account-State 027-1	(1,254,699)	(1,254,699)	(2,509,398)	(2,509,398)	(2,509,398)
Flood Control Assistance Account-State 02P-1	(1,171,977)	(1,171,977)	(2,343,954)	(2,343,954)	(2,343,954)
State and Local Improvements Revolving Account (Water Supply Facilities)-State 072-1	(192,451)	(192,451)	(384,902)	(384,902)	(384,902)
Water Rights Tracking System Account-State 10G-1	(48,764)	(48,764)	(97,528)	(97,528)	(97,528)
Basic Data Account-Non-Appropriated 116-6	(155,000)	(155,000)	(310,000)	(310,000)	(310,000)
Water Rights Processing Account-State 16V-1	(53,923)	(53,923)	(107,846)	(107,846)	(107,846)
Total \$	(20,915,037)	(20,915,037)	(41,830,074)	(41,830,074)	(41,830,074)

Request # 11-035-2

Estimated Capital Budget Impact:

	2011-13		2013-15		2015-17	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)	(44,283,088)
Total \$	\$(44,283,088)	\$(44,283,088)	\$(44,283,088)	\$(44,283,088)	\$(44,283,088)	\$(44,283,088)

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.

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

Legislative Contact:	Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Preparation:	Jim Skalski	Phone: 360-407-6617	Date: 02/11/2011
Agency Approval:	Patricia McLain	Phone: 360-407-7005	Date: 02/11/2011
OFM Review:	Linda Steinmann	Phone: 360-902-0573	Date: 02/11/2011

Request # 11-035-2

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.

Background: Chapter 43.21A RCW creates the department of Ecology as an executive branch agency with its director appointed by the Governor. This chapter defines the duties and powers of the department in carrying out its mission consistent with Chapter 90 RCW.

This bill would transfer all powers and duties pertaining to the supervision of the public waters within the state and their appropriation, diversion, and use, the construction and inspection of all waterworks for the purposes and the determination as to the discharge of streams and springs and other sources of water supply, and the capacities of lakes and of reservoirs. The newly created commission would also be charged with providing assistance to applicants seeking a water right, maintaining appropriate records, making reports to the legislature and Governor and performing all duties as prescribed by law.

Ecology's fiscal note for this bill reflects Sections 3 and 6 only. OFM's fiscal note for the new agency reflects Sections 1 through 6.

A section by section impact is as follows:

Section 3 of the bill would define the powers and duties of the Water Resources Commission with jurisdiction over the supervision of the public waters of the state, including the collection of fees.

Section 6 would authorize the commission to appoint an administrative officer to head the commission. The commission may then delegate the commission's authority, duty, or function with the exception of adopting or amending rules to the administrative officer. It also notes that the commission shall have authority to withdraw this delegation at all times.

The effect of the bill would be to sever from Ecology the Water Resources Program and the Flood Management activities of the Shorelands and Environmental Assessment Program and place those organizational units under a new Water Resources Commission. This fiscal note assumes that:

- Ecology would transfer all existing Water Resources and Flood Management staff and resources to the new commission and maintain the same regional service areas as present. All current direct 163.25 FTEs would transfer to the new agency.
- Staff would remain in their current locations.
- All Water Resources and Flood Management indirect overhead and cost-allocation amounts to Ecology would be transferred to the new agency.
- Current information technology, building services and motor pool functions would be contracted back to the Department of Ecology at the same current level cost, assuming no changes would be required. (This fiscal note does not include any additions or modifications above existing service levels, including services for the new commissioner positions.)
- Support and funding for the new commissioner positions are not included in this fiscal note. (Please refer to the fiscal note for the new agency by the Office of Financial Management.)

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.

Section 3 of the bill would direct the new commission to collect several fees that result in cash receipts. Fees that Ecology would no longer collect would include:

General Fund State: Cash receipts include GF-S portion of water rights processing and dam safety fees.

General Fund Federal: Cash receipts include FEMA grant and FCAAP grants.

General Fund Private / Local: Includes cash receipts for cost-reimbursement contracts with entities processing a water right application.

Reclamation revolving Account State:

- power license fees - \$766,000 per year;
- well drilling and licensure fees and penalties - \$901,000 per year

Water Rights tracking System Account State: Cash receipts include 10G portion of water rights processing and dam safety fees.

Water Rights Processing Account State:

- expedited water right processing fees (estimated at \$126,000 per biennium)*
- certified water right examiner fees (estimated at \$10,000 per biennium)*

*The program is in the process of implementing expedited water right processing fees and certified water right examiner fees. Currently these two fees have not been fully implemented and actual fees collected will vary.

Estimates are based on 11-13 agency revenue estimates for GF-S, Reclamation Revolving, Water Rights Tracking System and Water Rights Processing Accounts. GF-F and GF-P/L estimates are based on current actuals and performance during the 09-11 biennium.

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.

Section 3 of the bill would create a new state agency called the Washington Water Commission having authority over the supervision of the public waters within the state and the various officers and employees of the state connected therewith.

Section 4 defines the make-up of the commission. It would have seven members of which six would be elected and one appointed by the Governor. The establishment of the commission would add seven new full time state employees to the state payroll. (Note that Section 6 would also provide for a new administrative head to the commission.) See the fiscal note prepared by the Office of Financial Management for the Commission detail.

Section 5 would transfer all the powers, duties, functions, assets, employees, funds and appropriations of the Department of Ecology relating to water resources and flood management from Ecology to the new commission.

The current budget level for the Water Resources Program has 155 FTEs and an operating budget of \$35,860,886. Unallotted drought funds are not included in these numbers as those funds vary from year to year depending on drought conditions throughout the state. The Flood Management unit has 8.25 FTEs and a biennial operating budget of \$2,620,788. These figures are based on the 09-11 budget after 2010 Supplemental HB 3225 Early Savings. (This fiscal note does not reflect any changes or reductions currently proposed in the 11-13 budget.)

Transferring the commission's employees from Ecology would also involve the shift of indirect expenditures and FTEs, including cost allocation charges. This fiscal note reflects Ecology's agency indirect expenditures of \$3,660,582 per year and 24.49 FTEs in administrative staff. It is assumed these employees and their costs would also be removed from Ecology's budget and transferred to the new agency.

Cost allocation costs would also shift from Ecology to the new agency which are included in the totals above. Based on the advice of legislative staff, this fiscal note also assumes that the water commission would not move out of Ecology facilities. (If they were to move out, Ecology would incur additional costs.) The bill would require that the new commission be allocated a proportional share of the Ecology motor pool vehicles. (These estimates are based on current motor pool cost allocation figures, which reflect average per-vehicle debt service and maintenance for the biennium and are included within each program's totals above). For simplicity, this fiscal note assumes that the cost allocation amounts (that pay for AGO time, information technology needs, mail services, motor pool costs, etc.) would be transferred to the Commission. (By interagency agreement, existing facilities and many services could be provided to the Commission staff transferred from Ecology.)

Ecology staffing would be reduced by a total of 187.74 FTEs and Ecology's biennial budget would be reduced by a total of \$41,830,074 in the 11-13 biennium. Costs by object were estimated based actual allotments for the current biennium.

Section 6 may add an administrative head to the Commission. Ecology assumes this would add one new full time state employee to the state payroll. See the fiscal note prepared by the Office of Financial Management for the Commission's estimated expenditures.

Note on costs by object: All expenditures shown correspond to the current level budget for the 2011-2013 biennium. Goods and services costs include \$3,123,141 for Attorney General Services.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2012	FY 2013	2011-13	2013-15	2015-17
FTE Staff Years	(187.7)	(187.7)	(187.7)	(187.7)	(187.7)
A-Salaries and Wages	(8,558,405)	(8,558,405)	(17,116,810)	(17,116,810)	(17,116,810)
B-Employee Benefits	(2,601,755)	(2,601,755)	(5,203,510)	(5,203,510)	(5,203,510)
C-Personal Service Contracts	(2,150,920)	(2,150,920)	(4,301,840)	(4,301,840)	(4,301,840)
E-Goods and Services	(3,435,915)	(3,435,915)	(6,871,830)	(6,871,830)	(6,871,830)
G-Travel	(160,383)	(160,383)	(320,766)	(320,766)	(320,766)
J-Capital Outlays	(113,127)	(113,127)	(226,254)	(226,254)	(226,254)
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	(234,000)	(234,000)	(468,000)	(468,000)	(468,000)
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-9 - Agency Administrative Overhead	(3,660,532)	(3,660,532)	(7,321,064)	(7,321,064)	(7,321,064)
Total:	\$(20,915,037)	\$(20,915,037)	\$(41,830,074)	\$(41,830,074)	\$(41,830,074)

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 2012	FY 2013	2011-13	2013-15	2015-17
Administration Program		(24.5)	(24.5)	(24.5)	(24.5)	(24.5)
Flood Managment Unit (SEA Prog.)	70,272	(8.3)	(8.3)	(8.3)	(8.3)	(8.3)
Water Resources Program	51,475	(155.0)	(155.0)	(155.0)	(155.0)	(155.0)
Total FTE's	121,747	(187.7)	(187.7)	(187.7)	(187.7)	(187.7)

III. C - Expenditures By Program (optional)

Program	FY 2012	FY 2013	2011-13	2013-15	2015-17
Administration Program (A00)	(1,647,239)	(1,647,239)	(3,294,478)	(3,294,478)	(3,294,478)
Flood Managment (SEA Program) (E00)	(1,310,394)	(1,310,394)	(2,620,788)	(2,620,788)	(2,620,788)
Water Resources Program (H00)	(17,957,404)	(17,957,404)	(35,914,808)	(35,914,808)	(35,914,808)
Total \$	(20,915,037)	(20,915,037)	(41,830,074)	(41,830,074)	(41,830,074)

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2012	FY 2013	2011-13	2013-15	2015-17
Acquisition					
Construction					
Other	(44,283,088)	(44,283,088)	(88,566,176)	(88,566,176)	(88,566,176)
Total \$	(44,283,088)	(44,283,088)	(88,566,176)	(88,566,176)	(88,566,176)

The biennial budget amounts are based on the 2009-11 Water Resource Program Capital Budget that includes appropriations and reappropriations totaling \$88.56 million. Funds by account are as follows.

Fund 057 State Building Construction Account - \$43,076,623
Fund 072 State and Local Improvements Revolving Account - \$4,242,625
Fund 05W State Drought Preparedness Account - \$738,000
Fund 10P Columbia River Basin Water Supply Account - \$40,483,446
Fund 11W Water Quality Capital Account - \$25,482

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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.

It is assumed that housekeeping amendments of all rules would be required to supersede Ecology and Ecology procedures with the new agency and its procedures.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 1296 HB	Title: Creating a water commission.
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☐ Cities:
- ☒ Counties: Counties bear the cost of elections in even-numbered years, so would incur incremental cost increases from the addition of one to three elected Water Commission positions.
- ☐ 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: Costs would vary depending on several aspects of how the elections would be held, which are not specified in the proposed legislation. These include whether the positions would appear on the primary ballot and whether each position would be elected individually.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Jaime Kaszynski	Phone: 360-725-2717	Date: 01/26/2011
Leg. Committee Contact: Courtney Barnes	Phone: 360-786-7194	Date: 01/17/2011
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 01/26/2011
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 01/31/2011

Part IV: Analysis

A. SUMMARY OF BILL

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

HB 1296 would create the Washington Water Commission and transfer a variety of water resource management functions from the Department of Ecology to the commission.

Section 4 would provide that the commission would consist of one commissioner appointed by the governor and six commissioners elected to four-year terms. Three of the elected commissioners would be residents of the portion of the state lying west of the summit of the Cascade mountains and would be elected at large from that portion of the state. The other three elected commissioners would be residents of the portion of the state lying east of the Cascade mountains and be elected at large from that portion of the state. The initial terms of the commissioners would be staggered so that a total of three commissioners would be elected at each general election held in even-numbered years.

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.

The cost of elections held in even-numbered years are borne by each county without state reimbursement, therefore Section 4 of the proposed legislation would incrementally increase county election department expenditures. These costs would range from minor (less than \$50,000) to substantial (over \$1.3 million) if all ballots required a second page and were mailed, as discussed below.

Costs could vary upward from this range depending on several aspects of how the elections would be held, which are not specified in the proposed legislation. Such variables include:

- whether commissioner positions would appear on the primary election ballot as well as the general election ballot;
- whether each commissioner position would appear on the ballot individually (as opposed to one ballot entry listing each candidate from the region, with the top three candidates winning seats);
- whether additional pages in county-printed voter pamphlets would be necessary to accommodate the new positions; and
- whether candidates would file centrally with the Secretary of State (as opposed to filing in each individual eastern or western county).

DISCUSSION

The incremental cost increase resulting from adding an office or measure to a ballot is minimal to the counties (typesetting the question, proofreading, system programming and ballot inspection) except when it causes a county to print an additional ballot page. At this point significant additional costs could be incurred for printing, handling, and postage. The need for an additional ballot page occurs at a different point in each county depending on how full the ballot is with local items and the length and width of that county's physical ballot page.

The four major county voting systems in Washington each have differently-sized ballots. An average cost of \$0.38 per voter for each additional ballot page, including postage, was developed by sampling the different systems in King, Thurston, and Snohomish counties. There are approximately 3.5M voters statewide so total impacts could reach \$1,330,000 ($\$0.38 \times 3,500,000 = \$1,330,000$).

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.

The proposed legislation would not directly impact local government revenue.

SOURCES

Office of the Secretary of the State's fiscal note
Local Government Fiscal Note Program election cost model
Local government fiscal note on SB 5087 (2003)