

Individual State Agency Fiscal Note

Bill Number: 5045 S SB AMH APP H2364.1	Title: Day spas/wine or beer	Agency: 195-Liquor Control Board
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
Liquor Revolving Account-State 501-1	125,000	125,000	250,000	250,000	250,000
Total \$	125,000	125,000	250,000	250,000	250,000

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	1.0	0.0	0.5	0.0	0.0
Account					
Liquor Revolving Account-State 501-1	52,213	0	52,213	0	0
Total \$	52,213	0	52,213	0	0

Estimated Capital Budget Impact:

NONE

This bill was identified as a proposal governed by the requirements of RCW 43.135.031 (Initiative 960). Therefore, this fiscal analysis includes a projection showing the ten-year cost to tax or fee payers of the proposed taxes or fees.

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 04/09/2013
Agency Preparation: Colin O'Neill	Phone: (360) 664-1675	Date: 04/09/2013
Agency Approval: Michael Kashmar	Phone: 360-664-1690	Date: 04/09/2013
OFM Review: Chris Stanley	Phone: (360) 902-9810	Date: 04/09/2013

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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 1 (1) - Creates the permit known as the day spa permit to allow holder to offer or supply without charge wine or beer by the individual glass to a customer 21 and over for consumption on the premises. A day spa offering wine or beer may not advertise the service of complimentary wine or beer and may not sell wine or beer in any manner. Any employee involved in the service of wine or beer must complete a MAST (Mandatory Alcohol Server Training) program.

Section 1 (2) - Defines day spa as a business that offers at least three of the following beauty services: hair care (including shampooing, cutting, styling, and dyeing hair), skin care (such as facials and body wraps), massages, or the use of body toning equipment.

Section 1 (3) - The annual fee for this permit is one hundred twenty-five dollars and authorizes the Legislature to adjust the fee in the operating budget. Estimated that 1,000 businesses will purchase this permit.

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.

Of the licensed salon locations, LCB estimates that 1,000 will purchase this annual permit. (\$125 x 1,000 = \$125,000)

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.

One-time costs include one Customer Services Specialist 2 to process new permit applications and respond to a projected high volume of questions from the industry.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	1.0		0.5		
A-Salaries and Wages	35,652		35,652		
B-Employee Benefits	14,261		14,261		
C-Personal Service Contracts					
E-Goods and Services	2,300		2,300		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$52,213	\$0	\$52,213	\$0	\$0

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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 2014	FY 2015	2013-15	2015-17	2017-19
Customer Services Specialist 2	35,652	1.0		0.5		
Total FTE's	35,652	1.0		0.5		0.0

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.

New rules required to amend WAC 314-38