

Individual State Agency Fiscal Note

Bill Number: 1127 HB	Title: Ag labor skills and safety	Agency: 103-Department of Commerce
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.4	0.1	0.3	0.1	0.0
Account					
General Fund-State 001-1	45,710	11,801	57,511	11,801	0
Total \$	45,710	11,801	57,511	11,801	0

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:

- ☐ 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.

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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 2 requires Commerce to establish and administer a grant program for agricultural labor skills and safety and to select one community-based organization as a grant recipient. The grant recipient is required to provide training in agricultural skills and workplace health and safety that is sensitive to the unique needs of agricultural employers and agricultural workers, including barriers to employment for agricultural workers. The grant recipient, working with agricultural employers and agricultural employer organizations, must design agricultural skills development programs, develop a plan and recruitment process to increase the number of skilled agricultural workers, and conduct project evaluations on agricultural training programs and service delivery strategies. The grant recipient must partner with an agricultural employee and an agricultural employer organization that has focused on agricultural labor and employment issues and services for at least ten years. The grant recipient may receive no more than \$1,000,000 in any calendar year. The program expires on July 1, 2018.

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.

Section 2

ASSUMPTIONS: Commerce assumes that, because there is only one grant recipient under section 2 of the bill, the startup costs and ongoing program costs will not be proportional to the amount of funding appropriated for the program grant. Commerce will survey available community-based organizations, develop an RFP (request for proposal) incorporating the requirements of the bill, and solicit applications for the grant.

FTE Salaries and Benefits:

Commerce estimates 0.4 FTE Commerce Specialist 2 in FY16 to survey available community-based organizations; conduct a request for proposal process; select an organization that meets the requirements of this section; and negotiate and execute an initial contract for the grant. The costs of the survey and selection process for this new program will be slightly greater than for similar programs in Commerce, because the agency is not currently involved with the community-based organizations that would be likely to apply for the grant. Commerce estimates 0.1 FTE Commerce Specialist 2 in FY17-18 to monitor the contract performance of the recipient organization and evaluate the effectiveness of the training program.

FY16: \$30,458

FY17-18: \$7,615 each fiscal year

Goods and Other Services (G&S):

FY16: \$13,762
-standard G&S \$11,448
-space and utilities \$2,314

FY17-18: \$3,441 each fiscal year
-standard G&S \$2,862
-space and utilities \$579

Note: Standard goods and services costs include supplies and materials, employee development and training, mandatory state seat of government and Department of Personnel charges, and Commerce agency administration. Commerce administration provides general standard governmental services including, but not limited to: budgeting, accounting, payroll, and purchasing services; personnel and employee services; internal information technology systems, desktop and network support services; facilities management services; public affairs services; policy and risk management services; and other support services.

Travel:

ASSUMPTION: Commerce estimates travel associated with the RFP and selection process (two meetings in eastern Washington with interested organizations in FY16) and travel associated with the monitoring the organization performing the training services (two meetings in eastern Washington in FY16 and two meetings in each of FY17-18).

Commerce estimates eight days of travel in FY16 and four days in each of FY17-18, including 3,600 miles using a hybrid motor pool vehicle (\$932), eight days of per diem (\$928), and lodging for one person for four days (\$1,120).

FY16: \$1,490
FY17-18: \$745 each fiscal year

Grants, Loans, and Client Services:

ASSUMPTIONS: Under section 2(1), the program established by this bill is subject to a specific appropriation for that purpose. Because this bill does not indicate the amount of funding that would be provided for distribution under section 2 and no appropriation is included in the operating budget request for the 2015-17 biennium for this purpose, grant amounts are not included as impacts in this fiscal note. However, Commerce has assumed a grant amount of \$750,000 to \$1,000,000 for the purposes of estimating the startup and administrative costs of the program.

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Summary of the Fiscal Impact of the Bill:

FY16: \$45,710
FY17-18: \$11,801 each fiscal year

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	0.4	0.1	0.3	0.1	
A-Salaries and Wages	22,334	5,584	27,918	5,584	
B-Employee Benefits	8,124	2,031	10,155	2,031	
C-Professional Service Contracts					
E-Goods and Other Services	13,762	3,441	17,203	3,441	
G-Travel	1,490	745	2,235	745	
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:	\$45,710	\$11,801	\$57,511	\$11,801	\$0

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 2016	FY 2017	2015-17	2017-19	2019-21
Commerce Specialist 2	55,836	0.4	0.1	0.3	0.1	
Various Administrative Services	72,800	0.0	0.0	0.0	0.0	
Total FTE's	128,636	0.4	0.1	0.3	0.1	0.0

III. C - Expenditures By Program (optional)

Program	FY 2016	FY 2017	2015-17	2017-19	2019-21
Agency Administration (Indirect) (100)	10,660	2,665	13,325	2,665	
Community Services and Housing (300)	35,050	9,136	44,186	9,136	
Total \$	45,710	11,801	57,511	11,801	

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.

NONE