

MultipleAgencyFiscalNoteSummary

BillNumber: 1443HB

Title: Energyassistanceprograms

EstimatedCashReceipts

AgencyName	2001-03		2003-05		2005-07	
	GF-State	Total	GF-State	Total	GF-State	Total
DepartmentofRevenue	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Total:	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)

LocalGov.Courts*						
LocalGov.Other**						
LocalGov.Total						

EstimatedExpenditures

AgencyName	2001-03			2003-05			2005-07		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Community,Trade,and EconomicDevelopment	.0	0	0	.0	0	0	.0	0	0
DepartmentofRevenue	.6	75,600	75,600	.3	35,400	35,400	.3	35,400	35,400
Total:	.6	75,600	75,600	.3	35,400	35,400	.3	35,400	35,400

LocalGov.Courts*									
LocalGov.Other**									
LocalGov.Total									

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* SeeOfficeoftheAdministratorfortheCourtsjudicialfiscalnote

** Seelocalgovernmentfiscalnote

IndividualStateAgencyFiscalNote

BillNumber: 1443HB	Title: Energyassistanceprograms	Agency: 103-Community,Trade&EconomicDevelop
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PartI:Estimates

☒ **NoFiscalImpact**

Thecashreceiptsandexpenditureestimatesonthispagerepresentthemostlikelyfiscalimpact.Factorsimpactingtheprecisionoftheseestimates,andalternateranges(ifappropriate),areexplainedinPartII.

Checkapplicableboxesandfollowcorrespondinginstructions:

- ☐ 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.

LegislativeContact:	Phone:	Date: 01/25/2001
AgencyPreparation: WillGraham	Phone: 360-725-2854	Date: 01/26/2001
AgencyApproval: MinaApacible	Phone: 360-725-2910	Date: 01/26/2001
OFMReview: RobinCampbell	Phone: 360-902-0575	Date: 01/26/2001

PartII:NarrativeExplanation

II.A-BriefDescriptionOfWhatTheMeasureDoesThatHasFiscalImpact

Brieflydescribe,bysectionnumber,thesignificantprovisionsofthebill,andanyrelatedworkloadorpolicyassumptions,thathaverevenueor expenditureimpactontherespondingagency.

HB1443wouldcreatetheopportunityforutilitycompaniestoprovideratereductionstolow-incomehouseholdsand receivealiketaxcredituptoastate-widecapforallutilitycompaniescombinedof\$2.5millionperfiscalyear.Thisbill wouldnothaveafiscalimpactontheDepartmentofCommunity,TradeandEconomicDevelopment.

II.B-CashreceiptsImpact

Brieflydescribeandquantifythecashreceiptsimpactofthelegislationontherespondingagency,identifyingthecashreceiptsprovisionsbysection numberandwhenappropriatethedetailoftherevenuesources.Brieflydescribethefactualbasisoftheassumptionsandthemethodbywhichthe cashreceiptsimpactisderived.Explainhowworkloadassumptionstranslateintoestimates.Distinguishbetweenonetimeandongoingfunctions.

II.C-Expenditures

Brieflydescribetheagencyexpendituresnecessarytoimplementthislegislation(orsavingsresultingfromthislegislation),identifyingbysection numbertheprovisionsofthelegislationthatresultintheexpenditures(orsavings).Brieflydescribethefactualbasisoftheassumptionsandthe methodbywhichtheexpenditureimpactisderived.Explainhowworkloadassumptionstranslateintocostestimates.Distinguishbetweenonetime andongoingfunctions.

PartIII:ExpenditureDetail

PartIV:CapitalBudgetImpact

PartV:NewRuleMakingRequired

Identifyprovisionsofthemeasurethatrequiretheagencytoadoptnewadministrativerulesorrepeal/reviseexistingrules.

Department of Revenue Fiscal Note

Bill Number: 1443HB	Title: Energy assistance programs	Agency: 140-Department of Revenue
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Fund	FY2002	FY2003	2001-03	2003-05	2005-07
General Fund-State 01-Taxes35-Public Utilities Tax	(2,500,000)	(2,500,000)	(5,000,000)	(5,000,000)	(5,000,000)
Total	(2,500,000)	(2,500,000)	(5,000,000)	(5,000,000)	(5,000,000)

Estimated Expenditures from:

	FY2002	FY2003	2001-03	2003-05	2005-07
FTE Staff Years	0.8	0.3	0.6	0.3	0.3
Fund					
GF-STATE-State	57,900	17,700	75,600	35,400	35,400
Total	57,900	17,700	75,600	35,400	35,400

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternative 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 rulemaking, complete Part V.

Legislative Contact:	Phone:	Date: 01/25/2001
Agency Preparation: Ray Philen	Phone: 570-6078	Date: 01/31/2001
Agency Approval: Don Taylor	Phone: 360-570-6083	Date: 01/31/2001
OFM Review: Tristan Wise	Phone: 360-902-0546	Date: 01/31/2001

PartII:NarrativeExplanation

II.A-BriefDescriptionOfWhatTheMeasureDoesThatHasFiscalImpact

Brieflydescribe,bysectionnumber,thesignificantprovisionsofthebill,andanyrelatedworkloadorpolicyassumptions,thathaverevenueor expenditureimpactontherespondingagency.

Section1providesapublicutilitytaxcredittolightandpowerbusinessesandgasdistributionbusinessesforbilling discountsatareequaltoorgreaterthan125%ofthediscountsgiveninfiscalyear2000.Theamountofthecreditis equalto50%ofthebillingdiscount.

"Billingdiscounts"aredefinedasareductionmadeintheamountchargedforprovidingservicetopersonsthatqualifyfor low-incomeenergyassistancegrants.

"Grants"aredefinedasfundsprovidedbytheDepartmentofCommunity,Trade,andEconomicDevelopmentfromthe lowincomehomeenergyassistanceprogram42U.S.C.Sec8623etseq.

Thetotalamountofcreditthatmaybetakeninanyfiscalyearislimitedto\$2.5million.Thecredittakenbyaparticular firmislimitedtotheamountofpublicutilitytax;anyunusedcreditexpires.

Section4(d)ofthebillrequiresthatanyunusedcreditsberatablydistributedtoapplicantsundertheformulainsubsection (1)(a).Thisensuresthatalloftheavailable\$2.5millioncreditamountwillbetaken.

II.B-CashreceiptsImpact

Brieflydescribeandquantifythecashreceiptsimpactofthelegislationontherespondingagency,identifyingthecashreceiptsprovisionsbysection numberandwhenappropriatedetailoftherevenuesources.Brieflydescribethefactualbasisoftheassumptionsandthemethodbywhichthe cashreceiptsimpactisderived.Explainhowworkloadassumptionstranslateintoestimates.Distinguishbetweenonetimeandongoingfunctions.

ASSUMPTIONS/DATASOURCES

DatafromlightandpowercompanyfinancialstatementsandDCTEDstaffreports.

AUDITASSESSMENTS(Impactresultingfromrecentauditactivity)

Thislegislationdoesnotresultfromauditassessments.

CURRENTLYREPORTINGTAXPAYERS(Impactfortaxpayerswhoareknownorestimatedtobecurrentlypayingthe taxinquestion)

Lightandpowerbusinesses(L&P)currentlygivebillingdiscountstocustomersthatamounttobetween\$7millionand\$8 million.TwelveL&Psgivebillingdiscountstotheircustomers.NearlyallL&Psandgasdistributionbusinessreceive LowIncomeHomeEnergyAssistanceProgram(LIHEAP)fundsthroughtheDept.ofCommunity,Trade,andEconomic Development(DCTED)ororganizationsthatcontractwithDCTED.

Oftheapproximately95L&Psandgasdistributionbusinessonlythosethatofferbillingdiscountstotheircustomerswill beeligiblefortheutilitytaxcreditproposedinthisbill.

BecauseSection4(d)ofthebillrequiresthatallofthe\$2.5millionavailablecreditbedistributed,theimpacttostate generalfundrevenueswillbealossof\$2.5million.

TAXPAYERSNOTCURRENTLYREPORTING(Althoughsometaxpayersmaynotnowbepayingthetaxinquestion, someofthemwillbecomeawareoftheirliabilityinthefuture,asaresultofnormalenforcementactivitiesoreducation programsbytheDepartment.TheimpactforsuchtaxpayersisbasedontheDepartment'sstudiesofaverage tax compliance)

Alltaxpayersaffectedbythislegislationarebelievedtobereportingcorrectly.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000):

FY2002	-	\$(2,500)
FY2003	-	(2,500)
FY2004	-	(2,500)
FY2005	-	(2,500)
FY2006	-	(2,500)
FY2007	-	(2,500)

Local Government, if applicable (cash basis, \$000): 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 assumption translates into cost estimates. Distinguish between one-time and ongoing functions.

The Department will incur costs to implement this legislation in the first year of \$9,700 to amend one rule, \$28,100 in computer programming costs to compute and monitor the capped credit, and \$20,100 in administration costs to initiate the application process and individual taxpayer monitoring system for a total of \$57,900. In each year thereafter the Department will need .3 FTE at a cost of \$17,700 to administer this program. The Department will need an appropriation to fully implement this legislation.

Part III: Expenditure Detail

III.A-Expenditures By Object Or Purpose

	FY2002	FY2003	2001-03	2003-05	2005-07
FTE Staff Years	0.8	0.3	0.6	0.3	0.3
A-	35,000	12,600	47,600	25,200	25,200
B-	9,100	3,300	12,400	6,600	6,600
E-	8,100	1,800	9,900	3,600	3,600
J-	5,700		5,700		
Total:	57,900	17,700	75,600	35,400	35,400

III.B-FTE 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	FY2002	FY2003	2001-03	2003-05	2005-07
EXCISE TAX EXAMINER3	42,120	0.3	0.3	0.3	0.3	.3
INFO TECH APPS SPEC4	52,611	0.4		0.2		
TAX POLICY SPECIALIST3	58,071	0.1		0.1		
Total		0.8	0.3	0.6	0.3	.3

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.

WAC 458-20-179 needs to be amended. Interested parties include utilities and public interest groups.