

# Multiple Agency Fiscal Note Summary

**Bill Number:** 6431 S SB

**Title:** Businesses/adm rules

## Estimated Cash Receipts

Agency Name	2001-03		2003-05		2005-07	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Health	0	116,000	0	232,000	0	232,000
<b>Total \$</b>	0	116,000	0	232,000	0	232,000

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

## Estimated Expenditures

Agency Name	2001-03			2003-05			2005-07		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Financial Institutions	Fiscal note not available								
Department of Revenue	.0	46,000	46,000	.0	92,000	92,000	.0	92,000	92,000
Department of General Administration	Fiscal note not available								
Office of Insurance Commissioner	Fiscal note not available								
Department of Labor and Industries	Fiscal note not available								
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	Fiscal note not available								
Department of Health	.1	181,000	336,000	.1	464,000	696,000	.1	435,000	667,000
Department of Ecology	Fiscal note not available								
Department of Fish and Wildlife	Fiscal note not available								
Department of Natural Resources	Fiscal note not available								
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Employment Security Department	Fiscal note not available								
<b>Total</b>	0.1	\$227,000	\$382,000	0.1	\$556,000	\$788,000	0.1	\$527,000	\$759,000

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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<b>Prepared by:</b> Doug Jenkins, OFM	<b>Phone:</b> 360-902-0563	<b>Date Published:</b> Preliminary 2/22/2002
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 6431 S SB	<b>Title:</b> Businesses/adm rules	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

<b>FUND</b>					
<b>Total \$</b>					

### Estimated Expenditures from:

	<b>FY 2002</b>	<b>FY 2003</b>	<b>2001-03</b>	<b>2003-05</b>	<b>2005-07</b>
<b>Fund</b>					
GF-STATE-State 001-1	0	46,000	46,000	92,000	92,000
<b>Total \$</b>	0	46,000	46,000	92,000	92,000

*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: 02/20/2002
Agency Preparation: Byron Angel	Phone: 360-570-6071	Date: 02/21/2002
Agency Approval: Don Taylor	Phone: 360-570-6083	Date: 02/21/2002
OFM Review: Doug Jenkins	Phone: 360-902-0563	Date: 02/22/2002

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 requires that within two hundred days of the effective date of an administrative rule that imposes additional requirements on businesses, the violation of which subjects the business to a penalty, assessment, or administrative sanction, an agency shall make a good faith effort to notify businesses affected by the rule of the requirements of the rule and how to obtain technical assistance to comply.

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.

This bill has no revenue impact.

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 provides that an agency shall notify businesses affected by a policy or interpretive statement, guideline, documents of general applicability, or their equivalent within 200 days after issuance. To ensure that the 200-day requirement is met, the Department would have an increase in its present costs for printing and postage. The Department now notifies all monthly and quarterly reporting taxpayers (300,000) of rule-making actions every 90 days and annual reporting taxpayers (150,000) at least once per year through our 12 page publication "Tax Facts". To implement this subsection the Department would send the Tax Facts to annual taxpayers twice per year instead of once. In essence, the Department would increase our second quarter mailings to include annual reporting taxpayers amounting to additional mailing and printing costs of \$46,000. The Department would implement this new section by sending to all active reporting taxpayers instead of by SIC, because general rules dealing with tax administration affect all taxpayers.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years					
E-		46,000	46,000	92,000	92,000
Total \$	\$0	\$46,000	\$46,000	\$92,000.00	\$92,000

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.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6431 S SB	<b>Title:</b> Businesses/adm rules	<b>Agency:</b> 240-Department of Licensing
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## Part I: Estimates

☒ No Fiscal Impact

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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:	Phone:	Date: 02/20/2002
Agency Preparation: Erik Hansen	Phone: 360-902-0120	Date: 02/20/2002
Agency Approval: Chris Freed	Phone: 360-902-3642	Date: 02/21/2002
OFM Review: Garry Austin	Phone: 360-902-0564	Date: 02/22/2002

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6431 S SB	<b>Title:</b> Businesses/adm rules	<b>Agency:</b> 303-Department of Health
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND	FY 2002	FY 2003	2001-03	2003-05	2005-07
Health Professions Account-State 02G-1		116,000	116,000	232,000	232,000
<b>Total \$</b>		116,000	116,000	232,000	232,000

### Estimated Expenditures from:

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years	0.0	0.1	0.1	0.1	0.1
<b>Fund</b>					
General Fund-State 001-1	0	181,000	181,000	464,000	435,000
Health Professions Account-State 02G-1	0	155,000	155,000	232,000	232,000
<b>Total \$</b>	0	336,000	336,000	696,000	667,000

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

Legislative Contact:	Phone:	Date: 02/20/2002
Agency Preparation: Pat Baker	Phone: (360) 236-4532	Date: 02/21/2002
Agency Approval: Don Alexander	Phone: 360-236-4530	Date: 02/22/2002
OFM Review: Gina Terry	Phone: 360-902-0579	Date: 02/22/2002

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.

For rules that impose penalties on violators, agencies must notify all affected businesses registered within the SIC codes identified by the agency within the rulemaking file.

For rules that only relate to licensees, registrants, permit holders the agency must notify the persons holding the license. For licensees, the notification can be by individual notice, agency bulletins or newsletters, or any other means that will reasonably inform affected businesses.

Failure to notify a specific business does not invalidate the rule.

Notification includes an announcement of the rule change, a summary of the change, and a contact name for more information.

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 1 – In Health Professions Quality Assurance, revenue will be developed through fee adjustments to offset expenditures if necessary.

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.

See attachment for Department of Health's fiscal impact assumptions for Section 1 of this bill.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years		0.10	0.1	0.1	0.1
A-Salaries & Wages		5,000	5,000	10,000	10,000
B-Employee Benefits		1,000	1,000	2,000	2,000
C-Personal Serv Contr					
E-Goods and Services		329,000	329,000	682,000	653,000
G-Travel		1,000	1,000	2,000	2,000
J-Capital Outlays					
M-Inter Agency Fund Transfers					
N-Grants, Benefits Services					
P-Debt Service					
S-Interagency Reimbursement					
T-Intra-Agency Reimbursement					
Total:	\$0	\$336,000	\$336,000	\$696,000	\$667,000

**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 2002	FY 2003	2001-03	2003-05	2005-07
Administrative Assistant 2 (36K)	2,615		0.0			
Health Services Consultant 3 (55K)	4,270		0.1	0.1	0.1	0.1
<b>Total FTE's</b>			0.1	0.1	0.1	0.1

**III. C - Expenditures By Program (optional)**

Program	FY 2002	FY 2003	2001-03	2003-05	2005-07
Environmental Health Programs (020)		22,000	22,000	44,000	44,000.00
Health Services Quality Assurance (060)		171,000	171,000	272,000	272,000.00
Community and Family Health (070)		105,000	105,000	301,000	275,000.00
Administration (090)		38,000	38,000	79,000	76,000.00
<b>Total \$</b>		336,000	336,000	696,000	667,000

**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.*



## **FISCAL IMPACT ASSUMPTIONS FOR SSB-6431, BY DIVISION/PROGRAM:**

### **Section 1 Fiscal Impact assumptions for the division of Community and Family Health:**

The following assumptions are based upon Community and Family Health's (CFH) work plan for implementation of Executive Order 97-02. It was assumed that "a good-faith effort" meant an individual mailing to all affected parties. This included affected businesses.

An inventory was developed of all rules impacting CFH. CFH established a four-year cycle for reviewing these rules. The mailings estimate was based on the "affected parties" CFH would need to contact during each of the cycles.

It is anticipated that in SFY-03, CFH will mail 203,100 first class letters to affected parties. In SFY-04, CFH will mail 328,100 first class letters to affected parties. In SFY05, CFH will mail 215,100 first class letters to affected parties. In SFY-06, CFH will mail 252,600 first class letters to affected parties. In SFY-07, CFH will mail 328,100 first class letters to affected parties.

It is also estimated that 100 persons per year will request additional background materials to be mailed. Estimated printing costs have been included for the mailings and personal requests for background information.

### **Section 1 Fiscal Impact assumptions for the division of Environmental Health Programs:**

The fiscal impacts are based on the assumptions that the department would notify all affected businesses whenever there was a rule change. On-site, food handlers, swimming pools, and clandestine drug lab rules affect businesses beyond those that the department permits or regulates under the rules. Assuming that one Environmental Health Programs (EHP) rule is adopted per year, to make a good faith effort in notifying the groups other than the regulated entities, EHP would have to prepare information to be published in at least four major newspaper organizations and provide information to four radio public service announcements in the major population centers. In addition, four public meetings in separate regions of the state would be necessary to inform a majority of the people affected by changes to the rule .10 FTE Health Services Consultant 3 would be required to prepare contract information for Public Service Announcements and meeting presentations in addition to attending the four statewide meetings.

### **Section 1 Fiscal Impact assumptions for the division of Health Services Quality Assurance - Health Professions Quality Assurance Program (HPQA):**

HPQA program might be able to use the Code Reviser Form 103, but this would be an additional mailing to the interested parties, as well as to all licensees. HPQA have estimated 350,600 mailings in FY 03 and 262,200 mailings starting in FY 04, with that same amount continuing in future years. Costs include .01 FTE Administrative Assistant 2 and the printing and postage.

**Section 1 Fiscal Impact for the division of Health Services Quality Assurance –  
Emergency Medical Services/Trauma (EMS/T):**

Rule changes that involve specific EMS personnel will now need to be sent specifically to the individuals rather than just to their agencies. EMS/T has approximately 18,000 licensed EMS/T personnel and any rule change that would impact these individuals would require the office to notify each individual by mail. This will increase postage and printing costs will be ongoing in future years.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6431 S SB	<b>Title:</b> Businesses/adm rules	<b>Agency:</b> 495-Department of Agriculture
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## Part I: Estimates

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Legislative Contact:	Phone:	Date: 02/20/2002
Agency Preparation: Dannie McQueen	Phone: 360-902-1809	Date: 02/20/2002
Agency Approval: Mark Johnson	Phone: 360-902-1986	Date: 02/21/2002
OFM Review: Ann-Marie Sweeten	Phone: 360-902-0538	Date: 02/21/2002