

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2524 HB	<b>Title:</b> Soil samples
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## Estimated Cash Receipts

NONE

## Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Commerce	.3	128,042	128,042	.0	0	0	.0	0	0
Department of Agriculture	.1	26,300	26,300	.0	0	0	.0	0	0
<b>Total</b>	<b>0.4</b>	<b>\$154,342</b>	<b>\$154,342</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>

Local Gov. Courts *									
Loc School dist-SPI									
Local Gov. Other **	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

## Estimated Capital Budget Impact

NONE

<b>Prepared by:</b> Gwen Stamey, OFM	<b>Phone:</b> (360) 902-9810	<b>Date Published:</b> Final 1/29/2018
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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note  
FNPID: 50398

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2524 HB	<b>Title:</b> Soil samples	<b>Agency:</b> 103-Department of Commerce
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.0	0.5	0.3	0.0	0.0
<b>Account</b>					
General Fund-State 001-1	0	128,042	128,042	0	0
<b>Total \$</b>	0	128,042	128,042	0	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.

Legislative Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/16/2018
Agency Preparation: Joyce Miller	Phone: 360-725-2723	Date: 01/26/2018
Agency Approval: Martin McMurry	Phone: 360-725-2710	Date: 01/26/2018
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 01/29/2018

## 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 amends RCW 36.70A.050, the Growth Management Act (GMA) to require the Department of Commerce, in consultation with the state Department of Agriculture, to adopt guidelines for establishing procedures for a person to de-designate a local jurisdiction's agricultural or forest lands if surveys indicate the soil is not suitable to support the activities or crops under that local jurisdiction's designation.

### 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.*

Assumptions:

The Department of Commerce, (department), assumes that the bill as written would authorize "persons", or individual land owners (rather than the local jurisdiction) the ability to remove designated lands, potentially down to the level of parcels.

The department will need to rewrite portions of local guidance under Ch. 365-190 WAC. Including, but not limited to, the sections on process (WAC 365-190-040), agricultural resource lands (WAC 365-190-050), and forest resource lands (WAC 365-190-060).

Due to the January 1, 2019 deadline to develop guidance, the department assumes it will immediately begin work on this project, with the majority of staff work conducted in FY19. Additional assistance will be required from a consultant with expertise in designation of agriculture and forest resource lands, soil surveys and related technical needs.

A Commerce Specialist 3-.5 FTE (1,044 hours) to develop the new guidance, in consultation with a land use technical consultant, due to the short time frame involved by January 1, 2019, and consultation required with agriculture and forest lands, and the state Department of Agriculture. In FY19, staff will develop and manage the guidance development project with the technical consultant, provide assistance to local jurisdictions with implementing the guidance developed, update the advisory rules affected by this guidance, and assist local governments with implementation.

Salary and Benefits  
FY19: \$49,278

Professional Services Contracts:

Based on recent contracts for rule development of similar scope, and the deadline for adoption of new guidelines by January 1, 2019, the department estimates \$50,000 in FY19. The work includes rulemaking, technical guidance updates and outreach for local jurisdictions statewide, and consultation with state Department of Agriculture. Additional requirements will include soil survey expertise consistent with USDA standards, as outlined bill.

FY19: \$50,000

Goods, Services, Equipment and Travel

FY19: \$28,764

Equipment: \$5,000 in FY19 for office furniture and computer associated with the new FTE and standard travel for rulemaking and technical guidance. Travel in FY19 is based on the standard five one-day statewide outreach and training meetings when developing the program and rulemaking.

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Summary of the Estimated Costs:

FY19: \$128,042

### Part III: Expenditure Detail

#### III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years		0.5	0.3		
A-Salaries and Wages		36,005	36,005		
B-Employee Benefits		13,273	13,273		
C-Professional Service Contracts		50,000	50,000		
E-Goods and Other Services		22,562	22,562		
G-Travel		1,202	1,202		
J-Capital Outlays		5,000	5,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total:</b>	\$0	\$128,042	\$128,042	\$0	\$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 2018	FY 2019	2017-19	2019-21	2021-23
Commerce Specialist 3	72,010		0.5	0.3		
<b>Total FTEs</b>			0.5	0.3		0.0

### 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.*

The department would revise sections within Ch. 365-190 WAC, including, but not limited to, the sections on process (WAC 365-190-040), agricultural resource lands (WAC 365-190-050), and forest resource lands (WAC 365-190-060).

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2524 HB	<b>Title:</b> Soil samples	<b>Agency:</b> 495-Department of Agriculture
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	0.0	0.2	0.1	0.0	0.0
<b>Account</b>					
General Fund-State 001-1	0	26,300	26,300	0	0
<b>Total \$</b>	0	26,300	26,300	0	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.

Legislative Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/16/2018
Agency Preparation: Gary Bahr	Phone: (360) 902-1936	Date: 01/19/2018
Agency Approval: Natasha Roberts	Phone: (360) 902-1988	Date: 01/19/2018
OFM Review: Leslie Connolly	Phone: (360) 902-0543	Date: 01/23/2018

## 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.

House Bill 2524 amends Revised Code of Washington (RCW) 36.70.A.50. This bill adds new language that requires the Washington State Department of Agriculture (WSDA) to consult on guidelines establishing a procedure to remove local jurisdictions designation of agricultural lands as defined in RCW 36.70A.030 in circumstances where soil surveys conducted indicate the composition of the soil is not suitable to support activities or crops in accordance with local jurisdictions designation no later than January 1, 2019.

### 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 proposed legislation would have no cash receipt impact on the WSDA.

### 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 WSDA estimates \$26,300 in funding would be required to comply with House Bill 2524 in FY 2019. The expenditure impact is based on employee salary/benefits and related expenditures for the Natural Resource Assessment Section Program Manager for meeting preparation and meeting attendance.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years		0.2	0.1		
A-Salaries and Wages		15,100	15,100		
B-Employee Benefits		5,300	5,300		
C-Professional Service Contracts					
E-Goods and Other Services		2,000	2,000		
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-Agency Overhead		3,900	3,900		
<b>Total:</b>	\$0	\$26,300	\$26,300	\$0	\$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 2018	FY 2019	2017-19	2019-21	2021-23
Natural Resources Assessment	90,938		0.2	0.1		
Section Manager						
<b>Total FTEs</b>			0.2	0.1		0.0

**Part IV: Capital Budget Impact**

This proposed legislation has no capital budget impacts to the WSDA.

**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.*

The WSDA requires no rule making because of the proposed legislation.



# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

<b>Bill Number:</b> 2524 HB	<b>Title:</b> Soil samples
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**Part I: Jurisdiction**—Location, type or status of political subdivision defines range of fiscal impacts.

**Legislation Impacts:**

- ☒ Cities:
- ☒ Counties:
- ☐ Special Districts:
- ☒ Specific jurisdictions only: Those with agriculture and forestlands designations
- ☒ Variance occurs due to: The number and location of jurisdictions where soil that is deemed unsuitable to support activities or crops in accordance with the local jurisdiction's designations; whether local governments need to revise their comprehensive plans and the extent to which they would need to do so

**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: The number and location of jurisdictions where soil is deemed unsuitable to support activities or crops in accordance with the local jurisdiction's designation; whether the person removing the designation would be a local authority; the number of local government representatives that would choose to attend stakeholder meetings and the number of meetings they would choose to attend; whether local governments would need to revise their comprehensive plans and the extent to which they would need to do so

**Estimated revenue impacts to:**

None

**Estimated expenditure impacts to:**

Indeterminate Impact
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**Part III: Preparation and Approval**

Fiscal Note Analyst: Austin Scharff	Phone: 360-725-3126	Date: 01/23/2018
Leg. Committee Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/16/2018
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 01/23/2018
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 01/24/2018

## Part IV: Analysis

### A. SUMMARY OF BILL

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

This legislation directs the Dept. of Commerce in consultation with the Dept. of Agriculture to adopt guidelines by January 1, 2019, establishing a procedure for a person to remove a local jurisdiction's designation of agricultural lands or forestlands (RCW 36.70A.030) in circumstances where soil surveys indicate that the composition of the soil is not suitable to support activities or crops in accordance with the local jurisdiction's designation. It would also require local governments to participate in consultations with the Dept. of Commerce. Local governments may also participate in public hearings across the state and may be required to revise their comprehensive plans under the General Management Act.

### 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.*

This legislation would have an indeterminate impact on local government expenditures, because the costs are unknown and would vary by county.

#### POTENTIAL ADMINISTRATIVE COSTS OF REMOVING AGRICULTURE AND FORESTLANDS DESIGNATIONS:

The Dept. of Commerce assumes that "a person" designated to remove a local jurisdiction's designation of agricultural lands or forestlands could be any individual, not necessarily someone in a state or local government role. Whether local government officials would be involved in removing agriculture and forestlands designations is unknown. Therefore, these costs cannot be determined.

#### POTENTIAL COSTS OF STAKEHOLDER MEETINGS:

The Dept. of Commerce assumes that there could be 10 meetings in Olympia for two-hours each between July 2018 and December 2018 between the Dept. of Commerce, Dept. of Agriculture, and local representatives. For illustrative purposes, the Local Government Fiscal Note Program assumes that one representative from the largest city and county from West and East of the Cascades would attend these meetings. The estimated costs of these meetings would be \$4,509.  $[(\$45 \text{ per-hour estimate} \times 2 \text{ hours} \times 4 \text{ people} \times 10 \text{ meetings} = \$3,600) + (556 \text{ miles from Spokane/Spokane County to Olympia and back} \times 2 \text{ people from Spokane/Spokane County} \times .0545 \text{ reimbursement rate estimate} \times 10 \text{ meetings} = \$606) + (122 \text{ miles from Seattle/King County to Olympia and back} \times 2 \text{ people from Seattle/King County} \times .0545 \text{ reimbursement rate estimate} \times 10 \text{ times a year} = \$133)] = \$3,600 + \$606 + \$133 = \$4,509.$

#### POTENTIAL COSTS OF REVISING COMPREHENSIVE PLANS:

Furthermore, the Dept. of Commerce assumes that local governments may have to revise their comprehensive plans under the Growth Management Act. As a result, jurisdictions would incur additional staff costs for revisions to comprehensive plans and development regulations. Updating a comprehensive plan, zoning code, or development regulation, including public notice and hearing, is a significantly complex process, costing as much as \$29,656 in city staff and indirect costs, according to one study from 2015 (Olympia). Because the scope of the policy changes may vary across jurisdictions, the overall costs are indeterminate.

### 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.*

This legislation would have no impact on local government revenues.

#### SOURCES:

Association of Washington Cities, <https://www2.awcnet.org/compensationreporting/Reports/SalaryCity>

Department of Commerce, Local Government Division

Local Government Fiscal Note HB1017 (2015)

Office of Financial Management, <https://www.ofm.wa.gov/sites/default/files/public/resources/travel/colormap.pdf>

Washington State Association of Counties