

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 5494 SB	Title: Pawnbrokers
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Fees collected are anticipated to offset all expenditures, leaving zero sum impact on local government
- ☒ Counties: Fees collected are anticipated to offset all expenditures, leaving zero sum impact on local government
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ Variance occurs due to:

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:

Estimated revenue impacts to:

Jurisdiction	FY 2004	FY 2005	2003-05	2005-07	2007-09
City		90,000	90,000	180,000	180,000
County		10,000	10,000	20,000	20,000
Special District					
TOTAL \$		100,000	100,000	200,000	200,000
GRAND TOTAL \$					500,000

Estimated expenditure impacts to:

Jurisdiction	FY 2004	FY 2005	2003-05	2005-07	2007-09
City		90,000	90,000	180,000	180,000
County		10,000	10,000	20,000	20,000
Special District					
TOTAL \$		100,000	100,000	200,000	200,000
GRAND TOTAL \$					500,000

Part III: Preparation and Approval

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Leg. Committee Contact: Michelle Anderson	Phone: (360)786-7426	Date: 02/03/2003
Agency Approval: Louise Deng Davis	Phone: (360) 725-5034	Date: 02/11/2003
OFM Review: Linda Swanson	Phone: 360-902-0541	Date: 02/11/2003

Part IV: Analysis

A. SUMMARY OF BILL

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

Section (1) of this bill allows the local law enforcement agencies the option of requiring pawnbrokers and second-hand dealers to collect a fee for transactions involving the recording of information per RCW 19.60.020.

Additionally, a transaction fee may be required to be paid by pawnbrokers and second-hand dealers having their registered place of business in unincorporated areas of a county.

These collected fees are then remitted to the respective city or county treasurer monthly, establishing a special fund for the creation and maintenance of an electronic transaction reporting system by the respective law enforcement agency.

Section (3) amends RCW 19.60.060 to allow collection of the transaction fee described in Section (1) above.

Section (4) establishes an effective date of July 1, 2004.

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.

According to the Washington Association of Sheriffs and Police Chiefs (WASPC), it is assumed that each jurisdiction invoking the fee will be able to cover anticipated expenditures. Therefore, a minimum fee of \$1.00 for each of the estimated statewide transactions would be sufficient to offset anticipated expenditures of \$100,000.

The distribution of expenditures is based upon the same estimates discussed in the revenue section of this note.

No expenditures by local government above those generated by the collected fees are anticipated.

DATA SOURCES:

Washington Association of Sheriffs and Police Chiefs

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.

According to the Washington Association of Sheriffs and Police Chiefs (WASPC), there are an estimated 100,000 transactions subject to the proposed fees. It is assumed that each jurisdiction would invoke the minimum fee of \$1.00, resulting in annual revenues of \$100,000.

Several local law enforcement agencies provided WASPC with estimated transaction volume. Based upon these estimates, it is assumed that at least 90% of the transactions will occur within city jurisdictions. Therefore, cities would post a \$90,000 per annum revenue increase, counties \$10,000.

Revenues received by local government as a result of the collected fees are anticipated to be spent solely on the reporting system described in the bill.

DATA SOURCES:

Washington Association of Sheriffs and Police Chiefs