

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1033 E 2S HB AMS HSA S3293.1	<b>Title:</b> Mobile home relocation asst.
---	--

## Estimated Cash Receipts

Agency Name	2019-21		2021-23		2023-25	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Commerce	0	648,000	0	648,000	0	648,000
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.					
<b>Total \$</b>	<b>0</b>	<b>648,000</b>	<b>0</b>	<b>648,000</b>	<b>0</b>	<b>648,000</b>

## Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Commerce	3.3	0	2,619,777	3.1	0	2,479,242	3.1	0	2,483,190
Department of Licensing	.0	0	16,100	.0	0	0	.0	0	0
<b>Total \$</b>	<b>3.3</b>	<b>0</b>	<b>2,635,877</b>	<b>3.1</b>	<b>0</b>	<b>2,479,242</b>	<b>3.1</b>	<b>0</b>	<b>2,483,190</b>

## Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

NONE

--

<b>Prepared by:</b> Gwen Stamey, OFM	<b>Phone:</b> (360) 902-9810	<b>Date Published:</b> Final 4/ 4/2019
--------------------------------------	---------------------------------	---

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 1033 E 2S HB AMS HSA S3293.1	<b>Title:</b> Mobile home relocation asst.	<b>Agency:</b> 103-Department of Commerce
--	--	--

## Part I: Estimates

☐

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
Mobile Home Park Relocation Account-Non-Appropriated 205-6	324,000	324,000	648,000	648,000	648,000
<b>Total \$</b>	324,000	324,000	648,000	648,000	648,000

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	3.4	3.1	3.3	3.1	3.1
<b>Account</b>					
Mobile Home Park Relocation Account-Non-Appropriated 205-6	1,380,156	1,239,621	2,619,777	2,479,242	2,483,190
<b>Total \$</b>	1,380,156	1,239,621	2,619,777	2,479,242	2,483,190

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: Claire Goodwin	Phone: 360-786-7736	Date: 03/28/2019
Agency Preparation: Brigid Henderson	Phone: 360-725-3035	Date: 04/04/2019
Agency Approval: Joyce Miller	Phone: 360-725-2723	Date: 04/04/2019
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 04/04/2019

## 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.*

Differences between the Senate Housing Stability & Affordability striker bill and the engrossed second substitute bill:

Section 5 amends RCW 59.21.050 by designating allowable uses of the moneys received from the fees specified in RCW 46.17.155 and RCW 59.30.050.

Section 6 amends RCW 46.17.155.

Subsection 6 (1) replaces the current one hundred dollar fee assessed on an application for a certificate of title for an original or transfer manufactured home transaction with a fee established in subsection (4) and eliminates the fee exemption on homes with a sales price of less than five thousand dollars.

Subsection 6 (2) replaces the one hundred dollar fee with a reference to the amount established in subsection (4).

Subsection 6 (3) allows the department and the state treasurer to adopt rules necessary to carry out this section.

Subsection 6 (4) states the amount of the fee collected by the department (Department of Licensing) must be 0.25 percent of the sale price of the manufactured home. In no case may the fee be less than one hundred dollars or greater than five hundred dollars.

Section 7 amends RCW 59.30.050.

Section 7 (3) (b) changes the annual registration assessment of ten dollars to fifteen dollars for each manufactured/mobile home subject to RCW 59.20 within a manufactured/mobile home community, clarifies one dollar of the registration assessment must be deposited into the business license account created in RCW 19.02.210, requires the remaining five dollars of the registration assessment be deposited into the mobile home park relocation fund created in RCW 59.21.050, states the registration assessment may not exceed fifteen dollars rather than ten, and revises the adjusted proportionality if the assessment is reduced to include the mobile home park relocation fund.

Section 8 is a new section added to RCW 59.21.

Section 8 (1) creates a relocation coordination program within the department for the purpose of assisting tenants living in a mobile home park scheduled for closure or conversion to another use with the process of relocation.

Section 8 (2) provides a list of activities that may be provided by the relocation coordination program. The list of activities is not an exhaustive list of possible activities.

The Senate Housing Stability & Affordability striker bill changes the title of the bill to “AN ACT Relating to relocation assistance for tenants of closed or converted mobile home parks; amending RCW 59.21.005, 59.21.021, 59.21.025, 59.21.050, 46.17.155, and 59.30.050; reenacting and amending RCW 59.21.010; and adding a new section to chapter 59.21 RCW.

### 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 5 (1) (b) (i) requires all moneys received from the fee specified in RCW 46.17.155, except as provided in subsection (3) of this section, be used only for relocation assistance awarded under this chapter (RCW 59.21). RCW 46.17.155 is the Manufactured Home Transaction Fee (fee). Washington State Department of Licensing (DOL) administers this fee.

The department will rely on the individual agency fiscal note provided by DOL to account for the cash receipts impact.

Section 5 (1) (b) (ii) requires all moneys received from the fee specified in RCW 59.30.050 to be used only for the relocation coordination program created in section 8 of this act. RCW 59.30.050 requires an annual registration assessment for each manufactured/mobile home subject to RCW 59.20 within a manufactured/mobile home community. This annual registration assessment (fee) is deposited into the Manufactured/Mobile Home Dispute Resolution Program Account as created in RCW 59.30.070 (administered by the Washington State Department of Revenue (DOR)).

The department estimates approximately \$324,000 each fiscal year based on information provided January 4, 2019 DOR list of registered manufactured/mobile home parks, 64,758 spaces multiplied by \$5 per space.

## **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 proposed legislation in E2SHB 1033 AMS HSA S3293.1 does not change the maximum amount of funds available per tenant for distribution as relocation assistance under 59.21 RCW.

Administrative costs and financial assistance can currently be absorbed by the existing dedicated revenue source that funds relocation assistance (the Manufactured Home Transaction Fee at RCW 46.17.155), however the fund may not meet the administrative or financial assistance demand if we combine a spike in closures with an increase in the number of tenants eligible for financial assistance, as well as a likely increase in the dollar amount requested (both possible impacts of E2SHB 1033 AMS HAS S3293.1). The availability of funds in the dedicated account determines the total amount of assistance. An increase in administrative expenses does limit the amount of financial assistance the department can provide. Based on the industries' average below, the fund would be depleted in FY 2020 and create a situation where all eligible tenant requests for financial assistance cannot be met and a waitlist would need to be created.

ASSUMPTIONS : Expenditures based on financial assistance payments of 72 households per year, based on an estimate of sixty percent reimbursement rate due to:

1. Tenants cannot vacate their home and still receive a cash grant;
2. Tenants need to have a willing assignee in order to receive their cash assistance; and
3. 10-percent increase in financial assistance payments with the creation of the Relocation Coordination Program.

The department can estimate staff time and associated costs to develop administrative policies and processes, provide staff training and oversight, and review and process applications for financial assistance associated with the proposed changes in E2SHB 1033 and E2SHB 1033 AMS HSA S3293.1. Currently the department is seeing

between one to two mobile home park closures annually. However, the department estimates between four and six mobile home park closures annually using the industries' average. For purposes of this fiscal note, the department assumes five closures annually. These closures will displace an average of 120 households per year. The department assumes sixty percent of these displaced households (seventy-two) will be eligible for and receive financial assistance.

ASSUMPTIONS per proposed changes in E2SHB 1033 and E2SHB 1033 AMS HSA S3293.1

#### Administrative policies and standards

72 households

.17 FTE (FY20) Commerce Specialist 5 (354 hours FY 20) to work with DSHS counterpart and Commerce Specialist 3 to develop systems and materials to educate DSHS and Commerce staff, as well as eligible tenants, on possible negative impacts of cash assistance on benefit programs that use household income calculations for purposes of determining program eligibility.

0.28 FTE (FY20) and .17 FTE (FY21-25) Commerce Specialist 3 (582 hours FY20 and 354 hours FY21-25) to develop policies and standards for new financial assistance processes, develop forms and systems, update and maintain program website, provide training and oversight of Commerce Specialist 1.

.17 FTE Commerce Specialist 1 (354 hours FY20-25) to support the development of new policies and standards, to assist in the development of new forms and systems, and receive training.

#### Salaries and Benefits

FY20: \$ 59,755

FY21-FY25: \$ 29,770 per fiscal year

#### Goods & Services

FY20 – Attorney General Costs \$5,250: The department will work with the attorney general's office to write policies and rulemaking for legal compliance. (FY20 25 hours at \$210 per hour)

FY20: \$ 33,541

FY21-FY25: \$ 14,459 per fiscal year

#### Review and processing program applications and financial assistance

72 households

0.55 FTE (FY20-25) Commerce Specialist 3 (1144 hours FY20-25) to provide final review of program applications and financial assistance requests, determine program eligibility, provide technical assistance to applicants (including resource referral and telephone interpreter services) and park owners/developers, process financial assistance requests, and provide training and oversight of Commerce Specialist 1.

0.33 FTE Commerce Specialist 1 (686 hours FY20-25) to process program mail, monitor program email, create client files, provide initial review of applications and financial grant requests, communicate with applicants and general public, assist with financial assistance payments, and data entry.

#### Salaries and Benefits

FY20-25: \$ 79,495 per fiscal year

#### Goods and Services

FY20-25: \$ 38,281 per fiscal year

Travel is for attending community meetings.

Travel Costs:

FY20-FY25: \$1,000 per fiscal year

#### Grants, benefits and client services

72 households

Of the seventy-two households eligible for financial assistance per year, the department assumes twenty-nine percent of these households will request financial assistance to remove and reinstall their home in another location (twenty-one) while seventy-one percent will request assistance to remove their home from the park and demolish and dispose of it and secure other housing (fifty-one).

Using a combination of the average combined reimbursement under the current statute (\$8,235), the maximum financial assistance for a single-section home (\$7,500), and the maximum financial assistance for a multi-section home (\$12,000), the department estimates a range of financial assistance for the following relocation scenarios:

- Between \$157,500 and \$252,000 per year to remove and reinstall eligible homes for seventeen households. For the purpose of this fiscal note the department assumes the maximum of \$252,000 per year.
- Between \$382,500 and \$612,000 per year to remove their home from the park and demolish and dispose of it and secure other housing for forty-three households. For the purpose of this fiscal note the department assumes the maximum of \$612,000 per year.

FY20-FY25: \$ 864,000 per fiscal year

\*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.

Section 8 (1) creates the Relocation Coordination Program (program) in the department for the purpose of assisting displaced tenants of mobile home parks scheduled for closure or conversion to another use.

Currently the department estimates between four and six mobile home park closures annually. For the purpose of this fiscal note, the department uses five closures annually. These closures will displace an average of 120 households per year.

Section 8 (2) provides resources and information to/and represents relocation coordination activities, perform casework on behalf of individual tenants and service delivery.

For purposes of this fiscal note, the department assumes five park closures per year impacting seventy-two households. The department assumes the program will schedule and facilitate two relocation coordination visits per park closure per year. These visits will include community meetings and resource fairs, individual tenant meetings, and meetings with local service providers. The program will provide casework and resource referral on

behalf of the seventy-two households in the Olympia office as well as in the field. Casework includes assistance with application and reimbursement processes, provision of community resource information, and guidance in the securing of new housing. The program also envisions the creation of collaborative networks within each community so displaced households are not experiencing this transition in a vacuum. The department further assumes the provision of general referral services for households not eligible for monetary assistance from the Mobile Home Relocation Assistance Program.

## ASSUMPTIONS

Section 8 (1) Program creation and ongoing maintenance; and Section 8 (2) Relocation coordination activities, casework on behalf of individual tenants and service delivery:

0.2 FTE (FY20) and 0.05 (FY21-25) Commerce Specialist 5 (450 hours FY20 and 105 hours FY21-25) to oversee program development, work with the attorney general's office to write policies and rulemaking, supervise staff and performance management, and manage program budget.

0.5 FTE (FY20) and 0.25 (FY21-25) Commerce Specialist 3 (1040 hours FY20 and 520 hours FY21-25) to develop policies and standards, ensure fit of program within existing Mobile Home Relocation Assistance Program, work with stakeholders, oversee database development and testing, oversee development of program service delivery models and materials, develop performance management systems.

1.0 FTE (FY20-25) Commerce Specialist 2 (2088 FY20-25) to assist in the development of policies and standards, assist in database testing, develop program service delivery models and activities, develop relocation assistance manuals for impacted populations (including tenants, park owners, community service providers), develop and maintain relationships with local jurisdiction and service provider representatives in communities with closing mobile home parks, to schedule and facilitate relocation coordination visits for tenants in closing mobile home parks. These visits may include community meetings and resource fairs, as well as meetings with individual tenants, park owners, assignees, and local service providers. The Commerce Specialist 2 will also perform casework on behalf of individual tenants in the Olympia office. Casework includes assistance with application and reimbursement request completion as well as resource referral and guidance in securing new housing.

0.20 FTE (FY20-25) Commerce Specialist 1 (416 hours FY20-25) to send written communication, monitor program email, process program invoices, order and compile printed materials, data entry, website posting, assist in database testing, to assist in the scheduling of relocation coordination visits, make travel arrangements, compile visit materials, support in-house needs of the Commerce Specialist 2 when in the field.

## Salaries and Benefits

FY20: \$173,876

FY21-FY25: \$132,329 per fiscal year

## Contracts

To implement relocation coordination activities as described in New Sections 8 (1) and (2), the department will need to make several modifications to the existing program's technical capabilities. Specifically, the department will need to create a database to provide case management capabilities and to effectively and efficiently track individuals, applications, reimbursements, mobile home parks and other program attributes associated with mobile home relocation activities as described performing casework on behalf of individual tenants, maintaining and distributing informational resources for tenants regarding the process for relocating and disposal of

manufactured/mobile homes, researching and distributing current information regarding available locations for manufactured/mobile homes and other forms of available housing, and researching and distributing information regarding other sources of financial assistance that may be available to secure new housing.

The department may contract out to develop, test, and deploy a data management system to manage relocation coordination activities, individual tenant records, payments, and comprehensive reporting capacity. The database must accommodate recordkeeping, IT security, and management of confidential tenant information. It is estimated it would take 1044 hours at a rate of \$84.00/hour the cost would be of \$87,618.

For ongoing support and maintenance at 200 hours per fiscal year at a rate of \$82.00/hour the cost would be \$16,400 per year.

#### Contract costs

FY20: \$87,618

FY21-25: \$16,400

#### Mobile Home Park Relocation Guides (per fiscal year)

The program will develop user-friendly guides for specific populations, including tenants eligible for relocation assistance, park owners, assignees, and tenants not eligible for relocation assistance. These guides are separate from the actual Mobile Home Relocation Assistance Program application; they will include community-specific information and resources.

- Tenants eligible for relocation assistance – 25 pages; 60 per year
- Park owners – 10 pages; 15 per year
- Assignees – 10 pages; 15 per year

#### Interpreter Services (per fiscal year)

The department assumes the need for interpreter services at all community meetings. For purposes of this fiscal note, the department assumes one interpreter per each two-hour community meeting.

- Five park closures per year x two community meetings per park = ten instances of interpreter services (Approximately \$15.00/hour x 200 hours = \$300.00 per fiscal year)

#### Attorney General Services

FY20 – Attorney General Costs \$5,250. The department will work with the attorney general's office to write policies and rulemaking for legal compliance. (FY20 for 25 hours at \$210 per hour)

#### Goods & Services

FY20: \$91,493

FY21-25: \$66,936

#### Five Relocation Coordination Visits (per fiscal year)

Two park closures less than 100 miles from Commerce (Western Part of the State)

Relocation coordination visit park 1: 2 x 2 daylong trips, no lodging, motor pool car both days, per diem possible (four days total for park 1)



Relocation coordination visit park 2: 2 x 2 daylong trips, no lodging, motor pool car both days, per diem possible (four days total for park 2)

Three park closures more than 100 miles from Commerce (Eastern Part of State)

Relocation coordination visit park 3: 2 x 3-day trip, 2 nights lodging per trip, motor pool car all 3 days, per diem all 3 days (six days total for park 3)

Relocation coordination visit park 4: 2 x 3-day trip, 2 nights lodging per trip, motor pool car all 3 days, per diem all 3 days (six days total for park 4)

Relocation coordination visit park 5: 2 x 3-day trip, 2 nights lodging per trip, motor pool car all 3 days, per diem all 3 days (six days total for park 5)

Travel costs includes attending community meetings and resource fairs, as well as meetings with individual tenants, park owners, assignees, and local service providers.

#### Travel Costs

FY20-FY25: \$7,808 per fiscal year

#### Equipment

The department estimates 3 new workstations at \$5,000 each in FY20 and 3 laptops at \$1,316 each in FY24.

#### Equipment Costs

FY20: \$15,000

FY24: \$3,948

\*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.

#### Total Costs

FY20: \$ 1,380,156

FY21-FY23: \$ 1,239,621 per fiscal year

FY24: \$ 1,243,569

FY25: \$ 1,239,621

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
205-6	Mobile Home Park Relocation Account	Non-Appropriated	1,380,156	1,239,621	2,619,777	2,479,242	2,483,190
Total \$			1,380,156	1,239,621	2,619,777	2,479,242	2,483,190

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	3.4	3.1	3.3	3.1	3.1
A-Salaries and Wages	195,754	173,635	369,389	347,270	347,270
B-Employee Benefits	75,825	67,959	143,784	135,918	135,918
C-Professional Service Contracts	87,618	16,400	104,018	32,800	32,800
E-Goods and Other Services	133,151	108,819	241,970	217,638	217,638
G-Travel	8,808	8,808	17,616	17,616	17,616
J-Capital Outlays	15,000		15,000		3,948
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	864,000	864,000	1,728,000	1,728,000	1,728,000
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	1,380,156	1,239,621	2,619,777	2,479,242	2,483,190

III. C - Operating 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	FY 2020	FY 2021	2019-21	2021-23	2023-25
Administrative Services-Indirect	69,552	0.4	0.3	0.4	0.3	0.3
Commerce Specialist 1	53,564	0.7	0.7	0.7	0.7	0.7
Commerce Specialist 2	62,113	1.0	1.0	1.0	1.0	1.0
Commerce Specialist 3	72,010	1.1	1.0	1.1	1.0	1.0
Commerce Specialist 5	83,516	0.2	0.1	0.2	0.1	0.1
Total FTEs		3.4	3.1	3.3	3.1	3.1

Part IV: Capital Budget Impact

NONE

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.

The department may adopt administrative rules to implement the Relocation Coordination Program and ensure consistency with the administrative rules that govern RCW 59.21, Mobile Home Relocation Assistance (Chapter 365-212 WAC).

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1033 E 2S HB AMS HSA S3293.1	<b>Title:</b> Mobile home relocation asst.	<b>Agency:</b> 240-Department of Licensing
--	--	---

## Part I: Estimates

☐

No Fiscal Impact

### Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.
---

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
<b>Account</b>					
Motor Vehicle Account-State 108-1	16,100	0	16,100	0	0
<b>Total \$</b>	16,100	0	16,100	0	0

*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.

<b>Legislative Contact:</b> Claire Goodwin	<b>Phone:</b> 360-786-7736	<b>Date:</b> 03/28/2019
<b>Agency Preparation:</b> Merdan Bazarov	<b>Phone:</b> 360-902-3795	<b>Date:</b> 04/01/2019
<b>Agency Approval:</b> Justin Leppa	<b>Phone:</b> 360-902-3644	<b>Date:</b> 04/01/2019
<b>OFM Review:</b> Veronica Jarvis	<b>Phone:</b> (360) 902-0649	<b>Date:</b> 04/02/2019

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.

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.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
108-1	Motor Vehicle Account	State	16,100	0	16,100	0	0
Total \$			16,100	0	16,100	0	0

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages	900		900		
B-Employee Benefits	400		400		
C-Professional Service Contracts					
E-Goods and Other Services	14,800		14,800		
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-					
Total \$	16,100	0	16,100	0	0

III. D - Expenditures By Program (optional)

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Mgmt & Support Services (100)	1,000		1,000		
Information Services (200)	15,100		15,100		
Customer Relations (300)					
Programs & Services (600)					
Business and Professions (700)					
Total \$	16,100		16,100		

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.*

# Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: 1033 E2S HB AMS HSA S3293.1 Bill Title: Mobile home relocation asst.

## Part 1: Estimates

☐ No Fiscal Impact

## Estimated Cash Receipts

Non-zero but indeterminate cash receipts. Please see discussion.

## Estimated Expenditures:

		FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
FTE Staff Years		0.0	-	0.0	-	-
Account Name	Account	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Motor Vehicle Account	108	16,100	-	16,100	-	-
Account Totals		16,100	-	16,100	-	-

*The revenue 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 the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I)
- ☐ If fiscal impact is **greater than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form
- ☐ Capital budget impact, complete Part IV
- ☐ Requires new rule making, complete Part V

Legislative Request: Claire Goodwin	Phone: 360-786-7736	Date: 3/28/2019
Agency Preparation: Merdan Bazarov	Phone: 360-902-3795	Date: 3/29/2019
Agency Approval: Justin Leppa	Phone: 360-902-3644	Date: 4/1/2019

Request #	1
Bill #	1033 E2SHB

## **Part 2 – Explanation**

This bill changes language in statute concerning relocation assistance for manufactured/mobile home park tenants and a title change of the fund.

**E2SHB 1033 AMS HSA S3293.1 compared to E2SHB 1033:** includes changes to manufactured home transaction and registration fees. These changes are not expected to impact the Department of Licensing (DOL) fiscal note.

### **2.A – Brief Description on what the measure does and how it has a fiscal impact**

Section 2 amends Chapter 59.21.010 RCW to define “fund” as the, “manufactured/mobile home park relocation fund,” which under current law is defined as the “mobile home park relocation fund.” This change to the account name is also referenced in Section 5. This will require a change to DOL technology systems.

Section 6 amends RCW 46.17.155, requiring DOL to collect 0.25 percent of the sale price of the manufactured home, but in no case may the fee be less than \$100 or greater than \$500.

This bill is effective 90 days past Sine Die.

### **2.B - Cash Receipt Impact**

Indeterminate impact to cash receipts. Section 6 changes the current law \$100 manufactured home transaction fee to one quarter of the sale price of the manufactured home, with a minimum fee of \$100 and maximum fee of \$500. Since the fee amount for these certificate of title transactions would be based on sale price of the individual manufactured mobile home, the fee would be a variable amount and the revenue impact of this fee change is indeterminate.

### **2.C – Expenditures**

Expenditures are estimated on the following assumptions:

- The only change needed is a title change.
- Title change in DRIVES can be delayed until October 2019.
- The account code remains the same in the state accounting system and DRIVES.

This approach will allow the bill intent to be implemented 90 days Sine Die with no risks to current work commitments for the DRIVES system while not disrupting account activities. Since the fund account number wasn’t changed, funds collected under this bill will be deposited into the correct account.

### **Information Services:**

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

If this bill is enacted, DOL estimates the following modifications to the DRIVES system:

- New fee, account code and fund code based on a percentage (.25%) of the sales price of a manufactured home that cannot be less than \$100 or more than \$500. Change includes adding an end date the current manufactured home fee of \$100.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

Cost Category	Description	Rate	2020	2021	2022	2023	2024	2025	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 18,444	1,800	-	-	-	-	-	1,800
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 26,448	2,600	-	-	-	-	-	2,600
PROJECT MANAGER	Manage schedule and contracts	\$ 27,492	2,700	-	-	-	-	-	2,700
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 27,144	2,700	-	-	-	-	-	2,700
CONTRACTED FAST DEVELOPER / TESTER	Updates to the DRIVES system will require additional vendor hours outside of the contracted maintenance to make system updates to implement this bill.	\$ 34,800	3,500	-	-	-	-	-	3,500
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ -	1,300	-	-	-	-	-	1,300
<b>Totals</b>			<b>14,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,600</b>

### Support Services:

Administrative support is included at a rate of twelve percent of the direct program costs. This percentage is split seven percent for Management and Support Services (MSS) and five percent for Information Services Division (ISD) functions. DOL uses a Fiscal Technician 2 (MSS) and an IT Specialist 4 (ISD) staffing costs as a proxy to determine FTE and display them under Indirect Staff in table 3.C.

Administrative support funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees.

## Part 3 – Expenditure Detail

### 3.A – Operating Budget Expenditures

Account Name	Account	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Motor Vehicle Account	108	16,100	-	16,100	-	-
<b>Account Totals</b>		<b>16,100</b>	<b>-</b>	<b>16,100</b>	<b>-</b>	<b>-</b>



### 3.B – Expenditures by Object or Purpose

Object Name		FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
FTE Staff Years		0.0	-	0.0	-	-
Salaries and Wages		900	-	900	-	-
Employee Benefits		400	-	400	-	-
Goods and Services		14,800	-	14,800	-	-
Total By Object Type		16,100	-	16,100	-	-

#### 3.B.1 – Detail of Expenditures by Sub-Object (Goods and Services Only)

Object E - Description	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
ED - Facility/Lease Costs	100	-	100	-	-
EL - Interagency DP Svcs	100	-	100	-	-
ER - Application Programmers	14,600	-	14,600	-	-
Total Goods & Services	14,800	-	14,800	-	-

### 3.C – FTE Detail

Position	Salary	FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
Indirect MSS Fiscal Tech 2	3,249	0.0	-	0.0	-	-
Indirect ISD IT Specialist 4	6,793	0.0	-	-	-	-
Total FTE		0.0	-	0.0	-	-

Totals may differ due to rounding.

### 3.D – Expenditures by Program (Optional)

Program		FY 20	FY 21	19-21 Total	21-23 Total	23-25 Total
100 - Mgmt & Support Services	MSS	900	-	900	-	-
200 - Information Services	ISD	15,100	-	15,100	-	-
100 - Central Payment Area	CPA	100	-	100	-	-
Totals by Program		16,100	-	16,100	-	-

### Part 4 – Capital Budget Impact

None.

### Part 5 – New Rule Making Required

None.



# Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
1033 E 2S HB AMS HSA S3293.1	Mobile home relocation asst.

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	2020-29 TOTAL
Department of Commerce	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	3,240,000
Department of Licensing Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>3,240,000</b>



# Ten-Year Analysis

<b>Bill Number</b>	<b>Title</b>	<b>Agency</b>
1033 E 2S HB AMS HSA S3293.1	Mobile home relocation asst.	103 Department of Commerce

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☐

No Cash Receipts

☐

Partially Indeterminate Cash Receipts

☐

Indeterminate Cash Receipts

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	2020-29 TOTAL
	205	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	324,000	3,240,000
<b>Total</b>		<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>324,000</b>	<b>3,240,000</b>
<b>Biennial Totals</b>		<b>648,000</b>		<b>648,000</b>		<b>648,000</b>		<b>648,000</b>		<b>648,000</b>		<b>3,240,000</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 5 (1) (b) (i) requires all moneys received from the fee specified in RCW 46.17.155, except as provided in subsection (3) of this section, be used only for relocation assistance awarded under this chapter (RCW 59.21). RCW 46.17.155 is the Manufactured Home Transaction Fee (fee). Washington State Department of Licensing (DOL) administers this fee.

The department will rely on the individual agency fiscal note provided by DOL to account for the cash receipts impact.

Section 5 (1) (b) (ii) requires all moneys received from the fee specified in RCW 59.30.050 to be used only for the relocation coordination program created in section 8 of this act. RCW 59.30.050 requires an annual registration assessment for each manufactured/mobile home subject to RCW 59.20 within a manufactured/mobile home community. This annual registration assessment (fee) is deposited into the Manufactured/ Mobile Home Dispute Resolution Program Account as created in RCW 59.30.070 (administered by the Washington State Department of Revenue (DOR)).

The department estimates approximately \$324,000 each fiscal year based on information provided January 4, 2019 DOR list of registered manufactured/mobile home parks, 64,758 spaces multiplied by \$5 per space.



# Ten-Year Analysis

Bill Number	Title	Agency
1033 E 2S HB AMS HSA S3293.1	Mobile home relocation asst.	103 Department of Commerce

Agency Preparation: Brigid Henderson	Phone: 360-725-3035	Date: 4/4/2019 1:10:57 pm
Agency Approval: Joyce Miller	Phone: 360-725-2723	Date: 4/4/2019 1:10:57 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1033 E 2S HB AMS HSA S3293.1	<b>Title</b> Mobile home relocation asst.	<b>Agency</b> 240 Department of Licensing
--	--	--

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☐

No Cash Receipts

☐

Partially Indeterminate Cash Receipts

☒

Indeterminate Cash Receipts

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Indeterminate impact to cash receipts. Section 6 changes the current law \$100 manufactured home transaction fee to one quarter of the sale price of the manufactured home, with a minimum fee of \$100 and maximum fee of \$500. Since the fee amount for these certificate of title transactions would be based on sale price of the individual manufactured mobile home, the fee would be a variable amount and the revenue impact of this fee change is indeterminate.

Agency Preparation: Merdan Bazarov	Phone: 360-902-3795	Date: 4/1/2019 1:10:20 pm
Agency Approval: Justin Leppa	Phone: 360-902-3644	Date: 4/1/2019 1:10:20 pm
OFM Review:	Phone:	Date: