

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 4204 HJR	<b>Title:</b> Residential ex./property tax
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## Estimated Cash Receipts

NONE

## Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Secretary of State	.0	139,000	139,000	139,000	.0	0	0	0	.0	0	0	0
Department of Revenue	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>139,000</b>	<b>139,000</b>	<b>139,000</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.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> Ramona Nabors, OFM	<b>Phone:</b> (360) 902-0547	<b>Date Published:</b> Final 2/ 9/2021
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 4204 HJR	<b>Title:</b> Residential ex./property tax	<b>Agency:</b> 085-Office of the Secretary of State
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
<b>Account</b>					
General Fund-State 001-1	139,000	0	139,000	0	0
<b>Total \$</b>	139,000	0	139,000	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: Tracey OBrien	Phone: 360-786-7152	Date: 02/08/2021
Agency Preparation: Kathy Cody	Phone: (360) 704-5215	Date: 02/09/2021
Agency Approval: Mark Neary	Phone: 360-902-4186	Date: 02/09/2021
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 02/09/2021

## 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 the Office of the Secretary of State (OSOS) to assume costs related to placing a constitutional amendment on the General Election ballot. This would increase the prorated state share of election costs paid under RCW 29A.04.420

Additionally, submission of a constitutional amendment for a vote of the people results in expenses to OSOS for including it in the voters' pamphlet and to publish notice four times in every legal newspaper in the state prior to the election.

There are no other fiscal impacts based on the contents of the bill.

### 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.*

The following fiscal impacts broken out by category

#### Voters' pamphlet

This bill requires OSOS to print the constitutional amendment in the voters' pamphlet. Printing the constitutional amendment, estimated to be 8 pages, has a projected cost of approximately \$59,453 which is comprised of \$49,476 for printing, \$5,040 for composition, and \$4,937 for language translation. Postage costs are not included for odd-year pamphlets because those costs are fixed for voters' pamphlets below 88 pages (less than 4oz, per the USPS). The additional 8 pages are not expected to push an odd-year voters' pamphlet over 88 pages.

#### Odd-Year election costs

Adding an additional issue for the state results in increased odd-year election costs of \$64,428. This amount was calculated by adding an additional issue the state proration for each of the 39 counties 2019 odd-year election costs; the resulting change between the base and the base + 1 is the cost seen here. All other factors were held constant.

#### Legal advertisements

The Office of the Secretary of State operating budget includes funding for the publication of notices in every legal newspaper in the state four times prior to the general election. This fiscal note does not assume additional cost to publish this measure because the notices would be customized such that they remain within the authorized budget for legal advertising.

OSOS has included an additional indirect cost rate of 15% on most objects for administrative support associated with implementing this legislation. Support costs include, but are not limited to, IT support, payroll and accounting services, and human resource services shown in Object T. We have applied a flat fee of \$5,000 to expenditures related to Grants, Benefits, and Client Services to reflect the level of effort required rather than a

standard percent.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
001-1	General Fund	State	139,000	0	139,000	0	0
Total \$			139,000	0	139,000	0	0

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

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	60,000		60,000		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	65,000		65,000		
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	14,000		14,000		
9-					
Total \$	139,000	0	139,000	0	0

**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

NONE

### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

### IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

**IV. D - Capital FTE Detail:** List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part IVB

NONE

**Part V: New Rule Making Required**

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 4204 HJR	<b>Title:</b> Residential ex./property tax	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

☒ **No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

NONE

### 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: Tracey OBrien	Phone: 360-786-7152	Date: 02/08/2021
Agency Preparation: Mark Studer	Phone: 360-534-1507	Date: 02/09/2021
Agency Approval: Kim Davis	Phone: 360-534-1508	Date: 02/09/2021
OFM Review: Ramona Nabors	Phone: (360) 902-0547	Date: 02/09/2021

Request # 4204-1-1

## 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 Joint Resolution 4204 would amend Article VII, section 1, of the Washington State Constitution to provide a residential real property exemption from the state property tax levy. The exemption may be for up to \$250,000 of valuation of residential property and applies to property taxes levied for state purposes. The legislature may place such restrictions and conditions upon the granting of the residential real property exemption as it deems proper.

This amendment is ratified if voters of the state approve this constitutional amendment in the November 2021 general election.

### 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 resolution would provide the Legislature the power to grant a \$250,000 antidisplacement exemption from property taxes levied for state purposes. By itself, this resolution has no fiscal impact.

See the fiscal note for HB 1494, the implementing legislation, for the fiscal impact of a \$250,000 antidisplacement exemption from property taxes levied for state purposes.

### 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 Department of Revenue will not incur any costs with the implementation of this legislation.

See the fiscal note for HB 1494, the implementing legislation, for the fiscal impact of a \$250,000 homestead exemption from property taxes levied for state purposes.

## Part III: Expenditure Detail

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

NONE

**III. B - Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

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

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

NONE

None.

**Part V: New Rule Making Required**