

Multiple Agency Fiscal Note Summary

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs
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Estimated Cash Receipts

NONE

Agency Name	2021-23		2023-25		2025-27	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	No fiscal impact					
Loc School dist-SPI						
Local Gov. Other						
Local Gov. Total						

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
Administrative Office of the Courts	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	Fiscal note not available											
Liquor and Cannabis Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Patrol	.3	72,000	72,000	72,000	.5	132,000	132,000	132,000	.5	132,000	132,000	132,000
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.3	72,000	72,000	72,000	0.5	132,000	132,000	132,000	0.5	132,000	132,000	132,000

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Fiscal note not available								
Liquor and Cannabis Board	.0	0	0	.0	0	0	.0	0	0
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Does not include COM note

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Preliminary 2/24/2022
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Judicial Impact Fiscal Note

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs	Agency: 055-Administrative Office of the Courts
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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 revenue and expenditure estimates on this page represent the most likely fiscal impact . Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

Legislative Contact: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Preparation: Sam Knutson	Phone: 360-704-5528	Date: 02/03/2022
Agency Approval: Stanley Chris	Phone: 360-704-4020	Date: 02/03/2022
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/04/2022

174,078.00

Request # 5733 SSB-1

Form FN (Rev 1/00)

1

Bill # 5733 S SB

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

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

NONE

Part II: Narrative Explanation

This bill would require agencies to keep detailed records about property seized and forfeited under state law and any agreement with any federal agency for each forfeiture. The bill would require a seizing agency to report detailed records of expenditures from the sum of the net proceeds for all forfeitures to the Office of the Attorney General (OAG) by March 1st of each year. The bill would provide for agencies to submit quarterly and annual reports to the OAG regarding their detailed records. The bill would require the Department of Commerce to establish a website for the public to search detailed records.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

II.B - Cash Receipt Impact

None.

II.C – Expenditures

No fiscal impact to the courts or the Administrative Office of the Courts.

Individual State Agency Fiscal Note

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs	Agency: 100-Office of Attorney General
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating 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: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/03/2022
Agency Approval: Dianna Wilks	Phone: 360-709-6463	Date: 02/03/2022
OFM Review: Tyler Lentz	Phone: (360) 790-0055	Date: 02/03/2022

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.

No fiscal impact. This legislation is not expected to generate any costs or savings for the Attorney General's Office (AGO). The AGO completed an analysis for legal services and fiscal impact from the most likely state agencies.

The AGO Information Services Division has reviewed this bill and determined it will no longer impact services as Department of Commerce is now responsible to creating the database and website.

The AGO Licensing and Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Liquor and Cannabis Board (LCB). The enactment of this bill will not impact the provision of legal services to LCB because the bill imposes minimum additional legal requirements on LCB. New legal services are nominal and costs are not included in this request.

The AGO Agricultural and Health Division (AHD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Commerce and Department of Health (DOH). It is assumed Commerce will require little or no new legal services in carrying out their responsibilities under the bill to receive reports and maintain a database of civil asset foreclosure expenditures. AHD also has determined this bill does not create any new duties for DOH. New legal services are nominal and costs are not included in this request.

The AGO Governmental Compliance Enforcement Division (GCE) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Washington State Patrol (WSP) and the LCB. GCE litigates asset forfeiture cases for the WSP. SSB 5733, unlike the original bill, would not change the standard of proof in forfeiture cases under RCW 69.50.505, so we do not anticipate any reduction in the number of litigation referrals we receive from WSP. GCE also litigates asset forfeiture cases for the LCB. Because of the small number of forfeitures cases brought by LCB under RCW 69.50.505, this bill would not impact our work for this client. New legal services are nominal and costs are not included in this request.

The AGO Administrative Division has reviewed this bill and determined it will no longer impact services as Department of Commerce is now responsible to creating the database and website.

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

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

Individual State Agency Fiscal Note

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs	Agency: 195-Liquor and Cannabis Board
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating 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: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Preparation: Colin O Neill	Phone: (360) 522-2281	Date: 01/31/2022
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 01/31/2022
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/31/2022

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(8a) adds new detailed recording and reporting requirements for property seized and forfeited under state law and any agreement with any federal agency.

This change will have minimal fiscal impact to the agency that can be handled within existing staff workload. Estimated 6 hours per quarterly report and 6 hours per annual report. \$1,620 per year in staff costs.

CHANGES MADE BY THE SUBSTITUTE VERSION (5733 SSB)

Section 1(5) removes language from the original bill that would have changed the standard of burden of proof from “preponderance of the evidence” to “clear and convincing evidence”, so that language in current law is unmodified by this bill.

Section 1(8)

- Makes required information on charges and convictions to be reported if available.
- Makes the required information to be filed with the Department of Commerce.
- Makes the Department of Commerce responsible for establishing and maintaining a searchable public website (rather than the Attorney General’s Office)
- Removes information required to be reported related to an agency's expenditures. While some expenditures are still required to be reported, the reporting categories are narrowed.

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

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

Individual State Agency Fiscal Note

Revised

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs	Agency: 225-Washington State Patrol
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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
FTE Staff Years	0.0	0.5	0.3	0.5	0.5
Account					
General Fund-State 001-1	0	72,000	72,000	132,000	132,000
Total \$	0	72,000	72,000	132,000	132,000

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: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Preparation: Kendra Sanford	Phone: 360-596-4080	Date: 02/03/2022
Agency Approval: Walter Hamilton	Phone: 360-596-4046	Date: 02/03/2022
OFM Review: Ruth Roberson	Phone: (360) 995-3826	Date: 02/04/2022

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.

The substitute version changes our fiscal impact as stated in the original fiscal note, mostly due to changes in the standard of evidence.

There will be a fiscal impact to the Washington State Patrol (WSP) due to increase in workload to meet additional reporting and records requirements.

Section 1(5) reverts standard of proof language back to current law that cases must be established by a preponderance of evidence.

Section 1(8)(a) requires additional records and information about property seized and forfeited under state law and any agreement with any federal agency, if the information is available.

Section 1(8)(b) adds that each calendar quarter when property is forfeited, the seizing agency shall file a report, including the information in Section 1(8)(a), to the Department of Commerce (Commerce). The Commerce must establish and maintain a searchable public website that includes all these records.

Section 1(8)(c) requires, by March 1st of every year, the seizing agency to file with the Commerce a report that summarizes the agency's expenditures from the sum of the net proceeds of all seized and forfeited property during the previous calendar year.

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.

We do not directly receive cash receipts, but we do contribute to the state and federal seizure accounts once investigations with seized items are settled. We receive a biennial appropriation for these accounts as long as a fund balance can support those appropriations.

We are unable to determine if the increased workload will impact the seizure account fund balances.

At this time, the WSP uses the seizure accounts to purchase large, one-time equipment for the Crime Laboratory Division and the Investigative Assistance Division. If these fund balances decrease or become depleted due to a decrease in investigations, we will need to request funding for equipment through the legislative process. This would be an estimated \$550,000 per biennium.

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.

We track data related to patrol activity in the Crime Investigation and Tracking of Evidence system (CITE). The additional data this proposed legislation is requiring us to track will result in additional programming in CITE. We anticipate minimal reprogramming changes that can be done with current resources.

Currently, the seizure program is overseen by our Asset Seizure Program Manager with minimal support. The additional efforts for data gathering and record tracking cannot be absorbed by this position, therefore part-time support (0.5 FTE) will

be required. We assume the additional workload will be done by a Data Consultant 3.

Currently, we are required to submit quarterly reports regarding federal seizure account activity. This proposed legislation will increase reporting requirements to include the state seizure account activity. This additional quarterly reporting and the annual report of all seizure account expenditures will require an additional 20 hours of work annually. This will be done by our Accounting Manager, and can be absorbed within current resources.

We base estimated salary expenditures on current levels for the positions requested per published salary schedules, plus any applicable incentive or assignment pay. We compute estimated benefits expenditures based on federal or state mandated rates plus state provided amounts for health insurance and workers' compensation insurance. We assume that any increases in these rates or amounts will be covered by legislation establishing the increase.

We base our estimate for agency indirect costs on the approved federal indirect cost rate of 30.84 percent. We apply this indirect cost rate percentage to all categories of expenditure with only two exceptions: capital equipment and expenditures after \$25,000 of each projected contract. Indirect costs include, but are not limited to, computer and telecommunications support, payroll processing, vendor payments, general accounting, procurement administration, inventory control, and human resource management.

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	0	72,000	72,000	132,000	132,000
Total \$			0	72,000	72,000	132,000	132,000

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years		0.5	0.3	0.5	0.5
A-Salaries and Wages		33,000	33,000	66,000	66,000
B-Employee Benefits		13,000	13,000	26,000	26,000
C-Professional Service Contracts					
E-Goods and Other Services		3,000	3,000	6,000	6,000
G-Travel		1,000	1,000	2,000	2,000
J-Capital Outlays		6,000	6,000	2,000	2,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Indirect Costs		16,000	16,000	30,000	30,000
Total \$	0	72,000	72,000	132,000	132,000

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 2022	FY 2023	2021-23	2023-25	2025-27
Data Consultant 3	65,928		0.5	0.3	0.5	0.5
Total FTEs			0.5	0.3	0.5	0.5

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

Individual State Agency Fiscal Note

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs	Agency: 303-Department of Health
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating 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: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 02/02/2022
Agency Approval: Alisa Weld	Phone: (360) 236-2907	Date: 02/02/2022
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/02/2022

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.

The fiscal impact has not changed from the previous fiscal note on 5733 SB. This substitute replaces the Office of Attorney General with the Department of Commerce as the agency in which reports need to be submitted to.

This bill amends RCW 69.50.505 (Seizure and forfeiture) to replace the word board with commission and changes where proceeds of any property forfeited shall be deposited.

This bill cleans up language to reflect the change from the Board of Pharmacy to the Pharmacy Quality Assurance Commission. Additionally, this bill adds language stating the seizing agency must keep a record of property seized and forfeited. The seizing agency must file reports to the Department of Commerce on forfeited property and expenditures from the sum of net proceeds of all seized and forfeited property.

While Department of Health (department) does have the ability to seize property it is not a regular practice. Currently, the department coordinates with DEA and local law enforcement to collect any controlled or legend drugs. The department will take a photograph and or video of the evidence collected and release to the appropriate authority.

The department assumes it will continue coordination with appropriate authority and therefore no new work is required as a result of this bill therefore no fiscal impact.

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

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5733 S SB	Title: Civil asset forfeiture/drugs
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Potentially significant (greater than \$6 million per year) costs for law enforcement agencies to track the expenditures from seized and forfeited property.
- ☒ Counties: Potentially significant (greater than \$6 million per year) costs for law enforcement agencies to track the expenditures from seized and forfeited property.
- ☐ 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: Costs would vary based on size of law enforcement agency.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 02/01/2022
Leg. Committee Contact: Julie Murray	Phone: 786-7711	Date: 01/31/2022
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/01/2022
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/01/2022

Part IV: Analysis

A. SUMMARY OF BILL

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

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The substitute makes changes to the contents of the annual report each seizing agency must submit. It also designates the Department of Commerce as the agency to which quarterly and annual reports must be submitted.

SUMMARY OF CURRENT BILL:

Section 1 amends RCW 69.50.505. An agency seizing property related to controlled substances must keep records indicating: the name of the seizing agency; date of seizure; type of property seized; description of the property; street address or description of the location where the seizure occurred; whether the seizure was adopted by the federal government, part of a joint task force with the federal government, or other arrangement with the federal government; crime for which suspect was charged, if available at the time of reporting; whether the suspect was convicted of a crime; whether the forfeiture was contested by a suspect, innocent owner claimant, joint owner, other property owner; disposition of the property through the forfeiture process; date of disposition of the property; basis for disposition of property; value of the property forfeited; and the net proceeds retained by the law enforcement agency that seized the property.

Each calendar quarter when property is forfeited, the seizing agency shall file a report that includes all of the seizure records to the Department of Commerce (Commerce).

The seizing agency must keep a record of expenditures from the net proceeds of seized and forfeited property in each of the following categories: professional outside services, including auditing, court reporting, expert witnesses, outside attorneys' fees, and membership fees paid to trade associations; travel, meals, conferences, training, and continuing education seminars; capital expenditures including vehicles, firearms, equipment, computers, and furniture; and The total value of forfeited property held by the agency at the end of the reporting period.

By March 1 of each year, when property is forfeited the seizing agency shall file a report that includes all of the expenditure records to Commerce.

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.

The legislation would have a potentially significant impact on cities and counties (greater than \$13 million per year) due to the provision for tracking of proceeds from seized items.

Currently, law enforcement agencies track all assets seized, the proceeds used to adjudicate the disposition, the amount received by disposition of items, the dates involved, and track and file the amount owed to the Office of the State Treasurer (OST). The additional requirements regarding records to be reported to Commerce would not create a substantial burden of work.

According to one mid-sized county, the funds its sheriff's department receives from asset seizure are deposited in the task force general fund. This fund pays for approximately 60% of its operating expenses. The task force can describe how the overall seizure account is used, but not the individual proceeds from each seizure. In order to do so, the county's Narcotics Task Force Captain estimated that it would require between a half-time and full-time staff person.

There are 249 law enforcement agencies in Washington State, according to the Washington Association of Sheriffs and Police Chiefs. The average annual wage and benefits for a county office supervisor is \$105,664, according to the Association of Washington Cities salary survey and the Local Government Fiscal Note Program unit cost model. Assuming that each law enforcement agency would need to hire a half-time employee to track how the proceeds from each seizure are used, the total costs would be \$13,155,168 (249 jurisdictions x 1/2 x \$105,664).

Because these costs are approximate, the total impacts 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.

The legislation would have no revenue impact for local government.

SOURCES:

Washington Association of Sheriffs and Police Chiefs

Thurston County Sheriff's Office

Association of Washington Cities salary and benefits survey

Local Government Fiscal Note SB 6266, 2020