

Multiple Agency Fiscal Note Summary

Bill Number: 1135 HB	Title: Impact fee use
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Revenue	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Final
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Department of Revenue Fiscal Note

Bill Number: 1135 HB	Title: Impact fee use	Agency: 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: Kellen Wright	Phone: 60-786-7134	Date: 01/09/2023
Agency Preparation: Diana Tibbetts	Phone: 60-534-1520	Date: 01/11/2023
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 01/11/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/12/2023

Request # 1135-1-1

Part II: Narrative Explanation

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

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

CURRENT LAW:

Current law allows local governments to impose and use impact fees to pay for public facilities needed to serve new growth and development. Public facilities include the following capital facilities owned or operated by government entities:

- Public streets, roads;
- Publicly owned park;
- Open space, and recreation facilities;
- School facilities; and
- Fire protection facilities.

PROPOSAL:

This legislation allows local governments to also use local impact fees for bicycle and pedestrian facilities that were designed with multimodal commuting as an intended use.

EFFECTIVE DATE:

The bill takes effect 90 days after final adjournment of the session.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

This legislation expands how local governments can use local impact fees. This legislation results in no revenue impact to taxes administered by the Department of Revenue (department).

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The department will not incur any costs with the implementation of this legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

III. B - Detail: *FTEs listed by classification and corresponding annual compensation. Totals 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

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

Part V: New Rule Making Required

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1135 HB

Title: Impact fee use

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Indeterminate revenue and expenditures. Please see discussion.
- Counties: Indeterminate revenue and expenditures. Please see discussion.
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: This legislation provides local governments the option to establish an impact fee which would fund certain bicycle and pedestrian facilities improvements.
- Key variables cannot be estimated with certainty at this time: Impact fee revenue and planning costs.

Estimated revenue impacts to:

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

Estimated expenditure impacts to:

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

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 01/16/2023
Leg. Committee Contact: Kellen Wright	Phone: 360-786-7134	Date: 01/09/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 01/16/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/16/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This legislation amends RCW 82.02.090 and creates a new section authorizing the use of impact fees to fund certain bicycle and pedestrian facility improvements.

Section 2 amends RCW 82.02.050 through 82.02.090 to revise the definition of “public facilities” to now include “bicycle and pedestrian facilities that were designed with multimodal commuting as an intended use.”

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

The expenditure impact on local governments is indeterminate. This legislation provides a local option to establish a bicycle and pedestrian facility impact fee. The planning costs associated with updating the transportation and capital facilities chapters of the jurisdiction's comprehensive plan would vary by jurisdiction. Concurrent requirements to establish local ordinances determining rate schedule, waivers and exemptions, credits/reductions, collection of fees, and expenditure deadlines, would be tied to discretionary actions on the part of each jurisdiction.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

The revenue impacts on local governments are indeterminate. This legislation would provide jurisdictions a local option to establish a bicycle and pedestrian facility improvement impact fee. This legislation clarifies the use of impact fees to fund bicycle and pedestrian facility improvements but does not dictate that jurisdictions change their impact fee schedules. The number of jurisdictions who would enact the impact fee and the amount of revenue collected cannot be estimated.

SOURCES:

Association of Washington Cities (AWC)
Municipal Research and Services Center (MRSC)
Washington State Association of Counties (WSAC)
Office of the Washington State Auditor