

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1158 HB	<b>Title:</b> Advisory votes
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	246,000	0	0	246,000	0	0	246,000
Office of Financial Management	0	0	67,000	0	0	54,000	0	0	54,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>313,000</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>0</b>	<b>300,000</b>

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
Legislative Evaluation and Accountability Program Committee	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Office of the Secretary of State	.0	(483,820)	(483,820)	(483,820)	.0	(750,457)	(750,457)	(750,457)	.0	(483,820)	(483,820)	(483,820)
Office of Attorney General	.9	0	0	246,000	.9	0	0	246,000	.9	0	0	246,000
Office of Financial Management	.0	0	0	67,000	.0	0	0	54,000	.0	0	0	54,000
<b>Total \$</b>	<b>0.9</b>	<b>(483,820)</b>	<b>(483,820)</b>	<b>(170,820)</b>	<b>0.9</b>	<b>(750,457)</b>	<b>(750,457)</b>	<b>(450,457)</b>	<b>0.9</b>	<b>(483,820)</b>	<b>(483,820)</b>	<b>(183,820)</b>

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
Legislative Evaluation and Accountability Program Committee	.0	0	0	.0	0	0	.0	0	0
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.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>

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

<b>Prepared by:</b> Cheri Keller, OFM	<b>Phone:</b> (360) 584-2207	<b>Date Published:</b> Final
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1158 HB	<b>Title:</b> Advisory votes	<b>Agency:</b> 020-Legislative Evaluation and Accountability Program Committee
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Operating Expenditures from:**

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

**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: Jason Zolle	Phone: 360-786-7124	Date: 01/09/2023
Agency Preparation: Jeff Naas	Phone: (360) 786-6131	Date: 01/09/2023
Agency Approval: Michael Mann	Phone: 360-786-6112	Date: 01/09/2023
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 01/16/2023

## 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.*

In even-numbered years, a pie chart prepared by LEAP showing total budgeted funds for the state operating budget by functional areas of government for the most recent biennium. These costs can be absorbed within existing resources.

### 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.*

### 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.*

Indeterminate, but likely nominal costs associated with preparing a pie chart in even-numbered years showing total budgeted funds for the state operating budget by functional areas of government for the most recent biennium.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

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

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

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

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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

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

NONE

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

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1158 HB	<b>Title:</b> Advisory votes	<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 2024	FY 2025	2023-25	2025-27	2027-29
<b>Account</b>					
General Fund-State 001-1	(156,319)	(327,501)	(483,820)	(750,457)	(483,820)
<b>Total \$</b>	(156,319)	(327,501)	(483,820)	(750,457)	(483,820)

### 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: Jason Zolle	Phone: 360-786-7124	Date: 01/09/2023
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 01/11/2023
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 01/11/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/11/2023

## 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.*

The bill removes advisory votes from the ballot and changes voters' pamphlet content requirements.

#### Section 2

- Repeals the statutes requiring the voters' pamphlet contain two pages of information for each advisory vote.

#### Section 7

- Repeals the statutes requiring advisory votes on tax legislation.

#### Section 8

- Adds requirements that in even numbered years the voters' pamphlet contains:
  - o A 300 word or less summary of the adopted biennial and supplemental operating, capital, and transportation budgets.
  - o A pie chart prepared by the Legislative Evaluation and Accountability Program (LEAP) showing total budgeted funds for the operating budget by functional areas for the most recent biennium.
  - o Tables provided by the Office of Financial Management (OFM) comparing state and local expenditures per \$1,000 of personal income.
  - o Instructions for voters on how to locate fiscal impact statements prepared under Section 9 of the bill.

#### Section 9

Requires OFM, in consultation with the Office of the Secretary of State (OSOS), the Attorney General (ATG) and other appropriate parties, to prepare a fiscal impact statement for each bill enacted since the previous elections that increases or decreases state tax revenue deposited into any fund, budget, or account. The statements must be filed with the OSOS no later than the 23rd day of July.

### 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.*

### 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.*

This bill removes advisory votes from the ballot. Additionally, the requirement that the Office of the Secretary of State publish information about the advisory votes in general election voters' pamphlet is also removed.

The attached table summarizes the fiscal impacts of this bill.

Section 1 is the Legislative intent and has no fiscal impact.

Section 2 removes the requirement that two pages of information about each advisory vote is included in the general election voters' pamphlet. This section, when viewed in isolation from the rest of the bill, reduces the cost of the voters' pamphlet by approximately \$80,700 for odd-year pamphlets, \$88,500 for even-year pamphlets, and \$78,800 for presidential-year pamphlets by reducing the number of pages printed and mailed by mean of 8.75 pages [(3.875 mean advisory votes \* 2 pages per advisory vote) + 1 cover and explanation page). While the same number of advisory vote pages is removed, the composition of the rest of the voters' pamphlet changes with different election years. Because of the non-linear cost structure of certain parts of the voters' pamphlet, the fiscal impact changes year-to-year. The fiscal impact

associated with this section is offset by the increase in fiscal impact in section 8, but the additional fiscal impact increases the net cost, as detailed in the analysis for that section.

Section 3 removes references to advisory votes from a section of law involving the cost of statewide recounts. Because this section of current law says advisory votes are exempt from recounts, the removal of this language has no fiscal impact when looked at in the totality of this bill.

Section 4 removes references to advisory votes from current law; there is no fiscal impact associated with this section.

Section 5, 6, and 7 taken together remove advisory votes from the ballot. The primary fiscal impact associated with these sections is related to the decrease in the weighted percentage of the state share of election costs. The total cost of an election is split among the jurisdictions using one of two methods, which represents how much each jurisdiction contributed to the total cost of the election:

- 1) A method using only the number of registered voters in each jurisdiction; or
- 2) A method that uses the number of offices and issues for each jurisdiction, as well as the number of registered voters in the jurisdiction to calculate a weighted allocation factor representing the extra cost additional offices and issues contribute to the total cost of the election

For the 2019 odd-year election cost reimbursements, which is the last available data, seven counties used method one, while the remaining 32 used method two. Because most counties use method two, which prorates the state share of election costs based on both the number of registered voters and the number of offices and issues on the ballot, a reduction in the number of issues on the ballot will reduce the prorated state share of election costs paid in both odd-year and even-year elections.

Based on historical odd-year election costs and estimates provided by counties for even-year election costs, we estimate the following reductions for the state share of election costs for

- odd-year elections by a mean of \$299,942,
- even-year elections by a mean of \$472,115, and
- Presidential-year elections by a mean of \$737,544.

We based these estimates on the Monte Carlo simulation model, which uses the probability distributions for the number of advisory votes that may appear in a given year.

Please note, due to a lack of available election cost data from the counties, we were unable to fully model the fiscal impact of removing advisory votes from the ballot. Our assumptions don't necessarily reflect the totality of such a change; such detail as the reduction in ballot printing costs and reduction in staff time to tabulate the advisory votes. It is unknown if such modeling would have a material impact on this analysis.

Section 8(8) through 8(11) adds information to the voters' pamphlet including:

- In even numbered years a summary of 300 words or less of each of the three biennial and supplemental budgets (operating, capital, and transportation). The bill is silent regarding which agency is to produce this information. OSOS does not have the staff expertise to create statewide budget summaries and assumes it would have to rely on other agencies such as the Office of Financial Management (OFM) and the Legislative Evaluation and Accountability Program Committee (LEAP). Because OSOS would have to rely on other agencies, the direct OSOS impact is expected to be minimal.
- In even numbered years, a pie chart prepared by LEAP showing total budgeted funds for the state operating budget by functional area for the most recent biennium. Because the voters' pamphlet is currently printed on newsprint in greyscale, a pie chart that is readable and didn't create accessibility issues would need to be printed in color. Insertion of a color page into the pamphlet will disrupt the normal high speed printing process because pages are printed on large sheets and then folded into the pamphlet. We estimate the additional costs to include a color page containing a pie chart to be \$120,000.
- In even numbered years OFM shall provide tables comparing state and local expenditures per \$1,000 of personal income and an explanation not to exceed 100 words of what is measured in this section.
- In even numbered years, instructions for voters on how to locate fiscal impact statements required under section 9 of



this bill. Although the bill is silent regarding the creation of these instructions, OSOS assumes minimal fiscal impacts given the impact statements must be available online from OFM.

Section 9 details the fiscal impact statement that will be printed in the voters’ pamphlet and available on the Office of the Secretary of State website for each bill that increases or decreases state revenue. This fiscal impact statement would be similar in length to current fiscal impact statements for other measures. Using historical data from other measures, we estimate the number of pages for a fiscal impact statement for measures that would increase or decrease tax revenue would be a mean of 2.3 pages per fiscal impact statement.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	(156,319)	(327,501)	(483,820)	(750,457)	(483,820)
<b>Total \$</b>			(156,319)	(327,501)	(483,820)	(750,457)	(483,820)

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	129,223	130,114	259,337	258,229	259,337
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	(299,942)	(472,115)	(772,057)	(1,037,486)	(772,057)
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	14,400	14,500	28,900	28,800	28,900
9-					
<b>Total \$</b>	(156,319)	(327,501)	(483,820)	(750,457)	(483,820)

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

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

NONE

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

NONE

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

HB 1158 Attachment

Description	Year					
	2024	2025	2026	2027	2028	2029
<b>E</b>	<b>129,223</b>	<b>130,114</b>	<b>129,223</b>	<b>129,006</b>	<b>129,223</b>	<b>130,114</b>
Additional page in voters' pamphlet from pie chart (Section 8(9)) - even-year		120,000				120,000
Additional page in voters' pamphlet from pie chart (Section 8(9)) - odd-year	120,000		120,000		120,000	
Additional page in voters' pamphlet from pie chart (Section 8(9)) - presidential-year				120,000		
Increase in voters' pamphlet costs (Section 8(8)(b)) - Even-Year		98,614				98,614
Increase in voters' pamphlet costs (Section 8(8)(b)) - Odd-Year	89,923		89,923		89,923	
Increase in voters' pamphlet costs (Section 8(8)(b)) - Presidential-Year				87,806		
Reduction in voters' pamphlet costs (Section 2) - Even-Year		(88,500)				(88,500)
Reduction in voters' pamphlet costs (Section 2) - Odd-Year	(80,700)		(80,700)		(80,700)	
Reduction in voters' pamphlet costs (Section 2) - Presidential-Year				(78,800)		
<b>N</b>	<b>(299,942)</b>	<b>(472,115)</b>	<b>(299,942)</b>	<b>(737,544)</b>	<b>(299,942)</b>	<b>(472,115)</b>
Reduction in even-year election cost reimbursement (Sections 5, 6, 7)		(472,115)				(472,115)
Reduction in odd-year election cost reimbursement (Sections 5, 6, 7)	(299,942)		(299,942)		(299,942)	
Reduction in presidential-year election cost reimbursement (Sections 5, 6, 7)				(737,544)		
<b>T</b>	<b>14,400</b>	<b>14,500</b>	<b>14,400</b>	<b>14,400</b>	<b>14,400</b>	<b>14,500</b>
Indirect	14,400	14,500	14,400	14,400	14,400	14,500
<b>Grand Total</b>	<b>(156,319)</b>	<b>(327,501)</b>	<b>(156,319)</b>	<b>(594,138)</b>	<b>(156,319)</b>	<b>(327,501)</b>

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1158 HB	<b>Title:</b> Advisory votes	<b>Agency:</b> 100-Office of Attorney General
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	123,000	123,000	246,000	246,000	246,000
<b>Total \$</b>	123,000	123,000	246,000	246,000	246,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.9	0.9	0.9	0.9	0.9
<b>Account</b>					
Legal Services Revolving Account-State 405-1	123,000	123,000	246,000	246,000	246,000
<b>Total \$</b>	123,000	123,000	246,000	246,000	246,000

### 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: Jason Zolle	Phone: 360-786-7124	Date: 01/09/2023
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 01/11/2023
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 01/11/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/11/2023

## 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.*

Section 1 – New Section – Finding/Purpose.

Section 2 – Amends RCW 29A.32.070 – Deletes language relating to advisory votes.

Section 3 – Amends RCW 29A.64.090 – Deletes language relating to advisory votes.

Section 4 – Amends RCW 29A.72.040 – Deletes language relating to advisory votes.

Section 5 – Amends RCW 29A.72.250 – Deletes language relating to advisory votes.

Section 6 – Amends RCW 29A.72.290 adds what county auditors must print on ballots and deletes language relating to advisory votes.

Section 7 – New Section – Repeals three different statutes.

Section 8 – Amends RCW 29A.32.031 – Deletes language relating to advisory votes in voters’ pamphlets. Further requires summaries of budgets and sources of revenue for bills, and other information about legislation.

Section 9 – New Section in 29A.32 – The Office of Financial Management, the Office of the Secretary of State, and the Attorney General’s Office will prepare fiscal impact statements for each bill enacted since the previous election. Additionally, this section sets out what these statements must include.

### 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.*

The Attorney General’s Office (AGO) assumes new costs for Financial Services Division (FIS) activities that will be distributed among all legal services client agencies following the enactment of this bill. Costs of FIS activities are billed as part of AGO overhead. AGO overhead is billed to all clients proportionate to service levels provided. It is the AGO standard practice to spread these type of costs pro-rata through the Legal Services component of the Central Service Model (CSM). Not including these costs in the Legal Services component of the CSM is putting the Legal Services Revolving Account out of balance.

AGO overhead cost assumptions:

FY 2024: \$137,000 for 1.0 Management Analyst 5 (MA) and each FY thereafter.

Assumptions for the AGO’s Solicitor General’s Office (SGO) Legal Services for the Office of the Secretary of State. SGO assumes a workload reduction of approximately 100 Deputy Solicitor General (DSG) hours each FY:

FY 2024: (\$14,000) for (0.06) DSG and (0.03) Legal Assistant, and each FY thereafter.

### 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.*

Attorney General’s Office (AGO) Agency Assumptions:

Legal services associated with the enactment of this bill will begin on July 1, 2024.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables, for every 1.0 FTE Deputy Solicitor General (DSG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of a Management Analyst 5 (MA). The MA5 is used as a representative classification.

Location of staffing housed is assumed to be in a non-Seattle office building.

1. The AGO assumes new costs for Financial Services Division (FIS) activities will be distributed among all legal services client agencies following the enactment of this bill. Expenditures of FIS activities are billed as part of AGO overhead which are billed to all clients proportionate to service levels provided. It is the AGO standard practice to spread these type of costs pro-rata through the Legal Services component of the Central Service Model (CSM). Not including these expenditures in the Legal Services component of the CSM is putting the Legal Services Revolving Account out of balance.

Per section 9 of this bill, FIS will have to develop a fiscal impact statement for each enacted bill to include the budget bill that would affect state tax revenue deposited in any of AGO’s 14 fund and revenue accounts. This work cannot be absorbed as this work will coincide with the biennial and supplemental allotment process, AGO division rate setting for client billing, and FY and biennial close.

Based on the above described workload, FIS assumes the following impact:

FY 2024: \$137,000 for 1.0 FTE Management Analyst 5 (MA5), and each FY thereafter.

2. The AGO’s Solicitor General’s Office (SGO) will assist in the review of the fiscal impact statement and assumes a workload reduction of approximately 100 DSG hours in FY2024 and each FY thereafter. If this bill is enacted, SGO will no longer be assisting with identifying bills that are subject to advisory votes, preparing the associated materials for the ballot and voter guide, and litigating cases by defending those decisions. SGO assumes the following impact:

FY 2024: (\$14,000) for (0.06) FTE DSG and (0.03) FTE LA, and each FY thereafter.

3. The AGO Revenue and Finance Division has reviewed this bill and determined it will not significantly increase or decrease the division’s workload.

4. The AGO’s Government Compliance and Enforcement Division (GCE) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload. GCE provides certain legal advice to the Office of the Secretary of State (OSOS). This bill is election-related and would repeal advisory votes and add new requirements to include information in the voter’s pamphlet for transparency and fiscal responsibility purposes. Therefore, GCE does not anticipate that this bill would have any impact on the work GCE does for this client.

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services	State	123,000	123,000	246,000	246,000	246,000
	Revolving Account						
<b>Total \$</b>			123,000	123,000	246,000	246,000	246,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.9	0.9	0.9	0.9	0.9
A-Salaries and Wages	82,000	82,000	164,000	164,000	164,000
B-Employee Benefits	28,000	28,000	56,000	56,000	56,000
E-Goods and Other Services	13,000	13,000	26,000	26,000	26,000
<b>Total \$</b>	123,000	123,000	246,000	246,000	246,000

**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 2024	FY 2025	2023-25	2025-27	2027-29
Deputy Solicitor General AAG	138,000	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Legal Assistant 3	55,872	0.0	0.0	0.0	0.0	0.0
Management Analyst 5	91,524	1.0	1.0	1.0	1.0	1.0
<b>Total FTEs</b>		0.9	0.9	0.9	0.9	0.9

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

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Financial Services Division (FIS)	137,000	137,000	274,000	274,000	274,000
Solicitor General Division (SGO)	(14,000)	(14,000)	(28,000)	(28,000)	(28,000)
<b>Total \$</b>	123,000	123,000	246,000	246,000	246,000

**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

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

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1158 HB	<b>Title:</b> Advisory votes	<b>Agency:</b> 105-Office of Financial Management
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
OFM Central Service Account-State 468-1	27,000	27,000	54,000	54,000	54,000
Statewide Information Tech System Maintenance & Operations Revolving Account-Non-Appropriated 472-6	13,000		13,000		
<b>Total \$</b>	40,000	27,000	67,000	54,000	54,000

### Estimated Operating Expenditures from:

Account	FY 2024	FY 2025	2023-25	2025-27	2027-29
OFM Central Service Account-State 468-1	27,000	27,000	54,000	54,000	54,000
Statewide Information Tech System Maintenance & Operations Revolving Account-Non-Appropriated 472-6	13,000	0	13,000	0	0
<b>Total \$</b>	40,000	27,000	67,000	54,000	54,000

### 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: Jason Zolle	Phone: 360-786-7124	Date: 01/09/2023
Agency Preparation: Keith Thunstedt	Phone: 360-810-1271	Date: 01/12/2023
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 01/12/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/12/2023



## 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.*

Part II abolishes advisory votes. This section has no fiscal impact to OFM.

Part III, increases the information that must be included in the voters' pamphlet to include:

- o Section 8 (8) - in even-numbered years, a summary, which much include major sources of revenue and categories of expenditures, of the adopted operating, capital, and transportation budgets, and a list of each bill that was part of the budget and their relative bill information.
- o Section 8 (10) - tables provided by OFM comparing state and local expenditures per \$1000 of personal income for the most recent fiscal year and going back 20 years.

OFM would produce this content, in coordination with the Secretary of State, and can do so within current staffing and resources. Therefore, this section has no fiscal impact to OFM.

Part III, Section 9, requires OFM, in consultation with the Secretary of State, the Attorney General, and other appropriate state or local agencies, to produce a fiscal impact statement for each bill passed by the Legislature in the previous session that increases or decreases state tax revenues deposited into any fund. These fiscal impact statements must be filed with the Secretary of State by July 23rd and made available on the OFM website. This is an increased workload to OFM and will have fiscal impact.

### 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.*

OFM distributes costs incurred in fund 468 OFM Central Service Account through the central service model. Any assumed increase in the account would be matched by an increase in the OFM-Central Services fee.

OFM distributes costs incurred in fund 472 Statewide Information Tech System M&O Revolving account through the central service model. Assumed state-wide costs incurred in the account would be matched by an increase in the OFM Enterprise Application Fee.

### 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.*

Section 9 requires OFM to produce a fiscal impact statement for each bill passed by the Legislature in the previous session that increases or decreases state tax revenues deposited into any fund.

OFM estimates 60 bills per year will require a fiscal impact statement. At an estimated three hours of analyst time per bill, that totals 180 hours of additional workload. In lieu of hiring additional staff, OFM assumes a contract cost for this additional work at an equivocal hourly fully rate for an OFM budget analyst of \$150/hr x 180 hours = \$27,000 per year. These costs are ongoing.

In addition, OFM assumes a one-time update the state's Fiscal Note application 960 console to allow agencies to indicate whether an item is a tax or a fee. An update to the system is assumed to require 80 hours of a work. If OFM cannot absorb this work, OFM would use DES tier-two master contracts to provide the following contracted services. The current contract average rate is \$157 per hour, and therefore OFM assumes a one-time cost for the update of \$157 x 80 hours =

\$12,560.

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
468-1	OFM Central Service Account	State	27,000	27,000	54,000	54,000	54,000
472-6	Statewide Information Tech System Maintenance & Operations Revolving Account	Non-Appropriated	13,000	0	13,000	0	0
<b>Total \$</b>			40,000	27,000	67,000	54,000	54,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts	40,000	27,000	67,000	54,000	54,000
E-Goods and Other Services					
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-					
<b>Total \$</b>	40,000	27,000	67,000	54,000	54,000

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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

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

NONE

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

NONE

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1158 HB

Title: Advisory votes

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

### Legislation Impacts:

- Cities: Cities participating in elections would experience indeterminate but likely minimal reductions in election costs.
- Counties: Same as above. County revenue would decrease in direct proportion to the auditor's reduced printing costs, likely minimal.
- Special Districts: Special districts participating in elections would experience the same cost savings as cities, likely minimal.
- Specific jurisdictions only:
- Variance occurs due to: The exact reduction of printed pages resulting from the legislation; variety of jurisdictions participating in each election; jurisdiction's proportionate cost-savings indeterminate but likely minimal.

## 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: Change in number of ballot pages; proportionate election costs; changes in reimbursement

### 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: Kate Fernald	Phone: 564-200-3519	Date: 01/11/2023
Leg. Committee Contact: Jason Zolle	Phone: 360-786-7124	Date: 01/09/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/11/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/11/2023

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

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

#### Part II

Sec. 2 amends RCW 29A.32.070 to repeal the requirement that advisory votes for tax increase legislation appear on the ballot and voters' pamphlet.

Sec. 3 removes an exception for recounting statewide advisory votes of the people. The bill would allow the Secretary of State to direct a recount for any statewide advisory vote of the people that was placed on the ballot if the difference between for and against votes meets the conditions outline in section three.

Sec. 6: amends RCW 29A.72.290 to remove one item from county auditors' current printing requirements. Information on advisory votes would no longer need to be printed by county auditors in the voters' pamphlet.

#### Part III

Sec. 8 amends RCW 29A.32.031 to add printing requirements for the Secretary of State. It does not add printing requirements for county auditors.

Sec. 9 adds a new section to chapter 29A.32 to require the Office of Financial Management to consult with various agencies including any "appropriate state or local agency" to prepare a fiscal impact statement for each bill that impacts state tax revenues. Statements must be available by July 23. Fiscal impact statements must describe the increase or decrease in state or local revenues, costs or spending.

### **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 legislation would result in minimal, indeterminate cost savings to county auditors, and city and special purpose districts participating in elections due to reduced printing costs.

County auditors would likely experience indeterminate but likely minimal cost savings due to reducing the information that county auditors must print on ballots and in voters' pamphlets. The legislation would remove county auditors' current requirement to print information on advisory votes for tax legislation in the voters' pamphlet and on ballots. Printing less information would likely result in minimal cost savings due to an overall reduction ballot size and in printed pages. However, the exact reduction of printed pages cannot be predicted in advance. Therefore, county auditors' cost savings in voters' pamphlets and ballot printing costs are likely minimal, but indeterminate.

Because cities and special purpose districts participating in elections pay their proportionate share of costs to print voters' pamphlets, any cost savings county auditors experience as a result of printing fewer pages would proportionately impact cities and special districts in the same minimal, indeterminate manner.

County auditors would experience de minimis impacts as a result of Part III Sec. 9's new requirement of the Office of Financial Management (OFM). OFM must consult with various agencies - including any appropriate local agency - to prepare a fiscal impact statement for each bill that impacts state tax revenues. Fiscal impact statements must describe the increase or decrease in state or local revenues, costs or spending. Washington State Association of County Auditors estimates minor impacts to auditors because any increase in workload to help write fiscal impact statements on an ad hoc basis would be minimal.

## **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 legislation would result in minimal indeterminate decreases in county revenue directly proportionate to county auditors' reduced costs to print ballots and voters' pamphlets.

The legislation would reduce the information county auditors are required to print on ballots and in voters' pamphlets, reducing county auditors' printing costs. Election costs, including ballots and voters' pamphlets, are apportioned to all jurisdictions participating in the election. Therefore, county revenue received from city and special districts for their proportionate share of election costs would be reduced in direct proportion to the auditor's reduced printing costs. However, the exact revenue loss cannot be determined in advance. As a result counties will experience an indeterminate reduction in revenue.

### **SOURCES:**

Local Government Fiscal Note SSB 5182 (2021)

Washington State Association of County Auditors