

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5150 S SB	<b>Title:</b> Beef levied assessment	<b>Agency:</b> 495-Department of Agriculture
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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.

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## 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.*

Substitute Senate Bill 5150 differs from SB 5150 as follows:

Section 1. (4) The commission shall hold board meetings in different geographic regions of the state throughout the year.

SSB 5150 has no changes to fiscal impact.

Section 1:

Increases the beef assessment to \$2.50 head on all Washington cattle sold in this state or elsewhere to be paid by seller at time of sale.

Workload that has revenue or expenditure impact: The Washington State Department of Agriculture (WSDA) Livestock Identification Program collects the assessment if the sale of cattle is accompanied by a brand inspection or electronic change of ownership. The Program then remits the assessments collected to the Washington State Beef Commission.

The Program uses an electronic system called eLID when conducting brand inspections and offers an online change of ownership system for producers called ECTR (Electronic Cattle Transaction Reporting). The program estimates that it will take an IT Developer one hour to implement the assessment change in these two applications.

Expenditure Detail – one-time cost \$89.00 – WSDA can absorb.

### 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.*

5150 SSB Section 1 amends 16.67.120 and increases the state Beef Commission's levied beef assessment from \$1.00 to \$2.50 per head on all Washington cattle sold in state or elsewhere to be paid by the seller at the time of sale.

WSDA's Livestock ID program (LID) collects approximately 31% of the Beef Commissions livestock state assessments and 100% of those assessment funds WSDA collects on behalf of the Beef Commission are passed through to them. WSDA will not realize any new or changes to existing revenues as a result of the fee increased proposed in this bill.

Cash receipt impact estimates in this note are based on the increase in state assessment amounts WSDA would expect to collect on behalf of the Beef Commission and pass through to them if the bill passes.

The estimate is calculated as follows:

- Average of the previous 3 year period (2020-2022) = \$279,697
- multiplied by \$2.50 = \$699,242
- Difference and yearly increase of = \$419,545

and is shown in the 10 year analysis.

### 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.*

WSDA Livestock ID Program uses an electronic system called eLID when conducting brand inspections and offers an

online change of ownership system for producers called ECTR (Electronic Cattle Transaction Reporting). The program estimates that it will take an IT Developer one hour to implement the assessment change in these two applications. Expenditure Detail – one-time cost \$89.00 – WSDA can absorb

### **Part III: Expenditure Detail**

#### **III. A - Operating Budget Expenditures**

NONE

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

NONE

**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.*



# Ten-Year Analysis

<b>Bill Number</b> 5150 S SB	<b>Title</b> Beef levied assessment	<b>Agency</b> 495 Department of Agriculture
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

**No Cash Receipts**
                 
  **Partially Indeterminate Cash Receipts**
                 
  **Indeterminate Cash Receipts**

## Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Beef Assessments	126	419,545	419,545	419,545	419,545	419,545	419,545	419,545	419,545	419,545	419,545	4,195,450
Pass through to Beef Commission	126	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(419,545)	(4,195,450)
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

5150 SSB Section 1 amends 16.67.120 and increases the state Beef Commission's levied beef assessment from \$1.00 to \$2.50 per head on all Washington cattle sold in state or elsewhere to be paid by the seller at the time of sale.

WSDA's Livestock ID program (LID) collects approximately 31% of the Beef Commissions livestock state assessments and 100% of those assessment funds WSDA collects on behalf of the Beef Commission are passed through to them. WSDA will not realize any new or changes to existing revenues as a result of the fee increased proposed in this bill.

Cash receipt impact estimates in this note are based on the increase in state assessment amounts WSDA would expect to collect on behalf of the Beef Commission and pass through to them if the bill passes.

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