

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1623 HB	<b>Title:</b> Regional economic dev.	<b>Agency:</b> 103-Department of Commerce
-----------------------------	--------------------------------------	---

## 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
FTE Staff Years	1.7	1.8	1.8	1.8	1.8
<b>Account</b>					
General Fund-State      001-1	249,442	246,935	496,377	493,870	499,670
<b>Total \$</b>	249,442	246,935	496,377	493,870	499,670

### 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: Cassie Jones	Phone: 360-786-7303	Date: 01/30/2023
Agency Preparation: Karen McArthur	Phone: 360-725-4027	Date: 02/08/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/08/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/09/2023

## 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 2(1) a new section is added to chapter 43.330 RCW that requires the Department of Commerce (department) lead and facilitate the development of a regional economic development vision and action plan for each region of the state.

Section 2(3) a new section is added to chapter 43.330 RCW that requires the department coordinate with local associate development organizations (ADOs), local government officials, the private sector business community, nonprofit organizations, and local labor organizations. The department must also survey the local community with respect to goals for future of local economy.

Section 2(4) a new section is added to chapter 43.330 RCW that requires the department cooperate with other state agencies for research and analysis related to vision and action plan.

### 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.*

To carry out these duties, the department estimates the following:

1.0 FTE Commerce Specialist 4 (2,088 hours) to engage stakeholders, form partnerships, and coordinate with ADOs, other agencies, and public and private industry. Facilitate development of regional economic development vision and action plan, and manage project throughout duration.

0.5 FTE Commerce Specialist 2 (1,044 hours) to assist in facilitation of plan and project management. Will provide support in gathering of reports and day-to-day needs of the program.

#### Salaries and Benefits:

FY24: \$164,842

FY25-FY29: \$170,473 per fiscal year

#### Goods and Services:

FY24: \$14,367

FY25-FY29: \$14,376 per fiscal year

#### Travel:

Travel includes stakeholder outreach to create partnerships.

FY24-FY29: \$6,000 per fiscal year

#### Equipment:

In addition to the standard goods and services estimates, the department assumes the purchase of standard workstations for the new staff in FY24 and the purchase of replacement laptops/tablets in FY28 based on the department's replacement cycle.

FY24: \$10,000

FY28: \$5,800

Intra-agency Reimbursements:

FY24: \$54,233

FY25-FY29: \$56,086 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Total Costs:

FY24: \$249,442

FY25-FY27: \$246,935 per fiscal year

FY28: \$252,735

FY29: \$246,935

**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	249,442	246,935	496,377	493,870	499,670
<b>Total \$</b>			249,442	246,935	496,377	493,870	499,670

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.7	1.8	1.8	1.8	1.8
A-Salaries and Wages	121,612	125,259	246,871	250,518	250,518
B-Employee Benefits	43,230	45,214	88,444	90,428	90,428
C-Professional Service Contracts					
E-Goods and Other Services	14,367	14,376	28,743	28,752	28,752
G-Travel	6,000	6,000	12,000	12,000	12,000
J-Capital Outlays	10,000		10,000		5,800
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	54,233	56,086	110,319	112,172	112,172
9-					
<b>Total \$</b>	249,442	246,935	496,377	493,870	499,670

**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
Administrative Services - Indirect	111,168	0.2	0.3	0.3	0.3	0.3
Commerce Specialist 2	70,799	0.5	0.5	0.5	0.5	0.5
Commerce Specialist 4	86,212	1.0	1.0	1.0	1.0	1.0
<b>Total FTEs</b>		1.7	1.8	1.8	1.8	1.8

**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.*