

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1648 HB	<b>Title:</b> Ticket sales
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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
Department of Licensing	0	0	7,070,000	0	0	7,070,000	0	0	7,070,000
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>7,070,000</b>	<b>0</b>	<b>0</b>	<b>7,070,000</b>	<b>0</b>	<b>0</b>	<b>7,070,000</b>

## 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 Licensing	4.6	0	0	1,737,000	5.1	0	0	1,095,000	5.1	0	0	1,095,000
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.											
<b>Total \$</b>	<b>4.6</b>	<b>0</b>	<b>0</b>	<b>1,737,000</b>	<b>5.1</b>	<b>0</b>	<b>0</b>	<b>1,095,000</b>	<b>5.1</b>	<b>0</b>	<b>0</b>	<b>1,095,000</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	.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>

## Estimated Capital Budget Breakout

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<b>Prepared by:</b> Kyle Siefering, OFM	<b>Phone:</b> (360) 995-3825	<b>Date Published:</b> Revised 2/17/2023
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1648 HB	<b>Title:</b> Ticket sales	<b>Agency:</b> 240-Department of Licensing
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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
Business and Professions Account-State 06L-1	3,535,000	3,535,000	7,070,000	7,070,000	7,070,000
<b>Total \$</b>	3,535,000	3,535,000	7,070,000	7,070,000	7,070,000

### Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.0	5.1	4.6	5.1	5.1
<b>Account</b>					
Business and Professions Account-State 06L-1	1,195,000	542,000	1,737,000	1,095,000	1,095,000
<b>Total \$</b>	1,195,000	542,000	1,737,000	1,095,000	1,095,000

### 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: Michelle Rusk	Phone: 360-786-7153	Date: 01/27/2023
Agency Preparation: Deb Williams	Phone: 360-902-0015	Date: 02/01/2023
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 02/01/2023
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/02/2023

## 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.

Please see attached fiscal note.

### 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.

Please see attached fiscal note.

### 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.

Please see attached fiscal note.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
06L-1	Business and Professions Account	State	1,195,000	542,000	1,737,000	1,095,000	1,095,000
<b>Total \$</b>			1,195,000	542,000	1,737,000	1,095,000	1,095,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.0	5.1	4.6	5.1	5.1
A-Salaries and Wages	209,000	247,000	456,000	494,000	494,000
B-Employee Benefits	93,000	116,000	209,000	232,000	232,000
C-Professional Service Contracts					
E-Goods and Other Services	890,000	176,000	1,066,000	363,000	363,000
G-Travel	3,000	3,000	6,000	6,000	6,000
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>	1,195,000	542,000	1,737,000	1,095,000	1,095,000

### 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
Customer Service Specialist 2	46,980	1.0	2.0	1.5	2.0	2.0
Investigator 2	63,216	0.3	0.5	0.4	0.5	0.5
Investigator 4	80,952	0.1	0.3	0.2	0.3	0.3
Management Analyst 4	82,896	1.0		0.5		
Professional Licensing Manager 2	64,788	0.8	1.5	1.2	1.5	1.5
WMS	94,992	0.8	0.8	0.8	0.8	0.8
<b>Total FTEs</b>		4.0	5.1	4.6	5.1	5.1

**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.*

See attached fiscal note

# Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: HB 1648

Bill Title: Ticket Sales

**Part 1: Estimates**

No Fiscal Impact

**Estimated Cash Receipts:**

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	3,535,000	3,535,000	7,070,000	7,070,000	7,070,000
<b>Account Totals</b>		<b>3,535,000</b>	<b>3,535,000</b>	<b>7,070,000</b>	<b>7,070,000</b>	<b>7,070,000</b>

**Estimated Expenditures:**

		FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years		4.0	5.1	4.6	5.1	5.1
Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	1,195,000	542,000	1,737,000	1,095,000	1,095,000
<b>Account Totals</b>		<b>1,195,000</b>	<b>542,000</b>	<b>1,737,000</b>	<b>1,095,000</b>	<b>1,095,000</b>

*The revenue 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.

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- 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.
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michelle Rusk	Phone: (360) 786-7153	Date: 1/27/23
Agency Preparation: Deborah Williams	Phone: (360) 634-5083	Date: 1/27/23
Agency Approval: Gerrit Eades	Phone: (360) 902-3931	Date:

Request #	1
Bill #	

## Part 2 – Explanation

### 2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

This bill requires Department of Licensing (DOL) to begin licensing a new profession, ticket sellers and resellers.

### 2.B - Cash receipts Impact

Revenue impact depends on the number of licenses issued as well as the number of renewals. DOL estimated 3500 licensees based on national counts of ticket sellers. However, the current bill language is broadly written and could be interpreted to include all forms of ticket sellers, from movie cinemas, performing arts venues, to individuals reselling event tickets. With a broader interpretation, the estimated licensees could be as many as 35,000.

DOL assumes there will be 3500 licenses the first year, and 500 new licenses per year after that. Renewals begin in fiscal year 2025, per the one-year requirement. We expect 3000 renewals in the first year and 3000 per year after that.

Tier 1, less than 500 tickets	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
New licenses	\$ 150.00									
Count	1,400	200	200	200	200	200	200	200	200	200
Revenue	\$ 210,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Renewal License										
Count		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Revenue		\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
<b>Total Tier 1</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>
Tier 2, 500 to 1000 tickets										
New licenses	\$ 750.00									
Count	700	100	100	100	100	100	100	100	100	100
Revenue	\$ 525,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Renewal License										
Count		600	600	600	600	600	600	600	600	600
Revenue		\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
<b>Total Tier 2</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>	<b>525,000</b>
Tier 3, over 1,000 tickets										
New licenses	\$ 2,000.00									
Count	1,400	200	200	200	200	200	200	200	200	200
Revenue	\$2,800,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Renewal License										
Count		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Revenue		\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000
<b>Total Tier 3</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>	<b>\$2,800,000</b>
New Licenses	3500	500	500	500	500	500	500	500	500	500
Renewals		3000	3000	3000	3000	3000	3000	3000	3000	3000
<b>Total Licenses</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>	<b>3500</b>
<b>Grand Total</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	3,535,000	3,535,000	7,070,000	7,070,000	7,070,000
<b>Account Totals</b>		<b>3,535,000</b>	<b>3,535,000</b>	<b>7,070,000</b>	<b>7,070,000</b>	<b>7,070,000</b>

If needed to implement this legislation, a one-time assessment would be added to licenses that are funded with dedicated funds, equal to the costs contained in the expenditure section of this fiscal note. The cost allocation model applied to current expenditures is used to establish the revenue breakdown.

For efficiency purposes, the department will add inclusion of this one-time assessment per license, to a planned fee rulemaking process in the spring of 2024, with any fee proposed increases to go into effect in June 2024.

## **2.C – Expenditures**

The Department of Licensing (DOL) assumes the following regarding this bill and its fiscal impact.

- Requires ticket sellers to apply for a license with DOL.
- Provides DOL fee-setting and rulemaking authority.
- Requires DOL to maintain records of applicants and licensees.
- Requires DOL to mail notices of statutory or regulatory changes to licensees.
- Requires DOL to share licensee data to assist with tax collection.
- Requires DOL to collect violation fees.
- DOL must begin issuing these licenses by January 1, 2024
- DOL will conduct necessary system changes to allow for licensing a new profession.
- DOL will intake and investigate complaints, and take administrative action where needed.

The following positions are required to implement this legislation:

- **Customer Service Specialist 2 (CSS2), 2.0 FTE:**
  - answer customer calls and emails,
  - issue licenses and process renewals (ongoing)
- **Professional Licensing Manager 2 (PLM2), 1.5 FTE**

We assume that the intent of this bill is to protect consumers against large-scale incidents. Tacoma Dome contains just over 20,000 stadium seats with a total seating capacity of 23,000. One event could impact up to 23,000 consumers. A pricing incident may trigger 1.0% of ticket purchasers to file a complaint, which would be 230 complaints for one event.

  - supervise CSS2s.
  - answer escalated customer requests.
  - address complex licensing questions.
  - process intake complaints
  - evaluate for relevancy.
  - provide consumer guidance and direction to the AGO consumer complaints division.
  - work with investigators to compile information for legal documents.
  - manage due process activities and administrative action for licensees (ongoing)
- **Washington Management Services (WMS): 0.8 FTE**
  - manage the development and implementation of a new licensing program



- work with stakeholders
- establish processes and policies (ongoing)
- **Investigator 2 (INV2): 0.5 FTE**
  - conduct routine inspections to verify that licensees have a WA place of business and their licenses posted.
  - conduct routine investigations tied to consumer complaints (ongoing)
- **Investigator 4 (INV4): 0.3 FTE**
  - supervise and provide escalated regulatory support (ongoing)
- **Management Analyst 4 (MA4): 1.0 FTE, project position**
  - coordinate and conduct rulemaking to implement new licensing program.
  - support stakeholder outreach
  - create reports and establish reporting relationship with the Department of Revenue and assist with process and policy development.
  - This is a 12-month project starting with the bill effective date.

In addition, to personnel requirements, DOL will mail four (4) notices every other year, to 3500 licensees. This complies with the bill in section 6 (6), “To ensure that all informational notices produced and mailed by the department regarding statutory and regulatory changes affecting licensees are mailed to each licensee in good standing...”.

**Information Services:**

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a management process to ensure changes are correctly applied to the system. This involves the following:

- Project Managers that manage the team that completes the update.
- Business analysts that document and review the system changes.
- Architect services that analyze how the update could affect other systems or DOL processes.
- Developers who create the change.
- Testers and quality assurance teams that ensure the update is working correctly.

Information services will do the following:

- Create three new professions in POLARIS: Ticket Seller, Ticket Reseller and Ticket Salesperson.

- Create ability for applicants to submit applications for new, renewal and reinstatement applications and account change requests electronically for with paper application, including reporting ticket sales information.
- Update system to allow staff to process applications, issue licenses, and perform compliance activities.
- Create new fees that vary based on reported ticket sales.
- Add new professions to standard notifications.
- Update scanners to route paper applications to new system.
- Create and send to DOR report/data file.

Cost Category	Description	Rate	2024	2025	2026	2027	2028	2029	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 22,620	115,400	-	-	-	-	-	115,400
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 16,530	23,100	-	-	-	-	-	23,100
PROJECT MANAGER	Manage schedule and contracts	\$ 28,710	31,600	-	-	-	-	-	31,600
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 37,410	142,200	-	-	-	-	-	142,200
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 16,530	11,600	-	-	-	-	-	11,600
DEVELOPERS	Modify programming and coding to all major systems	\$ 19,140	3,800	-	-	-	-	-	3,800
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 22,620	31,700	-	-	-	-	-	31,700
Organizational Change Management	Prepares stakeholders for the change and develops strategies to ensure the changes are fully adopted.	\$ 37,410	142,200	-	-	-	-	-	142,200
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 25,474	50,200	-	-	-	-	-	50,200
<b>Totals</b>			<b>551,800</b>	-	-	-	-	-	<b>551,800</b>

An additional amount, \$182,200 is required for information services contracted costs. These costs are for vendor changes to existing information systems.

### Support Services:

Agency Administrative Overhead is included at a rate of 23.4 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees.

## Part 3 – Expenditure Detail

### 3.A – Operating Budget Expenditures

<b>Operating Expenditures</b>	<b>Fund</b>	<b>FY 24</b>	<b>FY 25</b>	<b>23-25 Total</b>	<b>25-27 Total</b>	<b>27-29 Total</b>
Business and Professions	06L	1,195,000	542,000	1,737,000	1,095,000	1,095,000
<b>Account Totals</b>		<b>1,195,000</b>	<b>542,000</b>	<b>1,737,000</b>	<b>1,095,000</b>	<b>1,095,000</b>

### **3.B – Expenditures by Object or Purpose**

<b>Object of Expenditure</b>	<b>FY 24</b>	<b>FY 25</b>	<b>23-25 Total</b>	<b>25-27 Total</b>	<b>27-29 Total</b>
FTE Staff Years	4.0	5.1	4.6	5.1	5.1
Salaries and Wages	209,000	247,000	456,000	494,000	494,000
Employee Benefits	93,000	116,000	209,000	232,000	232,000
Goods and Services	890,000	176,000	1,066,000	363,000	363,000
Travel	3,000	3,000	6,000	6,000	6,000
<b>Total By Object Type</b>	<b>1,195,000</b>	<b>542,000</b>	<b>1,737,000</b>	<b>1,095,000</b>	<b>1,095,000</b>

### **3.C – FTE Detail**

<b>Staffing</b>	<b>Salary</b>	<b>FY 24</b>	<b>FY 25</b>	<b>23-25 Total</b>	<b>25-27 Total</b>	<b>27-29 Total</b>
Professional Licensing Manager 2	64,788	0.8	1.5	1.2	1.5	1.5
Investigator 2	63,216	0.3	0.5	0.4	0.5	0.5
Investigator 4	80,952	0.1	0.3	0.2	0.3	0.3
WMS	94,992	0.8	0.8	0.8	0.8	0.8
Customer Service Specialist 2	46,980	1.0	2.0	1.5	2.0	2.0
Management Analyst 4	82,896	1.0	0.0	0.5	0.0	0.0
<b>Total FTE</b>		<b>4.0</b>	<b>5.1</b>	<b>4.6</b>	<b>5.1</b>	<b>5.1</b>

### **Part 4 – Capital Budget Impact**

None.

### **Part 5 – New Rule Making Required**

Rule making is required for an undetermined number of Washington Administrative Codes.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1648 HB	<b>Title:</b> Ticket sales	<b>Agency:</b> 360-University of Washington
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## Part I: Estimates

No Fiscal Impact

**Estimated Cash Receipts to:**

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

**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: Michelle Rusk	Phone: 360-786-7153	Date: 01/27/2023
Agency Preparation: Michael Lantz	Phone: 2065437466	Date: 02/07/2023
Agency Approval: Charlotte Shannon	Phone: 2066858868	Date: 02/07/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/08/2023

## 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.*

House Bill 1648 concerns the regulation of ticket sales, including tickets for athletic events. There are several sections of the bill that would likely have a direct impact on the University of Washington Athletics Department relating to ticket sales.

### 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.*

See Ten-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.*

Section 5(b) requires ticket sellers and resellers to maintain a permanent public office or place of business in Washington state. The UW currently contracts with an out-of-state vendor to sell season/group tickets on the secondary market. Approximately \$2 million in revenue is generated through these sales. The UW expects that this revenue will be significantly impacted, as UW would have to leave or modify its existing contract (scheduled to end in 2027) and instead contract with smaller, in-state vendors that may be unable to offer the full range of marketing and other services that UW currently receives. This is been included in the expenditures portion due to the potential costs of having to contract with new vendors

## 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> 1648 HB	<b>Title:</b> Ticket sales	<b>Agency:</b> 365-Washington State University
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

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

**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.

<b>Legislative Contact:</b> Michelle Rusk	<b>Phone:</b> 360-786-7153	<b>Date:</b> 01/27/2023
<b>Agency Preparation:</b> Anne-Lise Brooks	<b>Phone:</b> 509-335-8815	<b>Date:</b> 02/10/2023
<b>Agency Approval:</b> Chris Jones	<b>Phone:</b> 509-335-9682	<b>Date:</b> 02/10/2023
<b>OFM Review:</b> Ramona Nabors	<b>Phone:</b> (360) 742-8948	<b>Date:</b> 02/10/2023

## 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.*

HB 1648: Ticket Sales concerns the sale and resale of admission tickets.

The bill sections that have a potential fiscal impact for Washington State University (WSU) are:

Section 5.(1).(b) requires ticket sellers and resellers to maintain a public office or place of business in the state of Washington.

Section 7.(2) creates a ban on nonphysical delivery fees; no delivery fee may be charged for admission tickets delivered electronically.

Section 7.(3) creates dynamic pricing limitations. When using “dynamic pricing”, ticket sellers and resellers shall not sell an admission ticket for a purchase price greater than an additional 10 percent of the admission ticket value, excluding reasonable fees.

### 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.*

Section 7.(3): WSU Athletics ticket revenues will decrease due to restrictions on dynamic pricing. WSU dynamically prices events as circumstances change during the course of an athletic season. Examples may be include changes in team performance, opponent performance, additional gameday programming, or special “giveaways”. The cost is indeterminate but over \$50,000.

### 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 5.(1).(b): WSU currently works with national partners that do not have a physical presence in Washington for sale of athletics tickets. This section would require WSU to contract with in-state partners who may not have the resources of national partners or offer a similar level of service. This cost is indeterminate.

Section 7.(2): This could potentially affect contract costs, depending on the provider WSU works with and whether or not they currently charge a nonphysical deliver fee. This cost is indeterminate.

Total costs are indeterminate, but over \$50,000.

## 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.*



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b> 1648 HB	<b>Title</b> Ticket sales
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	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
Department of Licensing	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	35,350,000
University of Washington Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Washington State University Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>35,350,000</b>



# Ten-Year Analysis

<b>Bill Number</b> 1648 HB	<b>Title</b> Ticket sales	<b>Agency</b> 240 Department of Licensing
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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
Business and Professions	06L	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	35,350,000
<b>Total</b>		<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>3,535,000</b>	<b>35,350,000</b>
<b>Biennial Totals</b>		<b>7,070,000</b>		<b>7,070,000</b>		<b>7,070,000</b>		<b>7,070,000</b>		<b>7,070,000</b>		<b>35,350,000</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

See attached fiscal note
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Agency Preparation: Deb Williams	Phone: 360-902-0015	Date: 2/1/2023 12:12:49 pm
Agency Approval: Gerrit Eades	Phone: (360)902-3863	Date: 2/1/2023 12:12:49 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 2/17/2023 2:15:54 pm



# Ten-Year Analysis

<b>Bill Number</b> 1648 HB	<b>Title</b> Ticket sales	<b>Agency</b> 360 University of Washington
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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											
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 5(b) requires ticket sellers and resellers to maintain a permanent public office or place of business in Washington state. The UW currently contracts with an out-of-state vendor to sell season/group tickets on the secondary market. Approximately \$2 million in revenue is generated through these sales. The UW expects that this revenue will be significantly impacted, as UW would have to leave or modify its existing contract (scheduled to end in 2027) and instead contract with smaller, in-state vendors that may be unable to offer the full range of marketing and other services that UW currently receives. This portion has been included in the cash receipts section, addition to expenditures, because of the potential loss of ticket revenue associated with using smaller vendors with fewer resources.

Section 7(2) prohibits charging a delivery fee for admission tickets delivered electronically. The UW currently charges several types of fees for athletics tickets, including processing and credit card fees for both single game and season tickets. It is unclear if these fees will be affected by this prohibition, as “delivery fee” is not defined in the measure. However, any impact could be significant, as single game tickets generate between \$250,000-300,000 on average per year in processing fees that are remitted the ticket vendor. The UW could be required to make up for some or all the lost revenue under the terms of the contract should this measure pass.

Section 7(3) limits sales of dynamically priced tickets to 10 percent above the face value of the admission ticket. The UW utilizes dynamic ticket pricing for its games and the revenue brought in varies widely year-to-year depending on the success of the teams. However, the limitations on dynamic pricing would likely have an impact in the \$100,000s, especially during successful seasons for popular sports.

Overall, the impact to cash receipts for the University of Washington Athletics Department from HB 1648 is indeterminate, though likely well over \$50,000 per year.



# Ten-Year Analysis

<b>Bill Number</b> 1648 HB	<b>Title</b> Ticket sales	<b>Agency</b> 360 University of Washington
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Agency Preparation: Michael Lantz	Phone: 2065437466	Date: 2/7/2023 4:52:35 pm
Agency Approval: Charlotte Shannon	Phone: 2066858868	Date: 2/7/2023 4:52:35 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 2/17/2023 2:15:54 pm



# Ten-Year Analysis

<b>Bill Number</b> 1648 HB	<b>Title</b> Ticket sales	<b>Agency</b> 365 Washington State University
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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											
<b>Total</b>												

### Biennial Totals

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Section 7.(3): WSU Athletics ticket revenues will decrease due to restrictions on dynamic pricing. WSU dynamically prices events as circumstances change during the course of an athletic season. Examples may include changes in team performance, opponent performance, additional gameday programming, or special "giveaways". cost is indeterminate but over \$50,000.

Agency Preparation: Anne-Lise Brooks	Phone: 509-335-8815	Date: 2/10/2023 12:59:22 pm
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 2/10/2023 12:59:22 pm
OFM Review: Kyle Siefeling	Phone: (360) 995-3825	Date: 2/17/2023 2:15:54 pm