

Multiple Agency Fiscal Note Summary

Bill Number: 1806 HB	Title: Exclave small businesses
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.3	67,008	67,008	67,008	.0	0	0	0	.0	0	0	0
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	0.3	67,008	67,008	67,008	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

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

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 2/23/2023
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Individual State Agency Fiscal Note

Bill Number: 1806 HB	Title: Exclave small businesses	Agency: 103-Department of Commerce
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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
FTE Staff Years	0.5	0.0	0.3	0.0	0.0
Account					
General Fund-State 001-1	67,008	0	67,008	0	0
Total \$	67,008	0	67,008	0	0

In addition to the estimates above, there are additional indeterminate costs 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: Emily Poole	Phone: 360-786-7106	Date: 02/08/2023
Agency Preparation: Karen McArthur	Phone: 360-725-4027	Date: 02/21/2023
Agency Approval: Joyce Miller	Phone: 360-725-2710	Date: 02/21/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/23/2023

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 directs the Department of Commerce to develop and implement an exclave community small business relief program to provide resources to exclave communities that have sustained economic loss due to the closure of the international border between the United States and Canada.

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.

The department will develop and implement the program based off of the program guidance created with the Working Washington Border Business Relief Program (WWBRRP) executed by the department in 2021. WWBRRP grants offered targeted relief to small businesses and eligible non-profits that were adversely impacted by the extended US-Canadian border closures as a result of the Covid-19 pandemic. Grant funding came to the department as federal relief funds that were appropriated by the state legislature in HB 1368 and signed by Governor Inslee on February 19, 2021.

To complete this work of HB 1806 the department estimates the following will be needed.

0.20 FTE Commerce Specialist 5 (500 hours) to provide expert consultation on application process, outreach and oversight of awards.

0.20 FTE Commerce Specialist 3 (500 hours) to update program guidance, provide technical assistance to applicants, and process award payments.

Salaries and Benefits:

FY24: \$47,531

Goods and Services

FY24: \$3,839

Grants are indeterminate.

FOR ILLUSTRATIVE PURPOSES:

Point Roberts is a pene-exclave of Washington state. Fifteen businesses from Point Roberts applied for Working Washington Border Business Relief grants.

With an appropriation of \$750,000 in fiscal year 2024 would enable 15 businesses in Pt. Roberts that have sustained economic loss due to the closure of the international border between the United States and Canada to qualify for an average of \$50,000 per successful applicant.

Intra-Agency Reimbursements:

FY24: \$15,638

Total Costs:
 FY24: \$67,008

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	67,008	0	67,008	0	0
Total \$			67,008	0	67,008	0	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.5		0.3		
A-Salaries and Wages	47,531		47,531		
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	3,839		3,839		
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	15,638		15,638		
9-					
Total \$	67,008	0	67,008	0	0

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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	0.1		0.1		
Commerce Specialist 3	82,056	0.2		0.1		
Commerce Specialist 5	95,185	0.2		0.1		
Total FTEs		0.5		0.3		0.0

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: 1806 HB

Title: Exclave small businesses

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

Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only: Point Roberts
- Variance occurs due to:

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: The amount of funding to be appropriated for the grant program, the number of applicants, and the amount(s) applied for.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 02/14/2023
Leg. Committee Contact: Emily Poole	Phone: 360-786-7106	Date: 02/08/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/14/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/14/2023

Part IV: Analysis

A. SUMMARY OF BILL

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

This bill would create a small business relief (grant) program for exclave communities, subject to the availability of amounts appropriated.

Sec.1 adds a new section to chapter 43.330 RCW which would create an exclave community small business relief (grant) program. "Exclave community" is defined as: a community in the United States within 75 miles of the Canadian border that is only accessible by land via Canada.

Sec.1 also states that these grants shall be provided to eligible businesses that have sustained economic loss due to the closure of the international border between the United States and Canada; providing a description of eligible grant expenses and documentation required to apply. Applications must be received on or before October 1, 2023.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

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.

This legislation has no impact on local government expenditures. The legislation directs the Department of Commerce to coordinate with local economic development entities to conduct outreach to small businesses.

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.

This legislation has no impact on local government revenues. Funds will be awarded to eligible businesses in the community. It is unknown how many businesses will apply and be awarded funds. It is unknown how much individual grant awards will amount to.