

Multiple Agency Fiscal Note Summary

Bill Number: 1474 S HB	Title: Covenant homeownership prg.
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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 State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Commerce	0	0	148,500,000	0	0	198,000,000	0	0	198,000,000
Department of Commerce	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Total \$	0	0	148,500,000	0	0	198,000,000	0	0	198,000,000

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		1,500,000		2,000,000		2,000,000
Local Gov. Other	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
Local Gov. Total		1,500,000		2,000,000		2,000,000

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
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Financial Institutions	1.5	0	0	483,852	1.5	0	0	477,852	1.5	0	0	477,852
Department of Commerce	.9	0	0	148,500,000	.3	0	0	198,000,000	.3	0	0	198,000,000
Department of Commerce	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Revenue	.0	0	0	0	.0	0	0	0	.0	0	0	0
Housing Finance Commission	.0	480,000	480,000	480,000	.0	0	0	0	.0	0	0	0
Total \$	2.4	480,000	480,000	149,463,852	1.8	0	0	198,477,852	1.8	0	0	198,477,852

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
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Financial Institutions	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Housing Finance Commission	.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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

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Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 2/24/2023
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Individual State Agency Fiscal Note

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 075-Office of the Governor
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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.

Legislative Contact: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 02/15/2023
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/15/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/15/2023

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.

Changes to Sec 7 of substitute House Bill 1474 remove the responsibilities for the Governor to appoint members of The Oversight Committee. It also eliminates the requirement that one committee member be designated by the Director of the Washington State Office of Equity. Therefore, there is no fiscal impact to the Office of the Governor.

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.

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.

Individual State Agency Fiscal Note

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 090-Office of State Treasurer
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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:

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.

Legislative Contact: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 02/15/2023
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/15/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/16/2023

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.

SHB 1474 creates the covenant homeownership account and allows the account to retain its earnings from investments.

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

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.

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.

Individual State Agency Fiscal Note

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 102-Department of Financial Institutions
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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	1.5	1.5	1.5	1.5	1.5
Account					
Covenant Homeownership Program	244,926	238,926	483,852	477,852	477,852
Account-State NEW-1					
Total \$	244,926	238,926	483,852	477,852	477,852

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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Preparation: Emily Fitzgerald	Phone: (360) 902-8780	Date: 02/17/2023
Agency Approval: Levi Clemmens	Phone: (360) 902-8818	Date: 02/17/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/17/2023

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.

This legislation creates the Covenant Homeownership Program (CHP).

Section 4 creates the covenant homeownership account in the state treasury. The legislature may appropriate up to one percent of moneys in the account to the Department of Commerce for costs related to the administration of the CHP. The legislature may also appropriate a portion of this one percent to the Department of Financial Institutions (DFI) for costs related to the oversight committee created in section 7 of this act.

Section 7 directs DFI to establish the Covenant Homeownership Oversight Committee (the Committee) to oversee the review the commission's activities and performance related to the CHP, including the commission's creation and administration of one or more special purpose credit programs authorized in Section 6 of this act. The oversight committee may, from time to time, make recommendations to the appropriate committees of the legislature regarding the program. DFI may provide administrative assistance and staff support to the oversight committee.

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.

Section 7 directs DFI to establish the Covenant Homeownership Oversight Committee (the Committee). This effort will require:

1.0 FTE of a leadership level employee to provide strategic and technical support to the Committee as it oversees and reviews the Covenant Homeownership Program's activities and performance related to the program, including the Commission's creation and administration of special purpose credit programs authorized under this bill, and support for any recommendations to the legislature.

0.5 FTE of a Management Analyst 3 to provide administrative assistance for meetings, materials, and interagency coordination.

As authorized by RCW 43.03.220, DFI may provide a stipend to individuals who are low income or have lived experience to support their participation in the oversight committee, the cost of which is indeterminate.

DFI anticipates that supporting the efforts of the Committee may require DFI to contract for professional expertise. The cost of the contract(s) is also indeterminate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
NEW-1	Covenant Homeownership Program Account	State	244,926	238,926	483,852	477,852	477,852
Total \$			244,926	238,926	483,852	477,852	477,852

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.5	1.5	1.5	1.5	1.5
A-Salaries and Wages	162,174	162,174	324,348	324,348	324,348
B-Employee Benefits	54,688	54,688	109,376	109,376	109,376
C-Professional Service Contracts					
E-Goods and Other Services	22,064	22,064	44,128	44,128	44,128
G-Travel					
J-Capital Outlays	6,000		6,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	244,926	238,926	483,852	477,852	477,852

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
Covenant Homeownership Oversight Committee Coord	133,044	1.0	1.0	1.0	1.0	1.0
Management Analyst 3	58,260	0.5	0.5	0.5	0.5	0.5
Total FTEs		1.5	1.5	1.5	1.5	1.5

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

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 103-Department of Commerce
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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
Covenant Homeownership Program Account-State New-1	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000
Total \$	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000

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

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.1	0.6	0.9	0.3	0.3
Account					
Covenant Homeownership Program Account-State New-1	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000
Total \$	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000

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:

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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.

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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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Preparation: Ann Campbell	Phone: 360-725-3153	Date: 02/23/2023
Agency Approval: Joyce Miller	Phone: 360-725-2710	Date: 02/23/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/24/2023

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.

Differences between SHB 1474 and the original bill:

New Section 4(1) - Authorizes the legislature to appropriate up to one percent (1%) of the moneys in the account to the department for costs related to the program described in New Section 6. Authorizes the legislature to appropriate a portion of the one percent (1%) to the Department of Financial Institutions for costs related to the oversight committee established in New Section 7; requiring the legislature make two distinct appropriations if it would like to fund both program administration and costs related to the oversight committee created in New Section 7. Identifies the Department of Financial Institutions ("DFI") as the statutory recipient of the appropriations for the oversight committee. The Department of Commerce ("department") remains the named recipient of appropriations for program administration.

New Section 7(1) - Clarifies that that oversight committee established in this section will serve to oversee the program. Amends the appointment process, removing governor appointments and instead states that the director of DFI will appoint all members except those legislative members that would instead be appointed by the chief officers of their respective chambers.

States that for purposes of this section, the term "department" refers to Department of Financial Institutions (DFI). Assigns the role of supporting and staffing the oversight committee to DFI.

New Section 14(2)- Adds language stating that if the program described in New Section 6 of the bill, after enactment, is declared invalid, the legislature may instead appropriate moneys from the account created in Section 4 to the Department of Commerce to contract with the Washington State Housing Finance Commission ("commission") for one or more programs that support homeownership for first-time homebuyers.

Summary of the substitute bill:

New Section 2 creates a new \$100 surcharge for each document recorded by county auditors, with some documents exempted. 1% collected may be retained by the county auditors with the balance remitted to the Covenant Homeownership Program Account (CHPA) created in New Section 4.

New Section 4 creates the CHPA. Moneys in the CHPA may be appropriated by the legislature as follows:

One percent (1%) to the Department of Commerce (department) for costs related to:

- contracting with the Washington State Housing Finance Commission (Commission) to administer one or more contracts to design, develop, implement, and evaluate one or more special purpose credit programs authorized in New Section 6, and
- the oversight committee created in Section 7, and
- outreach and stakeholder engagement, and
- other administrative, data collection, and reporting costs.

The remaining moneys in the account may be appropriated by the legislature to the department to contract with the Commission for the program established in New Section 6.

New Section 5 directs the Commission to:

1. Requisition the covenant homeownership program (CHP) study to document:
 - past and ongoing discrimination against black, indigenous, and people of color and other historically marginalized

communities (BIPOCHMC),

- impacts of prior and ongoing discrimination against BIPOCHMC including access to credit and other barriers to homeownership,
- analyze whether and to what extent existing programs and race-neutral approaches have been insufficient to remedy discrimination and its impacts,
- evaluate and recommend potential programmatic and policy changes to remedy documented discrimination and its impacts, to include one or more special purpose credit programs,
- using evidence-based documentation, identify the economically disadvantaged classes of persons needing down payment and closing cost assistance in order to reduce racial disparities in homeownership rates. The classes may share one or more common characteristics such as race, national origin, or gender.
- identify methodology to identify efficacy of program and policy changes over time.

2. Submit a copy of the CHP study to the appropriate committees of the legislature and post to the Commission's website by December 31, 2023.

3. Every five (5) years, the Commission shall complete an updated CHP study reevaluating the findings and recommendations contained in the initial CHP study and subsequent studies, document experience of program participants, evaluate the efficacy of the special purpose credit program(s), and recommend program modifications and improvements. The updated CHP studies shall be published every five (5) years starting December 31, 2028, on the Commission's website and provided to the appropriate committees of the legislature. The board of the Commission shall review each study and consider the evidence-based documentation and recommendations in designing and implementing program amendments.

New Section 6 directs the Department of Commerce to contract with the Commission to design, develop, implement, and evaluate one or more special purpose credit programs (SPCP) to provide down payment and closing cost assistance.

The Commission is authorized to use one percent (1%) of the contract funding for administrative costs including but not limited to complete the initial CHP study identified in New Section 5.

The Commission is authorized to use one percent (1%) of the contract funding to provide targeted education, homeownership counseling, and outreach about SPCPs created under New Section 6 to BIPOCHMC and relevant affinity groups for mortgage lenders.

The contract must authorize the remaining funding to be used by the Commission to provide down payment and closing cost assistance to program participants. These funds are specifically prohibited from being used for any other purpose.

New Section 7 directs the Department of Commerce to establish a Class One board pursuant to RCW 43.03.220 consisting of 12 members as an oversight committee for the Commissions' activities and performance related to the SPCPs authorized in New Section 6. The committee is comprised of four members of the legislature (2 from each chamber's largest caucuses), a designee of the Office of Equity, and seven uniquely qualified appointees by the governor to provide geographic, lived experience, and technical experience with unlawful exclusions contained in racially restrictive real estate covenants in the real estate, lending, and development professions. Committee members shall serve three-year terms, subject to no more than one additional three-year term. Committee members shall develop rules to provide for the subsequent staggering of terms expiring so that no more than a third of the terms expire annually. The Committee may make recommendations to the legislature regarding the program. The Department may provide stipends to Committee members with low-incomes or who have lived experience as authorized under RCW 43.03.220. The Department and the Commission shall work together to supply information necessary for the committee to carry out its duties. The Department shall provide administrative assistance and staff support.

Section 8 authorizes the collection of the \$100 document recording fee created in New Section 2.

Section 9 Establishes the CHPA in RCW 43.84.092, the version effective until July 1, 2024. This is an interest-bearing

account that allows for the receipt of appropriated funds, loan repayments, and loan payoffs.

Section 10 Establishes CHPA in RCW 43.84.092, the version effective July 1, 2024.

New Section 11 names this act the covenant homeownership account and program act.

New Section 12 establishes New Sections 1 and 3 through 7 as a new chapter in Title 43 RCW.

New Section 13 establishes that any part of the act found in conflict with the allocation of federal funds to the state is inoperative to the extent of the conflict, while the remainder of the act remains in full force and effect. States that rules adopted under this act must meet federal requirements that are necessary for the state to receive federal funds.

New Section 14 establishes that any part of the act found to be invalid, that the remainder of the act remains in full force and effect.

New Section 15 Specifies that Section 9 expires on July 1, 2024.

New Section 16 Enacts Section 10 July 1, 2024.

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.

Forecasting document recording fees is difficult due to the variable nature of the real estate market.

A return to historic home sales levels is likely during the 2023-25 biennium but return to a historic rate of refinancing is less likely.

For illustrative and planning purposes, it is likely that a least 1,000,000 documents will be recorded each year, with a \$100 surcharge ($1,000,000 \times \$100 = \$100,000,000$) to be distributed as follows:

FY24: \$49,500,000 (Note: recording fees begin January 1, 2024, therefore FY 24 reflects six (6) months' fee collections.)

FY25-FY29: covenant homeownership program account: \$99,000,000 per fiscal year.

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.

Differences between SHB 1474 and the original bill: There is a reduced fiscal impact to the Department of Commerce ("department") when compared to the original bill.

Assumptions:

FY24: \$49,500,000 (Note: recording fees begin January 1, 2024, therefore FY 24 reflects six (6) months' fee collections.)

FY25-29: \$99,000,000 document recording fees per fiscal year; monies will be deposited in the covenant homeownership program account (CHPA) created in New Section 2. Funds from the account will be appropriated through the Capital Budget appropriation process as identified in New Section 4 of the bill.

The department will contract biennially using an interagency agreement with the commission to provide down payment and closing cost assistance through one or more special purpose credit programs administered by the commission as directed in New Section 6.

New Section 6- The department must contract with the Washington State Housing Finance Commission ("commission") to design, develop, implement, and evaluate one or more special purpose credit programs to reduce racial disparities in homeownership. To establish the interagency agreement with the commission, the department assumes the following:

500 hours of Assistant Attorney General time assisting with the interagency agreement, development and enactment of special purpose credit program(s) over two years.

New Section 7(7)- The department is no longer required to establish, staff, and support the activities of the Covenant Homeownership Program oversight committee. The department assumes no fiscal impact related to this section.

New Section 14(2)- Adds language stating that if the program described in New Section 6 of the bill, after enactment, is declared invalid, the legislature may instead appropriate moneys from the account created in New Section 4 to the department to contract with the commission for one or more other programs that support homeownership for first-time homebuyers. Indeterminate fiscal impact. Depends on the program in New Section 6 being declared invalid, and further appropriations by the legislature from the account created by this bill.

Cost Narrative:

0.5 FTE Commerce Specialist 3 (1,044 hours) for FY24, 0.2 FTE Commerce Specialist 3 (518 hours) for FY25-FY26 and 0.2 FTE Commerce Specialist 3 (518 hours) for FY28: to act as liaison with the commission on program administration, reporting, interagency agreement management, agency-to-agency representation, and alignment between various funding programs.

0.1 FTE Management Analyst 4 (259 hours) for FY24-FY26 and 0.1 FTE Management Analyst 4 (259 hours) for FY28: to provide expert level analyses to the department and external customers in support of the design, development, and implementation of the covenant homeownership program study to inform the creation of special purpose credit programs to address the highly complex, multidimensional barriers to homeownership.

0.1 FTE Administrative Assistant 3 (259 hours) for FY24-FY26 and 0.1 FTE Administrative Assistant 3 (259 hours) for FY28: to provide administrative support.

0.2 WMS Band 3 (Managing Director) (518 hours) for FY24, 0.1 FTE (259 hours) for FY25-FY26 and 0.1 FTE (259 hours) for FY28: to provide executive direction, agency-to-agency representation.

Salaries and Benefits:

FY24: \$110,289

FY25-FY26: \$61,207 per fiscal year

FY28: \$61,207

Goods and Other Services:

FY24: \$71,144

FY25: \$47,302

FY26: \$4,802

FY28: \$4,802

The department assumes \$62,500 in FY24 and \$42,500 in FY25 for Attorney General (AG) consultation on guidance development, interagency agreement and enactment of special purpose credit program(s) over two years. The department assumes 500 hours at \$210 per hour for AG Costs. The department assumes \$105,000 in AG costs to provide for legal review.

Travel:

FY24: \$2,055

FY25: \$1,140

Intra-Agency Reimbursement:

FY24: \$36,285

FY25-FY26: \$20,137 per fiscal year

FY28: \$20,137

Inter-Agency Reimbursement:

FY24: \$49,280,227

FY25: \$98,870,214

FY26: \$98,913,854

FY27: \$99,000,000

FY28: \$98,913,854

FY29: \$99,000,000

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

Summary of Total Costs:

FY24: \$49,500,000

FY25-29: \$99,000,000 per fiscal year

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
New-1	Covenant Homeownership Program Account	State	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000
Total \$			49,500,000	99,000,000	148,500,000	198,000,000	198,000,000

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	1.1	0.6	0.9	0.3	0.3
A-Salaries and Wages	82,584	45,455	128,039	45,455	45,455
B-Employee Benefits	27,705	15,752	43,457	15,752	15,752
C-Professional Service Contracts					
E-Goods and Other Services	71,144	47,302	118,446	4,802	4,802
G-Travel	2,055	1,140	3,195		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements	49,280,227	98,870,214	148,150,441	197,913,854	197,913,854
T-Intra-Agency Reimbursements	36,285	20,137	56,422	20,137	20,137
9-					
Total \$	49,500,000	99,000,000	148,500,000	198,000,000	198,000,000

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 Assistant 3	52,616	0.1	0.1	0.1	0.1	0.1
Administrative Services - Indirect	111,168	0.2	0.1	0.2	0.1	0.1
Commerce Specialist 3	82,056	0.5	0.2	0.4	0.1	0.1
Management Analyst 4	86,212	0.1	0.1	0.1	0.1	0.1
WMS Band 3	138,366	0.2	0.1	0.2	0.1	0.1
Total FTEs		1.1	0.6	0.9	0.3	0.3

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.

Department of Revenue Fiscal Note

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 140-Department of Revenue
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Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated 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.

Legislative Contact: Jessica Van Horne	Phone: 603-786-7288	Date: 02/14/2023
Agency Preparation: Kari Kenall	Phone: 603-534-1508	Date: 02/15/2023
Agency Approval: Marianne McIntosh	Phone: 603-534-1505	Date: 02/15/2023
OFM Review: Cheri Keller	Phone: (603) 584-2207	Date: 02/15/2023

Request # 1474-2-1

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.

Note: This fiscal note reflects language in SHB 1474, 2023 Legislative Session.

This fiscal note only addresses section 2 that impacts the Department of Revenue (department).

COMPARISON OF THE SUBSTITUTE BILL WITH THE ORIGINAL:

This substitute bill changes the name of the assessment collected by the county auditors from covenant homeownership program assessment to covenant homeownership assessment.

CURRENT LAW:

County auditors collect applicable fees and surcharges required by law to record documents.

PROPOSED LAW:

This bill requires county auditors to collect a \$100 covenant homeownership assessment for each document recorded. This assessment is in addition to current charges required by law. Documents exempt from this assessment are:

- Assignments or substitutions of previously recorded deeds of trust.
- Documents recording a birth, marriage, divorce, or death.
- Documents otherwise exempted from a recording fee or additional assessments under state law.
- Marriage licenses issued by the county auditor.
- Documents recording a federal, state, county, city, or water-sewer district, or wage lien or satisfaction of lien.

This Department of Commerce in partnership with Washington State Housing Finance Commission use this assessment to help marginalized communities obtain access to credit and homeownership.

The department is exempt from paying county auditors the additional assessment required by this bill to record state liens and satisfaction of liens.

EFFECTIVE DATE:

The bill takes effect 90 days after final adjournment of the session.

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.

This legislation results in no revenue impact to taxes administered by the department.

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 not incur any costs with the implementation of this legislation.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

NONE

III. B - Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. C - 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

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 1474 S HB	Title: Covenant homeownership prg.	Agency: 148-Housing Finance Commission
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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
Account					
General Fund-State 001-1	480,000	0	480,000	0	0
Total \$	480,000	0	480,000	0	0

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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Preparation: Fenice Taylor	Phone: 206-287-4432	Date: 02/17/2023
Agency Approval: Fenice Taylor	Phone: 206-287-4432	Date: 02/17/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/17/2023

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.

Requires the Housing Finance Commission to contract with the Department of Commerce to design, develop, and implement one or more special purpose credit programs. The programs would be funded by a new \$100 document recording fee collected by county auditors and deposited with the State Treasurer's Office. Up to 1% of the funds appropriated from those fees is allowed per the statute to cover the Commission's cost to administer the program. In addition, the substitute bill states if the covenant homeownership program is held invalid, in whole or in part, the legislature may appropriate moneys in the covenant homeownership account to the department of commerce to contract with the Washington state housing finance commission for one or more other programs that support homeownership for first-time homebuyers. We anticipate the program administration activities would necessitate up to two additional FTEs, however as a non-appropriated, non-allocated agency for operating expenses, those would be covered by the 1% allowed. Additionally, the measure requires the Commission to conduct an initial covenant homeownership program study prior to the implementation of the documentation recording fee. Given the delay between when the study must be completed and any potential receipts under the measure for administration, and the possibility for the delay or cancellation of collection of the recording fees, unless it's fully covered by the appropriation, we would seek an appropriation in the budget to cover the anticipated costs for the study. We estimate those costs to be \$480,000.

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.

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	480,000	0	480,000	0	0
Total \$			480,000	0	480,000	0	0

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	480,000		480,000		
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-					
Total \$	480,000	0	480,000	0	0

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: 1474 S HB

Title: Covenant homeownership prg.

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

Legislation Impacts:

- ☐ Cities:
- ☒ Counties: Auditors would collect an indeterminate amount of new recording fees and would keep 1% for administration
- ☐ Special Districts:
- ☐ Specific jurisdictions only:
- ☐ 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: Number of documents subject to the new recording fee

Estimated revenue impacts to:

Jurisdiction	FY 2024	FY 2025	2023-25	2025-27	2027-29
County	500,000	1,000,000	1,500,000	2,000,000	2,000,000
TOTAL \$	500,000	1,000,000	1,500,000	2,000,000	2,000,000
GRAND TOTAL \$	5,500,000				

In addition to the estimates above, there are additional indeterminate costs 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: Allan Johnson	Phone: 360-725-5033	Date: 02/16/2023
Leg. Committee Contact: Jessica Van Horne	Phone: 360-786-7288	Date: 02/14/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/16/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/16/2023

Part IV: Analysis

A. SUMMARY OF BILL

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

CHANGES FROM ORIGINAL BILL:

No changes affect the original analysis.

SUMMARY OF CURRENT BILL:

This legislation would establish a new covenant homeownership program that would conduct a study on historical discrimination in housing and then establish down payment and closing cost assistance for qualified first-time homebuyers to help remedy historic discrimination.

County auditors would be required to collect a \$100 covenant homeownership program assessment for each document recorded. This assessment is in addition to current charges required by law. Documents exempt from this assessment are:

- Assignments or substitutions of previously recorded deeds of trust.
- Documents recording a birth, marriage, divorce, or death.
- Documents otherwise exempted from a recording fee or additional assessments under state law.
- Marriage licenses issued by the county auditor.
- Documents recording a federal, state, county, city, or water-sewer district, or wage lien or satisfaction of lien.

County auditors would be able to retain one percent of the recording fee assessment.

The Department of Revenue would be exempt from paying county auditors the additional assessment required by this bill to record state liens and satisfaction of liens.

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.

CHANGES FROM ORIGINAL BILL:

No changes affect the original analysis.

SUMMARY OF CURRENT BILL:

County auditors would experience an indeterminate change in workload to administer the new recording fee. It is unknown whether new revenues would be sufficient to match the change in workload. The provisions exempting the county auditors from fees to record state liens and satisfaction of liens contribute to the indeterminate impact of this legislation on expenditures. Therefore, the fiscal impact of this legislation on county auditor expenditures is indeterminate

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.

CHANGES FROM ORIGINAL BILL:

No changes affect the original analysis.

SUMMARY OF CURRENT BILL:

County auditors would retain one percent of all new recording fees. Based upon the fiscal note prepared by the

Department of Commerce, it is estimated that at least 1,000,000 documents would be subject to the new recording fee annually. As a result, it is anticipated that this legislation would result in at least \$1,000,000 in revenue to County Auditors (1,000,000 documents x \$100 recording fee = \$100,000,000; $\$100,000,000 \times 0.01 = \$1,000,000$). Collection of this revenue would start January 1, 2024.

While the base level of revenue can be estimated, it is likely that there would be indeterminate revenue in excess of this amount in at least some years. This additional revenue amount cannot be identified with certainty. Primarily this is because the volume of recorded documents is highly volatile and varies substantially from year to year. As a result, the total volume of new fees in excess of 1,000,000 annually cannot be predicted in advance.

Additional uncertainty exists because the legislation contains multiple circumstances under which the fee would not be collected. Finally, information from county auditors indicate that the size of the new recording fee may impact the number of documents that are recorded. For example, there may be an indeterminate drop in documents that are recorded to correct minor errors.

Sources:

Washington Association of County Officials

Department of Commerce FN 5496 (2023)

Department of Revenue FN 5496 (2023)



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
1474 S HB	Covenant homeownership prg.

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
Office of the Governor	0	0	0	0	0	0	0	0	0	0	0
Office of State Treasurer	0	0	0	0	0	0	0	0	0	0	0
Department of Financial Institutions	0	0	0	0	0	0	0	0	0	0	0
Department of Commerce Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Revenue	0	0	0	0	0	0	0	0	0	0	0
Housing Finance Commission	480,000	0	0	0	0	0	0	0	0	0	480,000
Total	480,000	0	0	0	0	0	0	0	0	0	480,000



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 075 Office of the Governor
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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**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 2/15/2023 4:39:21 pm
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 2/15/2023 4:39:21 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 090 Office of State Treasurer
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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**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 2/15/2023 12:02:44 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 2/15/2023 12:02:44 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 102 Department of Financial Institutions
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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**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Emily Fitzgerald	Phone: (360) 902-8780	Date: 2/17/2023 12:37:29 pm
Agency Approval: Levi Clemmens	Phone: (360) 902-8818	Date: 2/17/2023 12:37:29 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 103 Department of Commerce
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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											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

Indeterminate impact under I-960. Bill introduces a \$100 document recording fee with several exclusions cited. The department assumes revenue of \$49,500,000 in FY2 and \$99,000,000 per fiscal year for each year thereafter.

Agency Preparation: Ann Campbell	Phone: 360-725-3153	Date: 2/23/2023 10:13:38 pm
Agency Approval: Joyce Miller	Phone: 360-725-2710	Date: 2/23/2023 10:13:38 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 140 Department of Revenue
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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**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Kari Kenall	Phone: 360-534-1508	Date: 2/15/2023 4:48:11 pm
Agency Approval: Marianne McIntosh	Phone: 360-534-1505	Date: 2/15/2023 4:48:11 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1474 S HB	Title Covenant homeownership prg.	Agency 148 Housing Finance Commission
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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
	001	480,000										480,000
Total		480,000										480,000
Biennial Totals		480,000										480,000

Agency Preparation: Fenice Taylor	Phone: 206-287-4432	Date: 2/17/2023 1:54:52 pm
Agency Approval: Fenice Taylor	Phone: 206-287-4432	Date: 2/17/2023 1:54:52 pm
OFM Review:	Phone:	Date: