

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2204 HB	<b>Title:</b> Emergency liquor permits	<b>Agency:</b> 195-Liquor and Cannabis Board
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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	0.2	0.0	0.1	0.0	0.0
<b>Account</b>					
Liquor Revolving Account-State 501-1	135,650	0	135,650	0	0
<b>Total \$</b>	135,650	0	135,650	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.

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Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 01/16/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/17/2024

## 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(19) Where the application is for an emergency liquor permit by a licensed manufacturer to authorize the sale, service, and consumption of liquor on the premises of another liquor licensee with retail sales privileges when an emergency or disaster as defined in RCW 38.52.010 has made the premises of the applicant inaccessible and unable to operate due to an emergency or road closure, except that the fee must be waived if there is a proclamation of a state of emergency issued by the governor or by the city, town, or county where the applicant is located.

The permit shall be valid for 30 days and may be continually renewed for periods of 30 days if the emergency or disaster continues.

Employees or agents of the emergency permit holder or the licensed premises may serve liquor provided by the permit holder.

The permit holder may store no more than a 30-day supply of liquor at the licensed premises in segregated storage.

No more than a total of three emergency permit holders may sell at the same licensed premises under an emergency permit.

### 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 1(19) creates an emergency liquor permit by a licensed manufacturer to authorize the sale, service, and consumption of liquor on the premises of another liquor licensee with retail sales privileges when an emergency or disaster as defined in RCW 38.52.010 has made the premises of the applicant inaccessible and unable to operate due to an emergency or road closure.

The fee must be waived if there is a proclamation of a state of emergency issued by the governor or by the city, town, or county where the applicant is located.

The bill does not specify a fee or ask the Board to set a fee, therefore for purposes of this fiscal note, there is no cash receipt impact.

### 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.*

#### PROJECT COSTS (AS BOARD DIVISION):

The Washington State Liquor and Cannabis Board ("Board") is currently in the middle of a project to upgrade the agency's internal licensing and enforcement systems. The Licensing, Enforcement, Education, and Administrative Data Systems (LEEADS) is expected to go live in FY 2025. There are change request costs associated with this legislation that will have to be submitted to the vendor. The estimated costs for these change requests is \$66,700 in FY24. Some examples of changes needed follow:

Project vendor costs: \$50,500

- One permit type (record type, page layout)

- Restricted to Licensed Manufacturer licensees (prerequisite – Business Rule - enforced)
- One template – (Permit)
- LCB Portal application ONLY
- Portal (restricted UI experience)
- Omniscript Application form
- Location oriented relationship - Business Rule – Max 3 vendors (permits) at any one location
- No renewal – apply for new permit
- No Fee, No Fee Waiver, No Disaster Declaration tracking

Agency contractor costs: \$16,200

- Technical Training (preparing and delivering): 20 hours
- Testing (to include collaborative with DOR/BLS): 12 hours
- Analysis, requirements and test review: 16 hours
- Development for analytical reporting: 20 hours
- Development for replication: 20 hours
- Documentation and review (System Admin Guide, Data Dictionary, Component Tracker, Operations Plan, Report Specifications, Business Data Glossary, DSA updates, 3 Interface updates, etc.): 20 hours

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**INFORMATION TECHNOLOGY DIVISION:**

There will be onetime costs in FY24 to implement this bill:

Agency vendor costs to modify the iSeries: 240 hrs x \$150/hr = \$36,000

Agency staff time: 0.2 FTE IT App Development - Senior/Specialist - \$32,950 (\$32,736 salary/benefits, \$214 in associated costs).

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
501-1	Liquor Revolving Account	State	135,650	0	135,650	0	0
<b>Total \$</b>			135,650	0	135,650	0	0

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2		0.1		
A-Salaries and Wages	25,436		25,436		
B-Employee Benefits	7,300		7,300		
C-Professional Service Contracts	102,700		102,700		
E-Goods and Other Services	214		214		
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-					
<b>Total \$</b>	135,650	0	135,650	0	0

**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
IT App Development - Senior/Specialist	127,176	0.2		0.1		
<b>Total FTEs</b>		0.2		0.1		0.0

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Board Division (010)	66,700		66,700		
Information Technology Division (070)	68,950		68,950		
<b>Total \$</b>	135,650		135,650		

**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.*

Section 1(19) creates a new emergency liquor permit. Rules will need to be written to allow these permits.



# Ten-Year Analysis

<b>Bill Number</b> 2204 HB	<b>Title</b> Emergency liquor permits	<b>Agency</b> 195 Liquor and Cannabis Board
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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**

<b>Name of Tax or Fee</b>	<b>Acct Code</b>												
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OFM Review:	Phone:	Date: