

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2402 HB	<b>Title:</b> Fire srv. training account
-----------------------------	--

## 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 Insurance Commissioner	(1,503,132)	(1,503,132)	0	(3,282,240)	(3,282,240)	0	(3,687,925)	(3,687,925)	0
<b>Total \$</b>	<b>(1,503,132)</b>	<b>(1,503,132)</b>	<b>0</b>	<b>(3,282,240)</b>	<b>(3,282,240)</b>	<b>0</b>	<b>(3,687,925)</b>	<b>(3,687,925)</b>	<b>0</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
Office of Insurance Commissioner	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Patrol	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Insurance Commissioner	.0	0	0	.0	0	0	.0	0	0
Washington State Patrol	.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

NONE

<b>Prepared by:</b> Tiffany West, OFM	<b>Phone:</b> (360) 890-2653	<b>Date Published:</b> Final 1/18/2024
---------------------------------------	---------------------------------	---

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2402 HB	<b>Title:</b> Fire srv. training account	<b>Agency:</b> 160-Office of Insurance Commissioner
-----------------------------	--	---

## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-State 001-1		(1,503,132)	(1,503,132)	(3,282,240)	(3,687,925)
Fire Service Training Account-State 086-1		1,503,132	1,503,132	3,282,240	3,687,925
<b>Total \$</b>					

### 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: Emily Stephens	Phone: 360-786-7157	Date: 01/15/2024
Agency Preparation: Michael Walker	Phone: 360-725-7036	Date: 01/16/2024
Agency Approval: Stacey Warick	Phone: 360-725-7030	Date: 01/16/2024
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/18/2024

## 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(c) increases the distribution percentage of fire related insurance premium tax revenue, to the fire service training account, from 20% to 25%.

### 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(c) increases the distribution percentage of fire related insurance premium tax revenue, to the fire service training account, from 20% to 25%.

Currently, based on information received from the Office of Insurance Commissioner, the Office of the State Treasurer distributes fire related insurance premium tax revenue as follows:

- 40% for volunteer firefighters (RCW 41.24.030)
- 25% to the Firefighters' Pension fund (RCW 41.16.050)
- 20% to the Fire Service Training account at the State Patrol (RCW 43.43.944)
- 15% stays in the General Fund

Section 1(c) will result in the reduction of revenue to the General Fund and an increase of revenue to the Fire Service Training account beginning in FY2025. Based on the November 2023 Revenue Forecast, the total revenue impact is as follows:

FY2025: \$30,062,648 fire-related premium taxes x 5% = \$1,503,132

FY2026: \$31,866,407 fire-related premium taxes x 5% = \$1,593,320

FY2027: \$33,778,391 fire-related premium taxes x 5% = \$1,688,920

FY2028: \$35,805,094 fire-related premium taxes x 5% = \$1,790,255

FY2029: \$37,953,400 fire-related premium taxes x 5% = \$1,897,670

### 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

<b>Bill Number:</b> 2402 HB	<b>Title:</b> Fire srv. training account	<b>Agency:</b> 225-Washington State Patrol
-----------------------------	--	--

**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: Emily Stephens	Phone: 360-786-7157	Date: 01/15/2024
Agency Preparation: Yvonne Ellison	Phone: 360-596-4042	Date: 01/18/2024
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 01/18/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 01/18/2024

## 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.*

There is no direct fiscal impact to the Washington State Patrol (WSP) from the proposed legislation, but there is a potentially significant impact to the Fire Service Training Account fund balance that impacts current and future activities of the State Fire Marshal's Office (SFMO).

Section 1(1)(c) of the proposed legislation will change the percentage of the Fire Insurance Premium Tax distributed to the Fire Service Training Account under RCW 43.43.944 from twenty percent to twenty-five percent.

### 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.*

NONE

### 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 proposed legislation does not require any additional activities of our SFMO. However, the Fire Service Training Account, which funds many of the SFMO's activities, is currently at risk of being unable to continue supporting these activities due to fund balance concerns. We estimate that the proposed legislation will significantly rectify these concerns.

## 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.*