

Multiple Agency Fiscal Note Summary

Bill Number: 6219 SB	Title: Agritourism
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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
Liquor and Cannabis Board	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

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 Revenue	.1	53,200	53,200	53,200	.0	0	0	0	.0	0	0	0
Liquor and Cannabis Board	.1	0	0	96,186	.1	0	0	18,222	.1	0	0	18,222
Total \$	0.2	53,200	53,200	149,386	0.1	0	0	18,222	0.1	0	0	18,222

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
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Liquor and Cannabis Board	.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

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Final 1/30/2024
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Department of Revenue Fiscal Note

Bill Number: 6219 SB	Title: Agritourism	Agency: 140-Department of Revenue
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1		0.1		
Account					
GF-STATE-State 001-1	53,200		53,200		
Total \$	53,200		53,200		

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: Karen Epps	Phone: 60-786-7424	Date: 01/17/2024
Agency Preparation: Erika Ferrara	Phone: 60-534-1517	Date: 01/29/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 01/29/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/30/2024

Request # 6219-1-1

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.

CURRENT LAW:

Currently no beer and wine license for agritourism venues to sell alcohol for on-premises consumption exists.

PROPOSAL:

This legislation creates a beer and wine license for agritourism venues to allow the sale of beer, strong beer, and wine for on-premises consumption. This legislation also allows agritourism venues to sell beer and wine for off-premises consumption if a microbrewery or craft winery located within Washington manufactured the beer or wine. The venue must provide a plan to prevent minors from accessing alcoholic beverages.

EFFECTIVE DATE:

The bill takes effect 90 days after the 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 minimal revenue impact on business licensing services fees, but no impact on taxes administered by the Department of Revenue (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.

ASSUMPTIONS:

This legislation affects approximately 20 taxpayers.

FIRST YEAR COSTS:

The department will incur total costs of \$53,200 in fiscal year 2024. These costs include:

Labor Costs – Time and effort equate to 0.13 FTE.

- Create a special notice and update publications and information on the department's website.

Object Costs - \$36,200.

- Computer system changes, including contract programming.

SECOND YEAR COSTS:

There are no second-year costs.

ONGOING COSTS:

There are no ongoing costs.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1		0.1		
A-Salaries and Wages	10,700		10,700		
B-Employee Benefits	3,500		3,500		
C-Professional Service Contracts	36,200		36,200		
E-Goods and Other Services	1,900		1,900		
J-Capital Outlays	900		900		
Total \$	\$53,200		\$53,200		

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
TAX POLICY SP 2	78,120	0.1		0.0		
TAX POLICY SP 3	88,416	0.0		0.0		
WMS BAND 2	98,456	0.0		0.0		
Total FTEs		0.1		0.1		

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: 6219 SB	Title: Agritourism	Agency: 195-Liquor and Cannabis Board
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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:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.2	0.1	0.1	0.1
Account					
Liquor Revolving Account-State 501-1	0	96,186	96,186	18,222	18,222
Total \$	0	96,186	96,186	18,222	18,222

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: Karen Epps	Phone: 360-786-7424	Date: 01/17/2024
Agency Preparation: Colin O Neill	Phone: (360) 664-4552	Date: 01/22/2024
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 01/22/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/22/2024

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.

NEW SECTION. Sec. 3. A new section is added to chapter 66.24 RCW to read as follows:

(1) There shall be a beer and wine license to be issued to an agritourism venue for the sale of beer, strong beer, and wine for on-premises consumption.

(2) Agritourism venues may sell beer and wine for off-premises consumption if the beer and wine is manufactured by a microbrewery or craft winery located within the state.

(3) Agritourism venues must provide a plan to prevent minors from unlawfully accessing alcoholic beverages.

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.

A new section is added to chapter 66.24 RCW to read as follows - There shall be a beer and wine license to be issued to an agritourism venue for the sale of beer, strong beer, and wine for on-premises consumption.

No fee is indicated in the bill. The Board may choose to assess a fee, but if and when is unknown, so the cash receipt impact is INDETERMINATE.

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 \$51,600 in FY25. Some examples of changes needed follow:

Vendor Cost to Implement: \$40,000, Based on the following assumptions and assumed design:

- One Privilege type (Master Table update)
- Restricted to legislated locations (Business Rule)
- Three templates – (Email, License, Renewal)
- No fee
- BLS DOR application
- Local Authority Notification process is used

LCB/Internal hours to implement: 144*\$150.00 = \$21,600, assumed contractor hours

- Technical Training (preparing and delivering): 20 hours
- Testing (to include collaborative with DOR/BLS): 18 hours
- Analysis, requirements and test review: 16 hours
- Development for analytical reporting: 35 hours
- Development for replication: 35 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

LICENSING DIVISION:

Based on research of entities that may qualify and interested businesses over the past couple years, the agency estimates 20 applications each year. 0.10 FTE Licensing Specialist Senior (LSS) ongoing.

0.1 FTE Licensing Specialist Senior - \$9,111/yr (\$8,834 salary/benefits, \$277 in associated costs).

INFORMATION TECHNOLOGY DIVISION:

One-time costs would be incurred to implement this legislation:

VENDOR COSTS:

- iSeries modifications (60 hrs x \$150/hr) \$9,000

STAFF COSTS:

- 140 hrs - 0.10 FTE IT App Development - Senior/Specialist - \$16,475 (\$16,368 salary/benefits, \$107 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	0	96,186	96,186	18,222	18,222
Total \$			0	96,186	96,186	18,222	18,222

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.2	0.1	0.1	0.1
A-Salaries and Wages		19,008	19,008	12,580	12,580
B-Employee Benefits		6,194	6,194	5,088	5,088
C-Professional Service Contracts		70,600	70,600		
E-Goods and Other Services		370	370	526	526
G-Travel					
J-Capital Outlays		14	14	28	28
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	96,186	96,186	18,222	18,222

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		0.1	0.1		
Licensing Specialist Senior	62,892		0.1	0.1	0.1	0.1
Total FTEs			0.2	0.1	0.1	0.1

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Board Division (010)		61,600	61,600		
Licensing Division (050)		9,111	9,111	18,222	18,222
Information Technology Division (070)		25,475	25,475		
Total \$		96,186	96,186	18,222	18,222

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.

New rules would need to be written to govern the agritourism license.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 6219 SB

Title: Agritourism

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

Legislation Impacts:

- Cities: Cities would be authorized to allow agritourism as an accessory use on agricultural lands of long-term commercial significance.
- Counties: Same as above for counties.
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs: Jurisdictions could establish agritourism as an accessory use on agricultural lands of long-term commercial significance.
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

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

Part III: Preparation and Approval

Fiscal Note Analyst: Jordan Laramie	Phone: 360-725-5044	Date: 01/22/2024
Leg. Committee Contact: Karen Epps	Phone: 360-786-7424	Date: 01/17/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/22/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/23/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

This legislation would expand the innovative zoning techniques that cities and counties that plan under the Growth Management Act may authorize on lands designated as agricultural lands of long-term commercial significance. The bill promotes agritourism on these lands through their use for commercial activities as an accessory use.

Sec. 1 would amend RCW 36.70A.177 such that a county or city that plans under the Growth Management Act may allow for commercial use or activities on lands designated as agricultural lands of long-term commercial significance.

Sec. 2 would add a new chapter to RCW 19.27 to provide an exemption from new commercial building standards for agricultural buildings that operate as agritourism businesses for less than six months of the year.

Sec. 3 would add a new chapter to RCW 66.24 authorizing the State Liquor and Cannabis Board to issue beer and wine licenses to agritourism venues that could be zoned as an accessory use as specified by Sec. 1.

This legislation would take effect 90 days after the adjournment of the session in which it 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 proposed legislation would be a local option for cities and counties that plan under the Growth Management Act. There would be no expenditure impact for the jurisdictions that take no action. It is assumed by the Washington State Liquor Control (LCB) Board that some local governments would take the option to establish agritourism as an accessory use on agricultural lands of long-term commercial significance. However, the number of local governments and the distribution of cities and counties cannot be known in advance.

Discussion:

Under this act, cities and counties could designate agricultural lands of long-term commercial significance for commercial uses and activities through the innovative zoning of these lands that is authorized under 36.70A.177 RCW. In its fiscal note for this bill, the LCB indicates that there may be as many as 20 liquor licenses approved on an annual basis for the new agritourism venues. This number is based on outreach and interest LCB has received in the past few years. It is not currently known where in the state these venues would be located, however, for any jurisdiction to implement the provisions of this act would require adopting new development regulations and building code, enforcement of the liquor license provisions may be carried out by the LCB or local law enforcement of the city or county.

For Jurisdictions that take the Local Option:

Sec. 1 would authorize cities and counties that take the local option to develop new accessory uses for agricultural lands of long-term commercial significance. Jurisdictions that take the local option would be required to review and amend zoning regulations, and determine how best to implement the accessory use of the agricultural lands, while ensuring that the accessory uses must not interfere with the overall agricultural use of the property and neighboring properties, per Sec. 1(3)(a). Adopting the new accessory use development regulation may have costs that start at \$25,000 for cities, and \$35,000 for counties. The number of cities and counties that would adopt this provision is currently unknown.

Sec. 2 would create new requirements under the State Building Code for zones that allow agritourism under accessory uses. For cities and counties that take the local option, there would be a need to amend local building code to adopt the new chapter in Sec. 2 by reference, or to add strengthening language through the submission and approval to the State Building Code Council. The costs for this type of ordinance to adopt new portions of the State Building Code by reference may start at \$2,364 for cities, or \$2,170 for counties. The number of cities and counties that would adopt this provision is currently unknown.

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 would not impact local government revenue.

SOURCES:

Municipal Research and Services Center, "Agricultural Lands"

Senate Bill Report, SB 6219 (2024)

Washington State Liquor and Cannabis Board, FN SB 6219 (2024)



Multiple Agency Ten-Year Analysis Summary

Bill Number 6219 SB	Title Agritourism
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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

Department of Revenue Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Liquor and Cannabis Board Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Total	0										



Ten-Year Analysis

Bill Number 6219 SB	Title Agritourism	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

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

CURRENT LAW:
Currently no beer and wine license for agritourism venues to sell alcohol for on-premises consumption exists.

PROPOSAL:
This legislation creates a beer and wine license for agritourism venues to allow the sale of beer, strong beer, and wine for on-premises consumption. This legislation also allows agritourism venues to sell beer and wine for off-premises consumption if a microbrewery or craft winery located within Washington manufactured the beer or wine. venue must provide a plan to prevent minors from accessing alcoholic beverages.

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

This legislation results in minimal revenue impact on business licensing services fees, but no impact on taxes administered by the Department of Revenue (department).



Ten-Year Analysis

Bill Number 6219 SB	Title Agritourism	Agency 140 Department of Revenue
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Agency Preparation: Erikka Ferrara	Phone: 360-534-1517	Date: 1/29/2024 6:01:38 pm
Agency Approval: Valerie Torres	Phone: 360-534-1521	Date: 1/29/2024 6:01:38 pm
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 1/23/2024 8:15:38 am



Ten-Year Analysis

Bill Number 6219 SB	Title Agritourism	Agency 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

Estimated Cash Receipts

Name of Tax or Fee	Acct Code											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

A new section is added to chapter 66.24 RCW to read as follows - There shall be a beer and wine license to be issued to an agritourism venue for the sale of beer, strong beer, and wine for on-premises consumption.

No fee is indicated in the bill. The Board may choose to assess a fee, but if and when is unknown, so the cash receipt impact is INDETERMINATE.

Agency Preparation: Colin O Neill	Phone: (360) 664-4552	Date: 1/22/2024 8:21:55 am
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 1/22/2024 8:21:55 am
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 1/23/2024 8:15:38 am