

Multiple Agency Fiscal Note Summary

Bill Number: 5955 S SB	Title: Large port districts
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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.								
Total \$	0	0	0	0	0	0	0	0	0

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	Fiscal note not available					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	Fiscal note not available											
Department of Revenue	.0	0	0	0	.1	28,200	28,200	28,200	.1	27,000	27,000	27,000
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.1	28,200	28,200	28,200	0.1	27,000	27,000	27,000

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	Fiscal note not available								
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 State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Fiscal note not available								
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.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	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Myra Baldini, OFM	Phone: (360) 688-8208	Date Published: Preliminary 2/ 2/2024
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Individual State Agency Fiscal Note

Bill Number: 5955 S SB	Title: Large port districts	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: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 01/31/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/31/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/01/2024

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.

SSB 5955 creates the port district equity fund, coupled with the general fund as the recipient of the earnings from investments under RCW 43.84.092(4).

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.

There may be an impact on the debt service limitation calculation. Changes to the earnings credited to the general fund impacts, by an equal amount, general state revenues.

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.

Department of Revenue Fiscal Note

Bill Number: 5955 S SB	Title: Large port districts	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				28,200	27,000
Total \$				28,200	27,000

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: Maggie Douglas	Phone: 607867279	Date: 01/31/2024
Agency Preparation: Stephen Cleverdon	Phone: 60-534-1523	Date: 02/01/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/01/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/01/2024

Request # 5955-1-1

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.

Note: This fiscal note reflects language in SSB 5955, 2024 Legislative Session.

This fiscal note only addresses section 6(4) of the bill, which impacts the Department of Revenue (department).

COMPARISON OF SUBSTITUTE BILL WITH ORIGINAL BILL:

The substitute bill includes the department working with the Department of Commerce (Commerce) and informing the Economic and Revenue Forecast Council (ERFC) of the amount of state sales tax and Local Cultural Access Program sales tax received from eligible projects during the prior calendar year for appropriation by the Legislature up to \$10 million.

CURRENT LAW:

Under current law, the General Fund receives the state sales tax on any capital construction project at a commercial service airport operating a Noise Mitigation Program.

PROPOSAL:

This bill requires that beginning on February 15, 2025, and each subsequent February 15, the department notify the ERFC of the amount of state sales tax and Local Cultural Access Program sales tax received from eligible projects during the prior calendar year. The department will consult with the Commerce when determining this amount. An eligible project is any capital construction project at a commercial service airport operating a Noise Mitigation Program.

Beginning in fiscal year 2026, the legislature must appropriate from the General Fund to the Port District Equity Fund the amount reported by the department to the ERFC. The appropriated amount may not exceed \$10 million.

EFFECTIVE DATE:

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

However, due to the time, it will take to receive all the excise tax returns, compare them to Commerce data, and determine the amount of relevant sales tax, the department cannot inform the ERFC of the amount until August 1, 2025.

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.

ASSUMPTIONS

- This bill only impacts SeaTac Airport.
- Based on publicly available information about the SeaTac Airport's capital construction plans, the sales tax will reach the annual \$10 million cap for the foreseeable future.
- The legislature will appropriate the necessary funds from the General Fund to the Port District Equity Fund.

DATA SOURCES

- Port of Seattle, public information on SeaTac Airport capital projects

REVENUE ESTIMATES:

This legislation results in no revenue impact on 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.

ASSUMPTIONS:

- Commerce will provide the information needed for the calculation and report to the ERFC.
- The first notification to the ERFC occurs on August 1, 2025, giving the department six months to implement the notification. The department will incur additional costs if a different implementation date is required.

FIRST YEAR COSTS:

The department will not incur any costs in fiscal year 2024.

SECOND YEAR COSTS:

The department will not incur any costs in fiscal year 2025.

THIRD YEAR COSTS:

The Department will incur total costs of \$14,700 in fiscal year 2026. These costs include:

Labor Costs – Time and effort equate to 0.1 FTE.

- Coordinate with Commerce concerning eligible projects and determine the amount of sales tax received.
- Notify ERFC of the amount of retail sales tax received during the prior calendar year.

Object Costs - \$700.

- Software, training, and travel expense

ONGOING COSTS:

Ongoing costs for fiscal year 2027 equal \$13,500 and include similar activities described in the third-year costs. Time and effort equate to 0.1 FTE.

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				17,600	17,600
B-Employee Benefits				5,800	5,800
E-Goods and Other Services				3,400	2,600
G-Travel				400	400
J-Capital Outlays				1,000	600
Total \$				\$28,200	\$27,000

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 3	88,416				0.1	0.1
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: 5955 S SB	Title: Large port districts	Agency: 461-Department of Ecology
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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:

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- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 02/01/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/01/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/02/2024

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.

Compared to SB 5955, SSB 5955 has no changes that impact Ecology.

This bill would require the Department of Commerce to administer grants from the port district equity fund to provide assistance to qualifying port districts for expenses related to noise mitigation.

Ecology is not specified in the bill and assumes no new requirements under this bill. Therefore, Ecology assumes no fiscal impact.

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.