

Multiple Agency Fiscal Note Summary

Bill Number: 5684 S SB	Title: Small works rosters
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Estimated Cash Receipts

NONE

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	No fiscal impact					
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
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Minority and Women's Business Enterprises	Fiscal note not available											
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	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	No fiscal impact								
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 Commerce	.0	0	0	.0	0	0	.0	0	0
Office of Minority and Women's Business Enterprises	Fiscal note not available								
Department of Enterprise Services	1.3	411,634	411,634	.0	0	0	.0	0	0
Total \$	1.3	411,634	411,634	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	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Agency Name	2023-25		2025-27		2027-29	
	Total		Total		Total	
Staff	411,634		0		0	
Total \$	411,634		0		0	

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Preliminary 2/ 5/2024
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Individual State Agency Fiscal Note

Bill Number: 5684 S SB	Title: Small works rosters	Agency: 103-Department of Commerce
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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: Danielle Creech	Phone: 360-786-7412	Date: 01/29/2024
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 02/01/2024
Agency Approval: Pouth Ing	Phone: 360-725-2715	Date: 02/01/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	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.

Differences between the substitute and the original bill:

- Adds a null and void clause relating to substitute senate bill 5268 if this act becomes law.
- Adds that this act takes effect only if substitute senate bill 5268 is enacted by June 30, 2023.

The proposed legislation cannot take effect given it was not enacted by June 30, 2023 and would not modify the fiscal impact to the Department of Commerce (department).

Summary of SSB 5684:

Section 2 adds a new section to RCW 39.04 requiring the Municipal Research and Services Center (MRSC) to develop a statewide small works roster by June 30, 2024, and develop criteria for the roster with collaboration from affected agencies. The department shall provide funding to MRSC, as appropriated, to maintain and publicize the small works roster and work with MRSC to notify state and local governments authorized to use it. The department shall work with MRSC to provide guidance on how to use the small works roster authority, which may take the form of a manual provided to local governments.

Section 5 provides that sections 2, 14, and 15 of substitute senate bill 5268 (SSB 5268) are null and void if this act becomes law.

Section 6 provides that this act takes effect only if SSB 5268 is enacted by June 30, 2023.

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.

There is no impact to the department.

Section 2 of the proposed legislation directs the department, through the Municipal Research and Services Center (MRSC), to develop a statewide small works roster by June 30, 2024. The department is further directed to provide funding for MRSC to maintain and publicize the small works roster, to work with MRSC to notify state and local governments about the statewide roster, and to provide guidance on how to use the authority.

This work was enacted in SB 5268 (2023) and funded in the 2023-25 state operating budget (SB 5187). The department currently has an active contract with MRSC for this work. Under Section 6, the proposed legislation was not enacted by June 30, 2023 and cannot take effect.

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: 5684 S SB	Title: Small works rosters	Agency: 179-Department of Enterprise Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Pre-design/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	0	0	0	0
Staff	295,246	116,388	0	0	0	0
Other	0	0	0	0	0	0
Total \$	295,246	116,388	0	0	0	0

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: Danielle Creech	Phone: 360-786-7412	Date: 01/29/2024
Agency Preparation: Becky Guyer	Phone: (360) 407-9254	Date: 02/01/2024
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 02/01/2024
OFM Review: Kelsey Rote	Phone: (360) 000-0000	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.

Section 1 amends RCW 39.04.010 and 2008 c 130 s 16 to update the definition of “contract” and adds a definition for “small business.” This has no fiscal impact to.

Section 2 adds a new section to RCW 39.04 that establishes procedures for small works rosters at a state agency or authorized local government level. This section also requires the Department of Commerce to provide funding to the municipal research and services center to develop the statewide small works roster. The roster must be developed by June 30, 2024. Subsection (4) states that procedures included in rules adopted by the Department of Enterprise Services (DES) in implementing this section must be included in any rules provided for a small works roster that is adopted by another state agency, if that authority has been delegated to them by DES.

Section 3 adds a new section to RCW 39.04, establishing procedures and contracting limits for small works and direct contracting. Subsection (4) requires DES to develop and make available on its public-facing website templates for bid invitations, bidding, and contracting that may be used by state agencies, authorized local governments, and contractors.

Section 4 repeals RCW 39.04.155 (Small works roster contract procedures—Limited public works process—Definitions).

Section 5 & 6 adds a new section that adds null and void clauses related to S SB 5268.

This has fiscal impact to the Department of Enterprise Services (DES)

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

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
057-1	State Building Construction Account	State	295,246	116,388	411,634	0	0
Total \$			295,246	116,388	411,634	0	0

IV. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.9	0.7	1.3		
A-Salaries and Wages	200,695	78,907	279,602		
B-Employee Benefits	84,024	33,498	117,522		
C-Professional Service Contracts					
E-Goods and Other Services	10,527	3,983	14,510		
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 \$	295,246	116,388	411,634	0	0

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Predesign/Design					
Construction					
Grants/Loans					
Staff	295,246	116,388	411,634		
Other					
Total \$	295,246	116,388	411,634		

IV. D - Capital FTE Detail: FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Agency Policy and Rules Manager - WMS2	110,000	0.1		0.1		
Communications Consultant 5	90,624	0.3		0.2		
Communications Manager - WMS2	110,000	0.3	0.1	0.2		
Contracts Manager - WMS3	131,000	0.3		0.2		
Contracts Specialist 2	72,552	0.3		0.2		
Contracts Specialist 3	84,192	0.3	0.3	0.3		
Program Manager - WMS3	131,000	0.3	0.3	0.3		
Total FTEs		1.9	0.7	1.3		0.0

Implementing this bill would require DES to do expedited rulemaking, stakeholder outreach and engagement and make updates to contract templates and bid documents. We assume the following DES staffing needs:

- .3 WMS3 - Program Manager
- .3 WMS3 - Contracts Manager
- .1 WMS2 - Agency Policy and Rules Manager

- .3 WMS2 - Communications Manager
- .3 Contracts Specialist 2
- .3 Contracts Specialist 3
- .3 Communications Consultant 5

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: 5684 S SB

Title: Small works rosters

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

Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: Authorized local governments may use a statewide small works roster or create their own.
- Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 01/31/2024
Leg. Committee Contact: Danielle Creech	Phone: 360-786-7412	Date: 01/29/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/31/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/31/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

Sec. 1 amends RCW 39.04.010 to define small business to mean a business that is certified by the Office of Minority and Women's Business Enterprises (OMWBE).

Sec. 2 adds a new section to RCW 39.04 to establish uniform small works roster requirements, including authorization for a state agency or authorized local government to use a statewide small works roster to create and maintain one or more small works rosters for different specialties or geographic areas served by contractors on the roster. At least once per year, each agency or authorized local government provide to OMWBE's directory of certified firms, and publish, a notice of the existence of the roster and solicit contractors for the roster. The Municipal Research and Services Center must develop a statewide small works roster by June 30, 2024, and develop criteria for the roster with collaboration from affected agencies.

Sec. 3 adds a new section to RCW 39.04 to establish uniform small works roster provisions to award contracts.

Sec. 6 creates a new section. This act takes effect only if Substitute Senate Bill 5268 is enacted by June 30, 2023.

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.

The legislation would result in no expenditure impacts for local government. The bill would create a local option for jurisdictions to utilize the statewide small works roster or create and maintain one or more small works rosters for different specialties, categories of anticipated work, or geographic areas served by contractors on the roster that have registered for inclusion on that particular roster.

The bill does not mandate that local jurisdictions take any action, so does not have cost impacts for them.

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.

The legislation would have no revenue impact for local government.