

Multiple Agency Fiscal Note Summary

Bill Number: 2270 S HB	Title: Department of housing
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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
Washington State Health Care Authority	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	Fiscal note not available					
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
Administrative Office of the Courts	Fiscal note not available											
Office of Civil Legal Aid	Fiscal note not available											
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Treasurer	Fiscal note not available											
Office of Attorney General	Fiscal note not available											
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Financial Management	Fiscal note not available											
Washington State Health Care Authority	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Housing Finance Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health 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	Fiscal note not available								
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
Administrative Office of the Courts	Fiscal note not available								
Office of Civil Legal Aid	Fiscal note not available								
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	Fiscal note not available								
Office of Attorney General	Fiscal note not available								
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	Fiscal note not available								
Washington State Health Care Authority	.0	0	0	.0	0	0	.0	0	0
Housing Finance Commission	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.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	Fiscal note not available								
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Preliminary 2/ 6/2024
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Individual State Agency Fiscal Note

Bill Number: 2270 S HB	Title: Department of housing	Agency: 075-Office of the Governor
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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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/06/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/06/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/06/2024

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.

Changes to substitute house bill 2270 did not impact sections pertaining to the Office of the Governor and the Office of Equity and therefore does not change the Office's previous fiscal note assumptions.

Sec 2(2) The Office of the Governor and the Office of Equity would need to provide recommendations to OFM's external consultant who will be contracted to study and help facilitate the transition of state housing programs to a new state agency and identify gaps in current state housing programs.

Recommendations can be provided using existing resources and therefore does not have a 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.

Individual State Agency Fiscal Note

Bill Number: 2270 S HB	Title: Department of housing	Agency: 103-Department of Commerce
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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	0.0	0.6	0.3	0.0	0.0
Account					
General Fund-State 001-1	0	117,292	117,292	0	0
Total \$	0	117,292	117,292	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.

Legislative Contact: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Preparation: Hayley Tresenriter	Phone: 360-725-3042	Date: 02/03/2024
Agency Approval: Hayley Tresenriter	Phone: 360-725-3042	Date: 02/03/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/03/2024

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.

Comparison of SHB 2270 to the original bill:

Section 1: The July 2025 launch date was removed from the bill.

Section 2: The requirement for OFM to facilitate the study is removed, but they are still responsible for contracting with the consultant.

Section 2(1)(d): The scope of work has been updated.

Section 2(4): Contracting restrictions have been added to exclude any contractor who has lobbied for this study.

Summary of SHB 2270:

Section 1: contains findings including that affordable housing and homelessness have reached an unprecedented crisis level in Washington State, and that there needs to be a more holistic approach to better align housing policy across state agencies, local jurisdictions, and community-based programs. The substitute removes the statement of intention to establish a new State Department of Housing by July 2025.

Section 2 would require the Office of Financial Management to contract with an external consultant to study the transition of state housing programs to a new agency, and identify gaps in current state housing programs. The previous version also required the external consultant to help facilitate transition of housing programs to a new agency.

A final report from the consultant containing findings and recommendations would be due by July 1, 2025 (report was December 1, 2024 in the previous version), developed in consultation representatives from 22 stakeholder groups (20 in the previous version).

The report would be required to include: a mission and vision for the new agency, an organizational structure including what parts of state government should be included in the new agency, costs to create a new agency (more detail in substitute regarding the costs to be estimated), a process to manage the reorganization, and benchmarks to measure the effectiveness of the new agency. In addition, the report must include an analysis of potential gaps in existing housing efforts including: the potential of state-owned affordable housing, eviction prevention, emergency housing for natural disasters, educational programs for renters and landlords, accountability of landlords to repair rental housing, the creation of mitigation sites when homelessness increases, and state subsidies for federal vouchers that are inadequate.

The substitute bill prohibits the OFM from awarding the contract to an external consultant or entity that has lobbied or publicly testified on matters related to the scope of the study, including affordable housing, homelessness, tenant protections, and social services for people at risk of homelessness, and exempts the contract from competitive procurement requirements.

The substitute bill extends the due date for the consultant's findings and recommendations from December 1, 2024, to July 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.

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.

Section 2 requires the Office of Financial Management to contract with an external consultant to study the transition of state housing programs to a new state agency. Engaging the consultant to provide information and feedback as requested is estimated to take an average of 2 hours per week for each of the nine members of the Commerce Housing Division Management Team from July 2024 through June 2025: 0.1 FTE EMS4, 0.05 EMS3, 0.3 WMS3. Which will cost the department roughly \$117,292.

Because engagement with the consultant could not be delegated to newly hired staff, work by the Housing Division's management team members regarding the potential creation of a new housing agency would defer some of their current tasks and duties. As a result, no staff would be hired, and there would be no direct fiscal impact.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	117,292	117,292	0	0
Total \$			0	117,292	117,292	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.6	0.3		
A-Salaries and Wages		66,391	66,391		
B-Employee Benefits		19,419	19,419		
C-Professional Service Contracts					
E-Goods and Other Services		3,251	3,251		
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		28,231	28,231		
9-					
Total \$	0	117,292	117,292	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
Administrative Services	111,168		0.1	0.1		
EMS Band 3	165,117		0.1	0.1		
EMS Band 4	142,511		0.1	0.1		
WMS Band 3	142,511		0.3	0.2		
Total FTEs			0.6	0.3		0.0

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: 2270 S HB	Title: Department of housing	Agency: 107-Washington State Health Care Authority
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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:

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

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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- 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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Preparation: Cari Tikka	Phone: 360-725-1181	Date: 02/05/2024
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 02/05/2024
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/05/2024

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.

See attached document.

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.

See attached document.

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.

See attached document.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

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.

HCA Fiscal Note

Bill Number: **2270 S HB**

HCA Request #: 24-129

Title: **Department of Housing**

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:

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

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.

HCA Fiscal Note

Bill Number: **2270 S HB**

HCA Request #: 24-129

Title: **Department of Housing**

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.

Affordable housing and homelessness have reached an unprecedented crisis level in Washington state, and this bill would allow for a more holistic approach to addressing those challenges. SHB 2270 establishes a new state Department of Housing to bring together state programs across multiple agencies and partners. To that end, the legislature intends to engage a professional consultant to study the transition of state housing programs to a new state agency and identify gaps the new department can fill.

As compared to the original version of this bill:

- Removes a requirement that the external consultant help facilitate the transition of state housing programs to a new state agency.
- Clarifies that the review of estimated costs for the reorganization includes the creation of the new state agency, including indirect costs, change management, training, and community outreach.
- Adds to the study requirements an analysis of existing state and federal funding for state housing programs and any statutory revisions necessary to ensure sufficient funding for the new agency.
- Clarifies that the consultant must engage with and seek recommendations from both the nonprofit rental housing development industry and the nonprofit homeownership housing development industry.
- Adds a labor organization representing frontline staff within permanent supportive housing providers to the entities that the consultant must engage.
- Prohibits the OFM from awarding the contract to an external consultant or entity that has lobbied or publicly testified on matters related to the scope of the study, including affordable housing, homelessness, tenant protections, and social services for people at risk of homelessness, and exempts the contract from competitive procurement requirements.
- Extends the due date for the consultant's findings and recommendations from December 1, 2024, to July 1, 2025.

New Section 1 describes the Legislature's findings and intent. Affordable housing and homelessness have reached an unprecedented crisis level in Washington state and the legislature intends to establish a new state Department of Housing to bring together state programs across multiple agencies and partners.

New Section 2 requires the Office of Financial Management (OFM) to contract with an external consultant to study the transition of state housing programs to a new state agency and identify gaps in current state housing programs. 2(2) requires the external consultant to engage with and seek recommendations from multiple agencies, including the Health Care Authority (HCA). 2(3) requires the external consultant to submit a report with its findings and recommendations to the Governor and the appropriate committees of the Legislature by July 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. Distinguish between one time and ongoing functions.

HCA Fiscal Note

Bill Number: **2270 S HB**

HCA Request #: 24-129

Title: **Department of Housing**

Indeterminate fiscal impact

Depending on the findings and recommendations from the report that is submitted to the Governor and legislature, HCA may have a fiscal impact if any of HCA's existing Housing programs are selected to move to the new department. Unknown at this time if any of the funding would affect cash receipts at this time.

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. Distinguish between one time and ongoing functions.

Indeterminate fiscal impact

This bill intends to establish a new state Department of Housing and engage a professional consultant to help facilitate the transition of programs and identify gaps that the new department can fill.

HCA must provide recommendations to OFM's external consultant who will study the transition of state housing programs to a new state agency and identify gaps in current state housing programs. OFM's consultant must have a report on findings and recommendations to the governor and the appropriate committees of the legislature by July 1, 2025.

HCA's recommendations will need to be informed by homeless/housing program and client data. Existing data from Apple Health Homes program and current Division of Social and Health Services' Research and Data Analysis (DSHS-RDA) housing metrics will be leveraged. Any additional ad hoc reporting will be performed within existing resources. This workload is expected to be minimal, given there are existing reporting streams on this topic.

Depending on the findings and recommendations from the report that is submitted to the Governor and Legislator, HCA may have a fiscal impact if any of HCA's existing Housing programs are selected to move to the new department.

Part III: Expenditure Detail

III. A - Operating Budget Expenditure

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

HCA Fiscal Note

Bill Number: **2270 S HB**

HCA Request #: 24-129

Title: **Department of Housing**

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.

NONE

Individual State Agency Fiscal Note

Bill Number: 2270 S HB	Title: Department of housing	Agency: 148-Housing Finance Commission
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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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Preparation: Daniel Page	Phone: 206-287-4476	Date: 02/06/2024
Agency Approval: Lucas Loranger	Phone: 206-254-5368	Date: 02/06/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/06/2024

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.

No Fiscal Impact: Because the Commission is a non-appropriated, non-allocated agency, all the costs associated with the contemplated legislation connected to the Commission will flow through the Commission's operating funds, therefore the Commission believes it has no fiscal impact on the state's budget.

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.

Individual State Agency Fiscal Note

Bill Number: 2270 S HB	Title: Department of housing	Agency: 300-Department of Social and Health 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:

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: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Preparation: Cassi Postma	Phone: 3609999999	Date: 02/02/2024
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/02/2024
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/05/2024

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 fiscal impact to the Department of Social and Health Services (DSHS). This bill creates a Department of Housing that will focus solely on housing and homelessness issues. The bill specifies that the Office of Financial Management must contract with an external consultant to study and help facilitate the transition of state housing programs to a new state agency and identify gaps in current state housing programs. The external consultant must submit a report with its findings and recommendations to the Governor and the Legislature by July 1, 2025.

The costs for DSHS staff to participate in the study can be accomplished within existing resources. Any future fiscal impacts as a result of recommendations to the Governor and/or the Legislature may require an additional appropriation.

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 2270 S HB

Title: Department of housing

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:
- 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: 02/02/2024
Leg. Committee Contact: Jessica Van Horne	Phone: 360-786-7288	Date: 02/02/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/02/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/02/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

CHANGES BETWEEN THIS VERSION AND PRIOR VERSION OF THE BILL:

The substitute bill makes a number of changes, including extending the due date for the consultant's findings and recommendations from December 1, 2024, to July 1, 2025. These changes do not create fiscal impacts for local governments.

SUMMARY OF THE BILL:

The Office of Financial Management must contract with an external consultant to study the transition of state housing programs to a new state agency and identify gaps in current state housing programs. The contract must require the external consultant to submit a report with its findings and recommendations to the governor and the appropriate committees of the legislature by July 1, 2025.

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 have no expenditure impacts for local governments.

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 impacts for local governments.

SOURCES:

Washington State Association of Counties
Association of Washington Cities