

Multiple Agency Fiscal Note Summary

Bill Number: 5657 E S SB	Title: Kit home permitting
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Estimated Cash Receipts

NONE

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 Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Labor and Industries	Fiscal note not available											
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	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 Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	Fiscal note not available								
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

NONE

Prepared by: Val Terre, OFM	Phone: (360) 280-3973	Date Published: Preliminary 2/21/2024
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Individual State Agency Fiscal Note

Bill Number: 5657 E S SB	Title: Kit home permitting	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:

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: Serena Dolly	Phone: 360-786-7150	Date: 02/19/2024
Agency Preparation: Michael Diaz	Phone: (360) 407-8131	Date: 02/20/2024
Agency Approval: Jessica Goodwin	Phone: (360) 819-3719	Date: 02/20/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/20/2024

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 2 amends RCW 19.27.015 and 2018 c 207 s 1 by adding a definition of kit homes.

Section 3 is a new section added to chapter 19.27 RCW that exempts kit homes under 800 square feet on private property or on public property within a planned unit development from compliance with RCW 19.27. Kit homes are still subject to permitting by incorporated cities or towns and local fire safety regulations.

This bill does not require the State Building Code Council to make any changes to existing rules.

This has no fiscal impact to the Department of Enterprise Services.

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: 5657 E S SB

Title: Kit home permitting

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

Legislation Impacts:

Cities: Incorporating kit homes and kit home exemptions into local building code and related policies.

Counties: Incorporating kit homes into local building code and related policies.

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:

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: 02/20/2024
Leg. Committee Contact: Serena Dolly	Phone: 360-786-7150	Date: 02/19/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/20/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/21/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

This legislation would amend the State Building Code to include a definition for kit homes. If a kit home is under 800 square feet and meets city permitting and fire safety regulations, the kit home would be exempt from the State Building Code.

This exemption would apply to kit homes built on private land or public land within a planned unit development.

Sec. 1 would amend section 19.27.015 RCW to include a definition for kit homes.

Sec. 2 would be a new section added to chapter 19.27 RCW that would exempt kit homes under 800 square feet within a planned unit development from the requirements of the State Building Code. This exemption would be subject to permitting by cities or towns and local fire safety regulations.

This act 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.

The amendments to the State Building Code (SBC) made in this legislation would have costs that range from de minimis to likely minor for counties, cities, and towns. The specific expenses would vary by jurisdiction and are therefore indeterminate.

Local Governments must adopt any amendments to the SBC made by the State Building Code Council (Council) as required by state law and as part of the regular SBC update cycle. Therefore, all counties, cities, and towns would presumably update their local codes with the amended provisions in Sec. 1 of this act as part of the amendment cycle for the 2021 SBC. Counties, cities, and towns may align the effective date of the building code with the one set by the Council (March 15, 2024) or these jurisdictions might require time for an amendment process after review of local regulations.

As part of the building code update cycle process, counties, cities, and towns analyze the potential impact that amendments to the updated SBC would have on local regulations. In this way, local governments may face costs when updating their building and permitting policies for kit homes and for the kit home exemption. These costs could range from de minimis to more substantive, depending on the need to create new permitting forms and training staff on new policy. Costs could also include conducting public outreach if the jurisdiction determines that is appropriate.

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 have no impact on local government revenues.

SOURCES:

Department of Enterprise Services

House Bill Analysis, ES SB 5657 (2024)

Local Government Fiscal Note Program, FN S HB 2071 (2024)

Municipal Research and Services Center, Building Code/Permit Administration