

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> 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.								
<b>Total \$</b>	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	No fiscal impact					
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	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Civil Legal Aid	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Lieutenant Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	.2	46,000	46,000	46,000	.0	0	0	0	.0	0	0	0
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Financial Management	.0	4,000,000	4,000,000	4,000,000	.0	0	0	0	.0	0	0	0
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
<b>Total \$</b>	<b>0.2</b>	<b>4,046,000</b>	<b>4,046,000</b>	<b>4,046,000</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
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	.0	0	0	.0	0	0	.0	0	0
Office of Civil Legal Aid	.0	0	0	.0	0	0	.0	0	0
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of Lieutenant Governor	.0	0	0	.0	0	0	.0	0	0
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
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
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts	No fiscal impact								
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

### Estimated Capital Budget Breakout

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3073	<b>Date Published:</b> Revised 2/25/2024
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# Judicial Impact Fiscal Note

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 055-Administrative Office of the Courts
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

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 for 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.

Legislative Contact: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Chris Conn	Phone: 360-704-5512	Date: 02/23/2024
Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 02/23/2024
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/23/2024

195,377.00

Request # 234-1

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

The substitute would not make any changes affecting the fiscal impact to the Administrative Office of the Courts or the courts.

### II. B - Cash Receipts Impact

None

### II. C - Expenditures

No fiscal impact to the Administrative Office of the Courts.

## Part III: Expenditure Detail

### III. A - Expenditure By Object or Purpose (State)

NONE

### III. B - Expenditure By Object or Purpose (County)

NONE

### III. C - Expenditure By Object or Purpose (City)

NONE

### III. D - FTE Detail

NONE

### III. E - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B1 - Expenditures by Object Or Purpose (State)

NONE

### IV. B2 - Expenditures by Object Or Purpose (County)

NONE

### IV. B3 - Expenditures by Object Or Purpose (City)

NONE

### IV. C - Capital Budget Breakout

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

NONE

None

195,377.00

Form FN (Rev 1/00)

2

Request # 234-1

Bill # 2270 2S HB S-5094.1

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 057-Office of Civil Legal Aid
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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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Sara Robbins	Phone: (360) 485-1544	Date: 02/22/2024
Agency Approval: Sara Robbins	Phone: (360) 485-1544	Date: 02/22/2024
OFM Review: Gaius Horton	Phone: (360) 819-3112	Date: 02/23/2024

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.

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.

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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/21/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 02/21/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/21/2024

## 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.*

The changes in the amendment do not impact the Office of the Governor's previous fiscal note assumptions.

Second Substitute House Bill 2270 adds a null and void clause if funding is not provided by June 30, 2024. This does not change 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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 080-Office of Lieutenant 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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Ian Shelley	Phone: (360) 407-2243	Date: 02/20/2024
Agency Approval: Ian Shelley	Phone: (360) 407-2243	Date: 02/20/2024
OFM Review: Val Terre	Phone: (360) 280-3073	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 1 of 2270 2S HB S-5094.1 establishes the legislature's intent to create a new state agency, the Department of Housing, and establishes the intent for a professional consultant to facilitate transitioning current programs to the new state agency.

Section 2 requires OFM to contract with the external consultant, and requires the external consultant to engage with a number of State government, non-profit, and other entities.

Neither section is expected to have a fiscal impact on the Lt. Gov office.

### 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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 090-Office of State Treasurer
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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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/17/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/17/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/18/2024

## 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.*

2SHB 2270 S-5094.1 creates a Washington state department of housing. Under section 2, the external consultant hired by the office of financial management must engage with and seek recommendations from various agencies including the office of the state treasurer (OST).

There will be some de-minimis work for OST which can be completed within current practices and resources. There is 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.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 100-Office of Attorney General
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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	0.4	0.2	0.0	0.0
<b>Account</b>					
General Fund-State      001-1	0	46,000	46,000	0	0
<b>Total \$</b>	0	46,000	46,000	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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 02/20/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/20/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/21/2024



## 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 - New section. Findings and intent.

Section 2 - New section. 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, the Department of Housing. Sets forth requirements for a study on the new agency. Lists the agencies the external consultant must engage with during its review, including both governmental and nongovernmental organizations. Requires that the consultant submit findings and recommendations to the Legislature by July 1, 2025. Prohibits OFM from awarding the contract to an external consultant or entity that has lobbied or testified on matters related to the scope of the study.

Section 3 – New section. Null and void clause.

This bill is assumed effective 90 days after the end of the 2024 legislative 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.*

Attorney General's Office (AGO) Administrative Division (ADM) activities are funded with General Fund-State dollars. No cash receipt impact. There is no client agency to bill for legal services.

### 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.*

Location of staffing is assumed to be in a King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA), is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

#### 1. Assumptions for the AGO Administration Division (ADM) Legal Services:

AGO ADM activities are funded with General Fund-State dollars. There is no appropriate client agency to bill for legal services. ADM will require a 0.3 Senior Policy Analyst FTE (PA) that will be responsible for coordinating agency responses and feedback per the requirement the external consultant must engage with and seek recommendations from the AGO. Report is due December 2024, ADM expects there will be a number of meetings in the first half of FY 2025.

ADM: Total King County workload impact:  
FY 2025: \$46,000 for 0.3 PA

2. The AGO Social & Health Services Division (SHO) has reviewed this bill and determined it will not increase or decrease the division's workload in representing the Department of Social and Health Services (DSHS). Therefore, no costs are included in this request.

3. The AGO Revenue and Finance Division (REV) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Office of Financial Management (OFM) or the Office of the State Treasurer (OST). New legal services are nominal and costs are not included in this request.

4. The AGO Government Compliance & Enforcement Division (GCE) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the Office of Equity (OOE). This bill would require the OFM to hire a consultant to provide a report addressing multiple issues related to creating a new state Department of Housing. The consultant would need to consult with OOE, among others, as part of its work. Therefore, no costs are included in this request.

5. The AGO Agriculture & Health Division (AHD) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the Department of Commerce (Commerce). Therefore, no costs are included in this request.

6. The AGO Solicitor General’s Office (SGO) has reviewed this bill and determined it will not increase or decrease the division’s workload. Therefore, no costs are included in this request.

**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	46,000	46,000	0	0
<b>Total \$</b>			0	46,000	46,000	0	0

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.4	0.2		
A-Salaries and Wages		32,000	32,000		
B-Employee Benefits		10,000	10,000		
E-Goods and Other Services		4,000	4,000		
<b>Total \$</b>	0	46,000	46,000	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
Management Analyst 5	95,184		0.1	0.1		
Policy Analyst - ADM	110,000		0.3	0.2		
<b>Total FTEs</b>			0.4	0.2		0.0

**III. D - Expenditures By Program (optional)**

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Headquarters Administration (GFS) (POL)		46,000	46,000		
<b>Total \$</b>		46,000	46,000		

**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

Revised

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 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.

<b>Legislative Contact:</b> Melissa Van Gorkom	<b>Phone:</b> 360-786-7491	<b>Date:</b> 02/16/2024
<b>Agency Preparation:</b> Hayley Tresenriter	<b>Phone:</b> 360-725-3042	<b>Date:</b> 02/23/2024
<b>Agency Approval:</b> Hayley Tresenriter	<b>Phone:</b> 360-725-3042	<b>Date:</b> 02/23/2024
<b>OFM Review:</b> Cheri Keller	<b>Phone:</b> (360) 584-2207	<b>Date:</b> 02/23/2024

## 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 2S HB S-5094.1 to SHB 2270:

Section 1: No change

Section 2: Four stakeholder groups added to the list that must be consulted with as part of developing the report on the potential of a new housing agency.

Summary of 2S HB S-5094.1:

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.

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.

A final report from the consultant containing findings and recommendations would be due by July 1, 2025, developed in consultation with representatives from 26 stakeholder groups (22 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, 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 inadequate federal vouchers.

The proposal 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. It exempts the contract from competitive procurement requirements.

The consultant's findings and recommendations are due 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 translates to approximately \$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**

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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 105-Office of Financial Management
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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
<b>Account</b>					
General Fund-State      001-1	0	4,000,000	4,000,000	0	0
<b>Total \$</b>	0	4,000,000	4,000,000	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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/21/2024
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 02/21/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/21/2024

## 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.*

This second substitute version increased the number of entities the external consultant must engage with and seek recommendations from as part of the study from 22 to 26. This change did not alter OFM's fiscal impact assumptions from the previous version.

2S HB 2270:

Section 1 defines the intention to establish a new state agency, the Department of Housing. This new agency will focus solely on housing and homelessness issues and bring together disparate state programs that currently span multiple agencies and partners. A professional consultant would be engaged to help facilitate the transition of programs and identify gaps that may be filled by the new agency.

Section 2 requires 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. OFM may not award 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. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

The contract must require the external consultant to submit a report with its findings and recommendations to the Governor and the Legislature by July 1, 2025.

The study must include a review and recommendations on the following issues:

- a clear mission and vision for the new department.
- the organizational structure for the new department, including which agencies, administrations, commissions, or other functions of state government should be included, and identification of the reasons why a specific housing function or program is not recommended for inclusion, if any.
- any gaps in existing rental, transitional housing, senior housing, homelessness, homeownership, and manufactured housing programs provided by the state.
- estimated costs for the reorganization of state housing programs and creation of a new housing agency.
- a clear process for managing the reorganization.
- an analysis of existing state and federal funding streams for state housing programs and any statutory revisions necessary to ensure the sufficient flow of funds to a new agency.
- measurable benchmarks by which the effectiveness of the new department would be assessed.

As part of the review, the external consultant must engage with and seek recommendations from the following:

- the Office of the Governor
- the Department of Commerce
- the Department of Social and Health Services
- the Health Care Authority
- the Office of Equity
- the Office of the State Treasurer
- the Office of the Attorney General
- the Housing Finance Commission
- the Office of Civil Legal Aid
- the Administrative Office of the Courts
- the nonprofit rental housing development industry
- the nonprofit homeownership housing development industry



- a labor organization representing frontline staff within permanent supportive housing providers
- an organization that represents tenants
- homeless shelter operators
- representatives of low-income persons
- representatives of special needs populations
- public housing authorities
- the for-profit housing development industry
- for-profit rental housing owners
- the Washington State Association of Counties
- the Association of Washington Cities
- an organization that advocates for effective land use and housing planning
- representatives of interlocal housing collaborations as established under chapter 39.34 RCW
- a real estate broker licensed in the state of Washington
- the Office of the Lieutenant Governor

## 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.*

The second substitute bill requires the contractor to engage with additional stakeholders:

- an organization that advocates for effective land use and housing planning
- representatives of interlocal housing collaborations as established under chapter 39.34 RCW
- a real estate broker licensed in the state of Washington
- the Office of the Lieutenant Governor

OFM assumes each stakeholder added will require additional time and resources (travel, per diem) and may have out-of-state travel depending on where the stakeholder is located. OFM also assumes the contractor will meet with each stakeholder twice a month over the course of 6 months.

2SHB 2270:

OFM is required to contract with an external consultant to complete a study and submit a report with recommendations, due by December 1, 2024. The scope of that contract would include eight key components and seven sub-components:

1. A clear mission and vision for the new department.
2. The organizational structure for the new department.
3. Any gaps in existing rental, transitional housing, senior housing, homelessness, homeownership, and manufactured housing programs provided by the state, to include:
  - a) The feasibility of the state developing its own housing portfolio and partnering with public housing authorities to operate state housing stock.
  - b) The need for a state eviction prevention office.
  - c) The need for emergency housing in response to natural disasters.
  - d) The need for an educational program for renters and landlords.
  - e) How landlords can be held accountable for repairs to rental housing, including the efficacy of renters using escrow accounts as allowed under RCW 59.18.115.
  - f) How the state may assist counties in providing mandatory mitigation sites if the number of homeless people increase within their jurisdiction based on the annual homeless census conducted under RCW 43.185C.030.

g) How the state may subsidize housing choice vouchers issued under 42 U.S.C. Sec. 1437(f) when fair market rents calculated by the United States department of housing and urban development do not keep pace with rent.

4. Estimated costs for the reorganization, including, but not limited to, indirect costs, change management, training, and community outreach, to include:
5. An analysis of existing state and federal funding streams for state housing programs and any statutory revisions necessary to ensure the sufficient flow of funds to a new agency.
6. A clear process for managing the reorganization.
7. Measurable benchmarks by which the effectiveness of the new department would be assessed.
8. Recommendations from the multiple stakeholders identified in the bill.

Due to the size and scope of the study, and the breadth of stakeholder engagement required, OFM assumes that an external contractor with the resources and expertise on hand to complete such work would require between \$2 million and \$4 million to complete the study and report recommendations by July 1, 2025.

As an example, the city of Austin, TX hired McKinsey & Company contractors, a global management consulting firm, to complete a study on “the effectiveness of the strategies, programs, and services provided by the City of Austin (City) and partners to make homelessness rare, brief, and nonrecurring.” The price of that contract is \$2 million, and the study is singularly focused on a city in Texas and included consultation with four stakeholders. <https://services.austintexas.gov/edims/document.cfm?id=421783>

Though the deadline for the study required by HB 2270 was extended to one year in both the substitute and second substitute versions, OFM assumes the costs for completing this work will be as much or more than the example Austin study (which has a time frame of four months) due to:

- the requirement to meet with at least 26 stakeholders, versus 4 stakeholders in Austin.
- the scope of a statewide analysis, versus analyzing one city.
- the requirement to review and recommend on eight (8) key components whereas the Austin study only had three (3) key components.

Additionally, Washington has far more homeless per capita than Texas:

- According to the 2022 Annual Homelessness Assessment Report to Congress (The 2022 Annual Homelessness Assessment Report (AHAR to Congress) Part 1: Point-In-Time Estimates of Homelessness, December 2022 ([huduser.gov](http://huduser.gov)) Washington State has 50+ homeless per 10,000 population, whereas Texas only has 10 per 10,000 population.

- Washington specifically ranks number 7 out of 51, whereas Texas ranks number 37 out of 51 according to the 2024 World Population Review (<https://worldpopulationreview.com/state-rankings/homeless-population-by-state>).

## 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	4,000,000	4,000,000	0	0
<b>Total \$</b>			0	4,000,000	4,000,000	0	0

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts		4,000,000	4,000,000		
E-Goods and Other Services					
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-					
<b>Total \$</b>	0	4,000,000	4,000,000	0	0

**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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 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:

- 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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Cari Tikka	Phone: 360-725-1181	Date: 02/20/2024
Agency Approval: Madina Cavendish	Phone: 360-725-0902	Date: 02/20/2024
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/22/2024

## 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.*

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 2SHB S-5094.1**

HCA Request #: 24-168

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 2SHB S-5094.1**

HCA Request #: 24-168

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 substitute version of this bill, the amended second substitute:

- Declares this act null and void If specific funding for the purposes of this act is not provided by June 30, 2024; and
- Adds to the list of entities the external consultant must engage with and seek recommendations from as part of the study.

\*\*\*\*\*

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.

New Section 3 declares this act null and void If specific funding for the purposes of this act is not provided by June 30, 2024.

### 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.*

### 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. It is unknown at this time if any of the funding would affect cash receipts.



# HCA Fiscal Note

Bill Number: **2270 2SHB S-5094.1**

HCA Request #: 24-168

Title: **Department of Housing**

## **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**

**NONE**

### **IV. B - Expenditures by Object Or Purpose**

**NONE**

## HCA Fiscal Note

Bill Number: **2270 2SHB S-5094.1**

HCA Request #: 24-168

Title: **Department of Housing**

**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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Daniel Page	Phone: 206-287-4476	Date: 02/20/2024
Agency Approval: Lucas Loranger	Phone: 206-254-5368	Date: 02/20/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	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.*

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

<b>Bill Number:</b> 2270 2S HB S-5094.1	<b>Title:</b> Department of housing	<b>Agency:</b> 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: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Preparation: Cassi Postma	Phone: 3609999999	Date: 02/20/2024
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/20/2024
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/22/2024

## 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.*

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 2S HB  
S-5094.1

**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: 02/20/2024
Leg. Committee Contact: Melissa Van Gorkom	Phone: 360-786-7491	Date: 02/16/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/20/2024
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/20/2024

## **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 amendment adds organizations and representatives to the list of entities the external consultant must engage with and seek recommendations from as part of the study. This change does 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