

Individual State Agency Fiscal Note

Revised

Bill Number: 2204 HB	Title: Emergency liquor permits	Agency: 195-Liquor and Cannabis Board
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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	0.2	0.1	0.0	0.0
Account					
Liquor Revolving Account-State 501-1	0	135,650	135,650	0	0
Total \$	0	135,650	135,650	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.

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Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 02/28/2024
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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.

REVISED 2/28/24 TO SHIFT COSTS FROM FY24 to FY25

Section 1(19) Where the application is for an emergency liquor permit by a licensed manufacturer to authorize the sale, service, and consumption of liquor on the premises of another liquor licensee with retail sales privileges when an emergency or disaster as defined in RCW 38.52.010 has made the premises of the applicant inaccessible and unable to operate due to an emergency or road closure, except that the fee must be waived if there is a proclamation of a state of emergency issued by the governor or by the city, town, or county where the applicant is located.

The permit shall be valid for 30 days and may be continually renewed for periods of 30 days if the emergency or disaster continues.

Employees or agents of the emergency permit holder or the licensed premises may serve liquor provided by the permit holder.

The permit holder may store no more than a 30-day supply of liquor at the licensed premises in segregated storage.

No more than a total of three emergency permit holders may sell at the same licensed premises under an emergency permit.

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.

Section 1(19) creates an emergency liquor permit by a licensed manufacturer to authorize the sale, service, and consumption of liquor on the premises of another liquor licensee with retail sales privileges when an emergency or disaster as defined in RCW 38.52.010 has made the premises of the applicant inaccessible and unable to operate due to an emergency or road closure.

The fee must be waived if there is a proclamation of a state of emergency issued by the governor or by the city, town, or county where the applicant is located.

The bill does not specify a fee or ask the Board to set a fee, therefore for purposes of this fiscal note, there is no cash receipt impact.

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.

PROJECT COSTS (AS BOARD DIVISION):

The Washington State Liquor and Cannabis Board ("Board") is currently in the middle of a project to upgrade the agency's internal licensing and enforcement systems. The Licensing, Enforcement, Education, and Administrative Data Systems (LEEADS) is expected to go live in FY 2025. There are change request costs associated with this legislation that will have to be submitted to the vendor. The estimated costs for these change requests is \$66,700 in FY25. Some examples of changes needed follow:

Project vendor costs: \$50,500

- One permit type (record type, page layout)
- Restricted to Licensed Manufacturer licensees (prerequisite – Business Rule - enforced)
- One template – (Permit)
- LCB Portal application ONLY
- Portal (restricted UI experience)
- Omniscrypt Application form
- Location oriented relationship - Business Rule – Max 3 vendors (permits) at any one location
- No renewal – apply for new permit
- No Fee, No Fee Waiver, No Disaster Declaration tracking

Agency contractor costs: \$16,200

- Technical Training (preparing and delivering): 20 hours
- Testing (to include collaborative with DOR/BLS): 12 hours
- Analysis, requirements and test review: 16 hours
- Development for analytical reporting: 20 hours
- Development for replication: 20 hours
- Documentation and review (System Admin Guide, Data Dictionary, Component Tracker, Operations Plan, Report Specifications, Business Data Glossary, DSA updates, 3 Interface updates, etc.): 20 hours

INFORMATION TECHNOLOGY DIVISION:

There will be onetime costs in FY25 to implement this bill:

Agency vendor costs to modify the iSeries: 240 hrs x \$150/hr = \$36,000

Agency staff time: 0.2 FTE IT App Development - Senior/Specialist - \$32,950 (\$32,736 salary/benefits, \$214 in associated costs).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
501-1	Liquor Revolving Account	State	0	135,650	135,650	0	0
Total \$			0	135,650	135,650	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.2	0.1		
A-Salaries and Wages		25,436	25,436		
B-Employee Benefits		7,300	7,300		
C-Professional Service Contracts		102,700	102,700		
E-Goods and Other Services		214	214		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	135,650	135,650	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
IT App Development - Senior/Specialist	127,176		0.2	0.1		
Total FTEs			0.2	0.1		0.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Board Division (010)		66,700	66,700		
Information Technology Division (070)		68,950	68,950		
Total \$		135,650	135,650		

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.

Section 1(19) creates a new emergency liquor permit. Rules will need to be written to allow these permits.