

Multiple Agency Fiscal Note Summary

Bill Number: 1440 HB	Title: Civil forfeiture proceedings
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Washington State Patrol	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Fish and Wildlife	40,000	40,000	0	40,000	40,000	0	40,000	40,000	0
Total \$	40,000	40,000	0	40,000	40,000	0	40,000	40,000	0

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts	Fiscal note not available					
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	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 State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
State Lottery	.0	0	0	0	.0	0	0	0	.0	0	0	0
Washington State Gambling Commission	Fiscal note not available											
Department of Revenue	.2	37,600	37,600	37,600	.0	0	0	0	.0	0	0	0
Office of Insurance Commissioner	Fiscal note not available											
Liquor and Cannabis Board	Fiscal note not available											
Washington State Patrol	2.9	570,052	570,052	1,352,299	2.4	483,066	483,066	1,010,660	2.4	483,066	483,066	1,010,660
Washington State Patrol	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Corrections	Fiscal note not available											
University of Washington	Fiscal note not available											
Washington State University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Eastern Washington University	Fiscal note not available											
Central Washington University	Fiscal note not available											
The Evergreen State College	.0	0	0	0	.0	0	0	0	.0	0	0	0
Western Washington University	Fiscal note not available											
State Parks and Recreation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Fish and Wildlife	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Natural Resources	Fiscal note not available											
Total \$	3.1	607,652	607,652	1,389,899	2.4	483,066	483,066	1,010,660	2.4	483,066	483,066	1,010,660

Agency Name	2025-27			2027-29			2029-31		
	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			323,261			310,752			310,752
Local Gov. Total			323,261			310,752			310,752

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Administrative Office of the Courts	Fiscal note not available								
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
State Lottery	.0	0	0	.0	0	0	.0	0	0
Washington State Gambling Commission	Fiscal note not available								
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Office of Insurance Commissioner	Fiscal note not available								
Liquor and Cannabis Board	Fiscal note not available								
Washington State Patrol	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	Fiscal note not available								
University of Washington	Fiscal note not available								
Washington State University	.0	0	0	.0	0	0	.0	0	0
Eastern Washington University	Fiscal note not available								
Central Washington University	Fiscal note not available								
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	Fiscal note not available								
State Parks and Recreation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	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									
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Maria Thomas, OFM	Phone: (360) 229-4717	Date Published: Preliminary 2/10/2025
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Individual State Agency Fiscal Note

Bill Number: 1440 HB	Title: Civil forfeiture proceedings	Agency: 090-Office of State Treasurer
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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:

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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/04/2025
Agency Approval: Tammie Nuber	Phone: (360) 902-9011	Date: 02/04/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 02/04/2025

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.

HB 1440 amends RCW Title 7 to include a percentage of seizure and forfeiture proceeds to be deposited into the behavioral health loan repayment program account, coupled with the general fund as the recipient of the earnings from investments under RCW 43.79A.040(4).

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.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable.

By January 31st of each year, each seizing agency shall remit to the state an amount equal to ten percent of the net proceeds of any property forfeited during the preceding calendar year for deposit into the behavioral health loan repayment and scholarship program account.

If a seizing agency fails to file the report within 30 days after it is due for a second time, the agency is subject to a civil penalty payable to the state general fund of \$500 or the equivalent of one-quarter of the forfeiture proceeds received by the agency during the reporting period, whichever is greater.

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: 1440 HB	Title: Civil forfeiture proceedings	Agency: 116-State Lottery
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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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Hilary Elkins	Phone: 3607632912	Date: 02/04/2025
Agency Approval: Josh Johnston	Phone: 360-810-2878	Date: 02/04/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 02/04/2025

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.

HB 1440 would establish standard procedures and reporting requirements related to the seizure by law enforcement agencies and subsequent civil forfeiture of real and personal property. Although no new consistent definition for “civil forfeiture” is created in the bill, existing unchanged statutory language makes property used or intended to be used to facilitate a crime subject to seizure and civil forfeiture. See sections 8-16.

There is no impact to Washington’s Lottery. Although the Lottery is a limited authority law enforcement agency, agency officers do not engage in seizure and/or civil forfeiture of real or personal property related to criminal activity.

This analysis assumes that the following actions do not fall under the scope of this bill:

- Withholding lottery prizes over \$600 to satisfy the winner’s debts to state agencies or political subdivisions (e.g., back child support, taxes, overpayments, etc.) pursuant to RCW 67.70.255; and
- Withholding lottery prizes won by persons enrolled in the Lottery’s voluntary self-exclusion program pursuant to RCW 67.70.040(5).

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.

Department of Revenue Fiscal Note

Bill Number: 1440 HB	Title: Civil forfeiture proceedings	Agency: 140-Department of Revenue
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.2	0.1	0.2		
Account					
GF-STATE-State 001-1	25,300	12,300	37,600		
Total \$	25,300	12,300	37,600		

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: Edie Adams	Phone: (360) 786-7180	Date: 02/03/2025
Agency Preparation: Kari Kenall	Phone: (360) 534-1508	Date: 02/03/2025
Agency Approval: Marianne McIntosh	Phone: (360) 534-1505	Date: 02/03/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 02/04/2025

Request # 1440-1-1

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.

CURRENT LAW:

The law contains seizure and forfeiture procedures and reporting requirements in:

- The seizure and forfeiture of property involved in the sexual exploitation of children (RCW 9.68A.120).
- The seizure and forfeiture of property involved in the commercial sexual abuse of a minor, promoting commercial sexual abuse of a minor, and promoting prostitution (RCW 9A.88.150).
- The seizure and forfeiture of proceeds derived from money laundering (RCW 9A.83.030).
- The seizure and forfeiture of property involved in a felony (RCW 10.105.010).
- The seizure and forfeiture of property involved in an unlawful possession of commercial metal property (RCW 19.290.230).
- The seizure and forfeiture of vehicles of alcohol violators (RCW 46.61.5058).
- The seizure and forfeiture of explosives and explosive devices used or intended to be used unlawfully (RCW 70.74.400).
- The civil forfeiture of property used to violate fish and wildlife laws and rules (RCW 77.15.070).

PROPOSAL:

This bill eliminates many seizure and forfeiture procedures and reporting requirements in current law and creates a new chapter with respect to civil asset forfeiture proceedings and seizure of property (Title 7 RCW).

COMMENCEMENT OF FORFEITURE PROCEEDINGS

Except with respect to contraband items, which are seized and summarily forfeited, proceedings for forfeiture are deemed started by the seizure. The agency making the seizure must serve notice of seizure and possible forfeiture upon the owner within 15 days. A person forfeits property if they do not notify the seizing agency in writing of a claim of ownership or right to possession within 60 days of service of notice in the case of personal property, and 120 days in the case of real property.

The Service Members' Civil Relief Act is applicable to civil asset proceedings.

HEARING PROCESS

A person has a right to a hearing if they timely notify the seizing agency in writing of a claim of ownership or right to possession of the seized property. The hearing is by an administrative law judge if the seizure is by a state agency; however, the person asserting a claim or right may remove the matter to a court of competent jurisdiction. In all cases, the burden of proof is on the seizing agency to establish by a preponderance of the evidence that the property is subject to forfeiture. An owner cannot forfeit their interest in personal or real property by reason of any act or omission committed or omitted without their knowledge or consent.

The seizing agency must promptly return seized property in the same or substantially similar condition when seized once a court or hearing officer establishes an owner's entitlement to possession of the property. Prevailing claimants may collect reasonable attorneys' fees.

DISPOSITION OF FORFEITED PROPERTY AND PROCEEDS

The seizing agency may sell, retain for official use, request another entity to take custody of, or forward to an appropriate entity property forfeited if the law doesn't require destruction of the property. By January 31 of each year, each seizing agency must remit to the Washington State Patrol (state patrol) 10% of the proceeds of any property forfeited during the

previous calendar year. The value of sold forfeited property is the sale price, and for retained property, the fair market value at the time of seizure. The state patrol deposits the proceeds into the general fund. Seizing agencies do not send forfeited property and any additional net proceeds to the state patrol. If the seizing agency retains forfeited property, it must be used exclusively for the expansion and improvement of related enforcement activities, but not for supplanting preexisting funding sources.

REPORTING REQUIREMENTS APPLICABLE TO SEIZING AGENCIES

The new chapter includes general reporting requirements applicable to all seizures by seizing agencies, regardless of whether the seizure was pursuant to the new chapter, other state statutes, or in collaboration with a federal agency under federal law.

Seizing agencies must keep records about property seized and forfeited indicating:

- Name of agency.
- Date of seizure.
- Type of and description of property, including make, model, year, and serial number.
- Location where seizure occurred.
- Details surrounding any federal government involvement.
- Whether the forfeiture was contested.
- The disposition of the forfeited property.
- The date of disposition of the forfeited property.
- Whether a default, contested hearing, or agreed settlement resolved the forfeiture.
- The value of the forfeited property.
- Net proceeds retained.

Annually, each seizing agency must file a report with the state patrol that includes all the records about seized property. In addition, each seizing agency must also file a report with the state patrol that summarizes the agency's expenditures from the sum of the net proceeds of all property seized and forfeited during the previous calendar year. The state patrol must establish and maintain a searchable public web site of all the report information.

Annually, the state patrol must submit a written report to the attorney general, the legislature, and the governor summarizing statewide forfeiture activity. The report must be made available on the state treasurer's web site.

A seizing agency failing to file a report as required is subject to a civil penalty payable to the general fund of \$500 or the equivalent of one-quarter of the forfeiture proceeds received during the reporting period, whichever is greater.

The data and reports are public information under the Public Records Act.

The act applies to seizures occurring on or after January 1, 2026.

EFFECTIVE DATE:

The bill takes effect on January 1, 2026, except for the section authorizing the state patrol to adopt rules necessary to implement the new chapter (section 7), which takes effect 90 days after the adjournment of this 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.

ASSUMPTIONS

- This legislation applies to all civil seizures and may impact annual average receipts of approximately \$25 million from

28,000 withhold and deliver orders.

- The Department of Revenue (department) provides 10% of net proceeds to the State Patrol for deposit into the General Fund.

DATA SOURCES

Department of Revenue, Compliance data

REVENUE ESTIMATES

This bill could potentially reduce state revenues by an indeterminate amount if the department:

- Could retain additional funds to cover the costs needed to meet the ongoing reporting requirements of this legislation.
- Reduces the number of property seizures, resulting in decreased tax collections, should significant resources be necessary to comply with the bill's requirements.

TOTAL REVENUE IMPACT:

State Government (cash basis, \$000): Indeterminate

Local Government, if applicable (cash basis, \$000): None

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.

FIRST YEAR COSTS:

The department will incur total costs of \$25,300 in fiscal year 2026. These costs include:

Labor Costs – Time and effort equate to 0.2 FTE.

- Update, develop and write procedures and reports.
- Track and run internal reports and organize and prepare annual reports of seized and forfeited property.

SECOND YEAR COSTS:

The department will incur total costs of \$12,300 in fiscal year 2027. These costs include:

Labor Costs – Time and effort equate to 0.1 FTE.

- Track and run internal reports and organize and prepare annual reports of seized and forfeited property.

ONGOING COSTS:

There are no ongoing costs.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.2	0.1	0.2		
A-Salaries and Wages	15,700	7,800	23,500		
B-Employee Benefits	5,600	2,800	8,400		
E-Goods and Other Services	3,000	1,400	4,400		
G-Travel	200	100	300		
J-Capital Outlays	800	200	1,000		
Total \$	\$25,300	\$12,300	\$37,600		

III. B - Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
MGMT ANALYST4	78,468	0.2	0.1	0.2		
Total FTEs		0.2	0.1	0.2		

III. C - 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

Part V: New Rule Making Required

Individual State Agency Fiscal Note

Bill Number: 1440 HB	Title: Civil forfeiture proceedings	Agency: 225-Washington State Patrol
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.
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Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.4	2.4	2.9	2.4	2.4
Account					
General Fund-State 001-1	328,519	241,533	570,052	483,066	483,066
State Patrol Highway Account-State 081-1	518,450	263,797	782,247	527,594	527,594
Total \$	846,969	505,330	1,352,299	1,010,660	1,010,660

In addition to the estimates above, there are additional indeterminate costs 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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Allison Plant	Phone: 360-596-4080	Date: 02/07/2025
Agency Approval: Mario Buono	Phone: (360) 596-4046	Date: 02/07/2025
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/07/2025

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 proposed legislation has a fiscal impact to the Washington State Patrol (WSP).

New Section 2(1)(b) changes seizure notices to include information regarding a person's right to move the matter to a court of competent jurisdiction and if the person substantially prevails then they are entitled to reimbursement of reasonable attorney's fees.

New Section 2(2) changes the period of seizure contest from current 45 days to 60 days for personal property and current 90 days to 120 days for real property.

New Section 3 outlines the conditions under which a landlord may assert a claim against proceeds from the sale of assets seized and forfeited if an employee/agent/officer working in their official capacity directly caused damage to the property.

New Section 5(4)(a) requires a seizing agency to keep a record of each forfeiture and outlines what that record must indicate.

New Section 5(4)(b) requires seizing agencies to submit the information from 5(4)(a) to the WSP by a date specified by the WSP. It also requires WSP to create and maintain a searchable public website to include all records in 5(4)(a).

New Section 5(4)(c) states that by March 1st of each year, seizing agencies are required to file with the WSP a summary of the agency's expenditures from the sum of the net proceeds of all seized and forfeited property during the previous calendar year. This report is to be posted and available on the website created in 5(4)(b).

New Section 5(5) requires WSP to submit an annual, written report summarizing forfeiture activity in the preceding fiscal year. This report is to be made available on the state treasurer's website.

New Section 5(7) states that if a seizing agency does not provide a report thirty days after WSP's deadline, then WSP shall provide written warning. If the seizing agency fails to file after the first warning, the agency is subject to a civil penalty of \$500 or 25% of the forfeiture proceeds received by the agency during the reporting period, whichever is greater.

New Section 5(8) states that the data and reports compiled and prepared under this chapter are public information.

New Section 6(1)(a)(i) states that by January 31, agencies are to submit 10% of net proceeds of any property forfeited during the preceding calendar year to the WSP, except as provided in 6(1)(a)(ii). The money remitted shall be deposited into the State General Fund, unless otherwise provided by statute.

New Section 6(1)(a)(ii) states 10% net proceeds from RCW 10.105.010 and 46.61.5058 are to be submitted to the state for deposit into the behavioral health loan repayment program account through June 30, 2027, and into the state general fund thereafter.

New Section 7 allows WSP to adopt rules necessary to implement this new chapter.

Section 11(4) amends RCW 10.105.010 and states that forfeited proceeds must first satisfy any court-ordered victim restitution before proceeds are permitted to seizing agency.

Section 12(5)(a-b) amends RCW 19.290.230 and states that any forfeited proceeds must first satisfy any court-ordered victim restitution and must remit to a known victim of a crime involving seized property, 50% of the net proceeds of any

forfeited property before proceeds are permitted to seizing agency.

Section 16(4) amends RCW 69.50.505 to change the period of seizure contest from current 45 days to 60 days for personal property and current 90 days to 120 days for real property.

Section 16(5) requires that the seizing law enforcement agency return a seized article to the claimant in the same or substantially similar condition as when seized.

New Section 20 states that except for section 7, the effective date is January 1, 2026.

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.

This legislation would have an indeterminate impact on revenue. We do not know how many fines would be assessed under Section 5(7) and we do not currently have any information on seizure actions taken by other state and local agencies under Section 6(1)(a)(i), so we are not able to estimate possible revenues but expect that they will vary each year.

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 WSP Investigative Assistance Division (IAD) will need 1.0 FTE Data Consultant 3 to support the requirement to capture and report additional data points. This position will be responsible for reviewing seizing agencies' annual reports, uploading them to the website, preparing and submitting the annual Legislative report, and reviewing/processing warnings and penalty notices for agencies that fail to submit reports by the deadline.

To establish and maintain a searchable public website as required in Section 5(4), the WSP Information Technology Division (ITD) will need the following:

0.15 FTE Project Manager Senior Specialist for 12 months in FY26 to oversee project implementation.

0.18 FTE Business Analyst Journey in FY26 to gather and document requirements, document the test plan and track test results.

1.0 FTE Application Developer Senior Specialist for 12 months in FY26 for data model development, database script development, execute script, web site development and query tool development.

0.25 FTE Application Developer Senior Specialist ongoing beginning in FY27 to support the data, website and query tool once in production.

0.10 FTE System Administrator Senior Specialist ongoing beginning in FY26 to support the server, database, and web server.

1.0 FTE System Administrator Journey ongoing beginning in FY26 to be responsible for the system.

One server - \$50,000 every 5 years

Two SQL standard license packs minimum - \$10,000 one-time costs, \$2,000 annually

Windows Server Standard - \$1,000 annually

Web page costs – \$500 annually

The amount of data we will receive is unknown. The cost to backup and store the data depend on the quantity. For data storage we estimate we will need \$5,000 to \$20,000 annually. For backup services we estimate we will need \$1,000 to \$5,000 annually.

Additional rulemaking will be required as a result of this proposed legislation. Rulemaking within the WSP requires input from various individuals including the Government and Media Relations Captain and Legislative Analyst, the captain(s)

and/or commander(s) of the impacted division(s), the Bureau Commander or Assistant Chief for the impacted bureau(s), the Risk Management Division Commander, and the Chief or his designee.

The costs associated with legislative rule making are dependent upon the individuals working on the effort and how much time is required of each, but generally include the Government and Media Relations staff (8.5 hours), Subject Matter Expert (5 hours), and various reviewers (1.0 hours). The estimated cost for such rule making would be approximately \$1,319.

We anticipate an increase in public disclosure requests related to the information and reports. We are unable to determine what the fiscal impact of that will be as we do not know how many requests this will create.

We base estimated salary expenditures on current levels for the positions requested per published salary schedules, plus proposed increases in ratified collective bargaining agreements and any applicable incentive or assignment pay. We compute estimated benefits expenditures based on federal or state mandated rates plus state provided amounts for health insurance and workers' compensation insurance. We assume that any increases in these rates or amounts will be covered by legislation establishing the increase.

Estimates for goods and services, equipment and travel are based on our agency rule-of-thumb costs per FTE, which are derived from historical expenditures and adjusted for unit specific costs.

We base our estimate for agency indirect costs on the approved federal indirect cost rate of 31.34%. We apply this indirect cost rate percentage to all categories of expenditures with only two exceptions: capital equipment and the portion of each professional contract in excess of \$25,000. Indirect costs include, but are not limited to, computer and telecommunications support, payroll processing, vendor payments, general accounting, procurement administration, inventory control, and human resource management.

The funding allocation of this proposal uses the results of the Joint Legislative Audit and Review Committee Cost Allocation model approved by both the Transportation and Omnibus Budget Committees in the 2024 Supplemental Budget. The model analyzes costs and relevant activities (hours, transactions, type of enforcement, etc.) of Washington State Patrol (WSP) organizations funded by two or more sources to ensure a consistent and fair use of state resources.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	328,519	241,533	570,052	483,066	483,066
081-1	State Patrol Highway Account	State	518,450	263,797	782,247	527,594	527,594
Total \$			846,969	505,330	1,352,299	1,010,660	1,010,660

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.4	2.4	2.9	2.4	2.4
A-Salaries and Wages	381,021	247,761	628,782	495,522	495,522
B-Employee Benefits	114,156	75,929	190,085	151,858	151,858
C-Professional Service Contracts					
E-Goods and Other Services	111,283	51,481	162,764	102,962	102,962
G-Travel	8,220	5,640	13,860	11,280	11,280
J-Capital Outlays	38,360	4,289	42,649	8,578	8,578
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Indirect Costs	193,929	120,230	314,159	240,460	240,460
Total \$	846,969	505,330	1,352,299	1,010,660	1,010,660

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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 2026	FY 2027	2025-27	2027-29	2029-31
DATA CONSULTANT 3	82,874	1.0	1.0	1.0	1.0	1.0
IT APP DEVELOPMENT - SENIOR/SPECIALIST	127,790	1.0	0.3	0.6	0.3	0.3
IT BUSINESS ANALYST - JOURNEY	110,362	0.2		0.1		
IT PROJECT MANAGEMENT - SENIOR/SPECIALIST	147,937	0.2		0.1		
IT SYSTEM ADMINISTRATION - JOURNEY	115,912	1.0	1.0	1.0	1.0	1.0
IT SYSTEM ADMINISTRATION - SENIOR/SPECIALIST	121,697	0.1	0.1	0.1	0.1	0.1
Total FTEs		3.4	2.4	2.9	2.4	2.4

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.

This will require new rule-making as authorized in section 7.

Individual State Agency Fiscal Note

Bill Number: 1440 HB	Title: Civil forfeiture proceedings	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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Cassi Postma	Phone: 3609999999	Date: 02/05/2025
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/05/2025
OFM Review: Anna Minor	Phone: (360) 790-2951	Date: 02/05/2025

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.

House Bill 1440 (HB 1440) creates procedures for seizure of personal and real property, and reporting thereof.

Section 5 of this bill applies to seizures of property, excluding seizures of property conducted by the Department of Social and Health Services (DSHS) Economic Services Administration (ESA) Division of Child Support (DCS) under subsection 3.

Although, DCS has authority under RCW 74.20A.130 to seize or sell property that has a support lien filed under RCW 74.20A.060, given their exclusion in subsection 5(3) of HB 1440, it is assumed that enacting this bill into law will result in no fiscal impact to DSHS.

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.

None.

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.

None.

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

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: 1440 HB	Title: Civil forfeiture proceedings	Agency: 365-Washington State University
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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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Emily Green	Phone: 5093359681	Date: 02/04/2025
Agency Approval: Christina Gregory	Phone: 5093359682	Date: 02/04/2025
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/04/2025

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.

House Bill 1440 – Civil forfeiture proceedings intends to provide standard procedures related to civil asset forfeiture.

This bill would not fiscally impact Washington State University. WSU does not engage in asset seizure or forfeiture actions

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: 1440 HB	Title: Civil forfeiture proceedings	Agency: 376-The Evergreen State College
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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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Daniel Ralph	Phone: 360-867-6500	Date: 02/06/2025
Agency Approval: Lisa Dawn-Fisher	Phone: 564-233-1577	Date: 02/06/2025
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/06/2025

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.

HB 1440 relates to seizure and forfeiture procedures and reporting.

Section 2.1(a) The agency under whose authority the seizure is made must serve notice of forfeiture within 15 days following the seizure.

Section 2.7 states that if a determination is made by the administrative law judge or court that the claimant is lawfully entitled to the seized items, the department must promptly return those items in the same or substantially similar condition as when they were seized.

Section 5.4(a) requires the seizing agency to keep a record about property seized and forfeited under state law and any agreement with any federal agency.

Section 5.4(b) requires the agency to file an annual report with the State Patrol including all of the records required under section 5.4(a).

Section 6 requires the agency to pay the state patrol 10% of the net proceeds of any seizures. It will also remit 10% of the net proceeds of the seizures to the state.

Section 8 lists the kinds of property that are subject to seizure and forfeiture.

Section 11.4 states that when property is seized and forfeited, the seizing agency must first satisfy any court-ordered victim restitution before retaining, using, selling, or taking other action with respect to the property.

Section 12.5.(b) states that within 120 days after the entry of an order of forfeiture, each seizing agency shall remit to, if known, the victim of the crime involving the seized property, an amount equal to 50 percent of the net proceeds of any property forfeited.

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: 1440 HB	Title: Civil forfeiture proceedings	Agency: 465-State Parks and Recreation 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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: Robert Ingram	Phone: (360) 902-8615	Date: 02/03/2025
Agency Approval: Frank Gillis	Phone: (360) 902-8538	Date: 02/03/2025
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/03/2025

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 proposed legislation provides standardized procedures governing civil forfeiture of assets.

Since State Parks has not entered, and does not anticipate entering into, any civil forfeiture proceedings, this bill would have 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.

None.

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.

Since State Parks has not entered, and does not anticipate entering into, any civil forfeiture proceedings, this bill would have no 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

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: 1440 HB	Title: Civil forfeiture proceedings	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
General Fund-State 001-1	20,000	20,000	40,000	40,000	40,000
Fish & Wildlife Enforcement Reward Account-State 07V-1	(20,000)	(20,000)	(40,000)	(40,000)	(40,000)
Total \$					

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: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Preparation: David Hoeveler	Phone: (360) 970-1638	Date: 02/03/2025
Agency Approval: David Hoeveler	Phone: (360) 970-1638	Date: 02/03/2025
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/03/2025

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 5 directs seizing agencies to keep specific valuation records of property seized and forfeited. The department is also required to submit an annual report to Washington State Patrol detailing WDFW’s net proceeds from all seized and forfeited property.

Section 6 directs agencies to remit 10% net proceeds from any property seizure from the preceding calendar year to Washington State Patrol. Funds will be deposited into the behavioral health loan repayment program account.

Section 15 grants WDFW officers authority to seize items like boats, vehicles, and gear without a warrant if they have probable cause of a violation. They won't seize items, except for evidence if the violation seems inadvertent. Seized property is forfeited to the state, but owners can recover it by posting a cash bond or security up to \$100,000, which can be forfeited instead of the property. This forfeiture is a civil remedial sanction.

The proposed legislation will have an indeterminant fiscal impact on WDFW due to an increase in workload for the department to manage the updated civil forfeiture procedures.

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 6 directs 10 percent of funds from forfeiture sales will go to the state’s behavioral health loan repayment program account. The last three biennia average of forfeiture sales is \$400,000. The 10 percent to be transferred to the behavior health loan repayment account will be an approximate \$40,000 per biennium.

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: 1440 HB	Title: Civil forfeiture proceedings
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Training and ongoing costs associated with reporting processes for seized and forfeited property.
- ☒ Counties: Same as above.
- ☒ Special Districts: Port of Seattle may use net proceeds from seizures for law enforcement and other specified activities.
- ☐ 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: Net proceeds from property that has been forfeited.

Estimated revenue impacts to:

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

Estimated expenditure impacts to:

Jurisdiction	FY 2026	FY 2027	2025-27	2027-29	2029-31
City	126,038	132,600	258,638	265,200	265,200
County	41,847	22,776	64,623	45,552	45,552
TOTAL \$	167,885	155,376	323,261	310,752	310,752
GRAND TOTAL \$					944,765

Part III: Preparation and Approval

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 02/07/2025
Leg. Committee Contact: Edie Adams	Phone: 360-786-7180	Date: 02/03/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/07/2025
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 02/07/2025

Part IV: Analysis

A. SUMMARY OF BILL

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

This bill eliminates many seizure and forfeiture procedures and reporting requirements in current law and creates a new chapter with respect to civil asset forfeiture proceedings and seizure of property (Title 7 RCW).

The agency making the seizure must serve notice of seizure and possible forfeiture upon the owner within 15 days. A person forfeits property if they do not notify the seizing agency in writing of a claim of ownership or right to possession within 60 days of service of notice in the case of personal property, and 120 days in the case of real property.

A person has a right to a hearing before the chief law enforcement officer of the seizing agency. Any person asserting a claim or right may remove the matter to a court of competent jurisdiction. Prevailing claimants may collect reasonable attorneys' fees.

The seizing agency may sell, retain for official use, request another entity to take custody of, or forward to an appropriate entity property forfeited if the law doesn't require destruction of the property. By January 31 of each year, each seizing agency must remit to the Washington State Patrol (WSP) 10% of the proceeds of any property forfeited during the previous calendar year. Seizing agencies do not send forfeited property and any additional net proceeds to the WSP. If the seizing agency retains forfeited property, it must be used exclusively for the expansion and improvement of related enforcement activities, but not for supplanting preexisting funding sources.

The new chapter includes general reporting requirements applicable to all seizures by seizing agencies. Seizing agencies must keep records about property seized and forfeited indicating:

- Name of agency.
- Date of seizure.
- Type of and description of property, including make, model, year, and serial number.
- Location where seizure occurred.
- Details surrounding any federal government involvement.
- Whether the forfeiture was contested.
- The disposition of the forfeited property.
- The date of disposition of the forfeited property.
- Whether a default, contested hearing, or agreed settlement resolved the forfeiture.
- The value of the forfeited property.
- Net proceeds retained.

Annually, each seizing agency must file a report with WSP that includes all the records about seized property. In addition, each seizing agency must also file a report with WSP that summarizes the agency's expenditures from the sum of the net proceeds of all property seized and forfeited during the previous calendar year.

A seizing agency failing to file a report as required is subject to a civil penalty payable to the general fund of \$500 or the equivalent of one-quarter of the forfeiture proceeds received during the reporting period, whichever is greater.

The data and reports are public information under the Public Records Act.

Sec. 16 amends RCW 69.50.505. If the seizing agency is a port district operating an airport in a county with a population of more than one million, it may use the net proceeds not required to be remitted to the state for purposes related to controlled substances law enforcement, substance abuse education, human trafficking interdiction, and responsible gun ownership.

The act applies to seizures occurring on or after January 1, 2026.

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.

This legislation would result costs for city and county law enforcement agencies. The Local Government Fiscal Note Program (LGFN) assumes that the ongoing costs to track and report forfeitures and seizures would start in fiscal year 2027, based on the effective date of the bill. LGFN further assumes that one-time training costs would be incurred in fiscal year 2026.

ONGOING REPORTING COSTS:

Currently, law enforcement agencies track all assets seized, the proceeds used to adjudicate the disposition, the amount received by disposition of items, the dates involved, and track and file the amount owed to the Office of the State Treasurer (OST). Extending the amount of time that persons can file a claim on forfeitures increases the amount of staff time and resources needed for each forfeiture. The 2025 LGFN Criminal Justice Cost Model estimates the average hourly salary (including benefits and overhead) for an officer employed by a city to be \$75, and the same figure for an officer employed by a county to be \$73. For medium-sized and smaller agencies, the tracking and reporting tasks would primarily be the responsibility of field enforcement officers, which would take them away from their primary duties.

The Washington Association of Sheriffs and Police Chiefs estimates that the reporting requirements in Sec. 6 would require eight hours of staff time each year. For the 39 counties and the 221 cities that have police departments, LGFN has calculated this amount to be \$155,376 as follows:

Police Officer hourly rate (including benefits/overhead) of \$75 x 8 hours x 221 cities and towns = \$132,600
Deputy Sheriff hourly rate (including benefits/overhead) of \$73 x 8 hours x 39 counties = \$22,776
The total estimated cost for annual reporting = \$155,376

TRAINING COSTS:

According to the Marysville and Everett Police Departments, approximately 15 minutes training time would be needed for law enforcement officers on the new provisions regarding processes for seizure and forfeiture. This training would require a one-time cost of \$126,038 for cities and \$41,847 for counties, for a total one-time cost to local governments of \$167,885

The 2023 Crime in Washington Report conducted by WASPC states that there are 6,722 commissioned officers in police departments and 2,293 commissioned officers in sheriff’s departments, for a total of 9,015 commissioned law enforcement employees that would require training. If every officer in Washington had to complete approximately 15 minutes of training, the cost to local governments would be:

Cities:
6,722 officers X 0.25 hours X \$75 average hourly salary plus benefits and overhead = \$126,038

Counties:
2,293 officers X 0.25 hours X \$73 average hourly salary plus benefits and overhead = \$41,847

Total: \$167,885

Training materials and time required may differ among different departments, however.

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 indeterminate revenue impacts for the Port of Seattle. Sec. 16 directs that a port district operating an airport in a county with a population of more than one million may use the net proceeds not required to be

remitted to the state for purposes related to controlled substances law enforcement, substance abuse education, human trafficking interdiction, and responsible gun ownership. The Port of Seattle is the only port district meeting this criteria. The additional revenue from net proceeds of seized property is not known.

SOURCES:

Washington Association of Sheriffs and Police Chiefs

Local Government Fiscal Note for HB 1385, 2023

Local Government Fiscal Note Program criminal justice cost model

Everett Police Department

Marysville Police Department