

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5491 S SB	<b>Title:</b> Residential building exits	<b>Agency:</b> 179-Department of Enterprise Services
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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	1.0	0.0	0.5	0.0	0.0
<b>Account</b>					
General Fund-State 001-1	199,600	0	199,600	0	0
<b>Total \$</b>	199,600	0	199,600	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 Preparation: Michael Diaz	Phone: (360) 407-8131	Date: 02/22/2023
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 02/22/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/22/2023

## 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 adds a new section to RCW 19.27 that (1) allows counties or cities to adopt amendments allowing up to five stories of group R-2 occupancy to be served by a single exit under certain conditions. Section 1(2) states that a city that intends to adopt amendments under subsection (1) must be served by a municipal fire department or district and not have a current restriction on development due to a lack of fire flow capacity. This section further specifies that nothing precludes a city from deciding that the city does not have appropriate fire apparatus or hydrant networks to serve single stairwell buildings. Subsection (3) states this section is to expire on July 1, 2026. As written, this section has no fiscal impact to the Department of Enterprise Services (DES). However, DES believes this bill would create conflicts with the adopted state codes until Section 2 of this bill has been adopted by the State Building Code Council (SBCC), or this section expires, whichever comes first.

Section 2(3) amends RCW 19.27.042 and 1991 c 139 s 1 by adding a new subsection that requires the SBCC to adopt standards to allow for up to five stories of group R-2 occupancy to be served by a single exit and make them available for local adoption by July 1, 2026. This has fiscal impact to DES.

### 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.*

As written, this bill creates conflicts with the adopted state building codes. Because of these conflicts the State Building Code Council (SBCC) will be required to conduct comprehensive research and modify provisions until a new code, as required by section 2(3), can be developed and adopted by July 1, 2026. DES estimates it would take at least one year for off-cycle code adoption by SBCC to implement SSB 5491. Off-cycle rulemaking requires additional Council and Technical Advisory Group (TAG) meetings, public hearings, and testimony. Additionally, one FTE would be needed to complete this work. DES estimates the total cost to be \$199,600.

The SBCC would need to meet for an additional two council meetings with eight council members, six advisory meetings with one member, two public hearings with two members, and two committee meetings with seven members to establish these codes. Travel costs for an SBCC member to attend a meeting are as follows:

- Round-trip air travel \$527
- Per Diem \$311
- Rental car \$50
- Parking \$12
- Total \$900/day

Three Council Meetings multiplied by eight council members equals \$21,600. Twenty-one Advisory Meetings multiplied by one council member equals \$18,900. Two public hearings meetings multiplied by two council members equals \$3,600. Three Committee Meetings multiplied by seven council members equals \$18,900. The total fiscal impact of travel costs for DES is estimated at \$63,000.

Off-cycle rulemaking also impacts the administrative staff that supports the SBCC.

For purposes of this analysis, DES assumes that 1.0 Management Analyst 5 would be required for up to 12 months and the position would start July 1, 2023.

The impact to the administrative staff supporting the SBCC will be reevaluated at the end of the legislative session to determine the combined impact of legislation passed. A supplemental budget request to right-size the staffing levels might be needed for the 2024 session.

**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	199,600	0	199,600	0	0
<b>Total \$</b>			199,600	0	199,600	0	0

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.0		0.5		
A-Salaries and Wages	91,500		91,500		
B-Employee Benefits	31,100		31,100		
C-Professional Service Contracts					
E-Goods and Other Services	14,000		14,000		
G-Travel	63,000		63,000		
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>	199,600	0	199,600	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	91,524	1.0		0.5		
<b>Total FTEs</b>		1.0		0.5		0.0

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

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

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

NONE

**IV. C - Capital Budget Breakout**

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

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5491 S SB

Title: Residential building exits

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

### Legislation Impacts:

Cities: Cities and towns that choose to pass an amendment/resolution to change the residential building code.

Counties: Same as above.

Special Districts:

Specific jurisdictions only:

Variance occurs due to:

## Part II: Estimates

No fiscal impacts.

Expenditures represent one-time costs:

Legislation provides local option: Cities and counties may choose to amend the residential building code.

Key variables cannot be estimated with certainty at this time: The number of jurisdictions, the amount of fee revenue by jurisdiction.

### Estimated revenue impacts to:

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

### Estimated expenditure impacts to:

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

## Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 02/22/2023
Leg. Committee Contact: Maggie Douglas	Phone: 3607867279	Date: 02/17/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/22/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/22/2023

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

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

CHANGES BETWEEN THIS SUBSTITUTE VERSION AND THE ORIGINAL VERSION OF THIS BILL:

Sec.1 adds a new section to chapter 19.27 RCW which includes additional criteria for multifamily residential building code amendments in the following subsections:

Sec.1 (1) (c) the building does not contain a state licensed facility as defined in WAC 236-314-010;

Sec.1 (1) (d) the building does not have more than four dwellings on any floor; and

Sec.1 (3) adds a new subsection providing an expiration date of July 1, 2026.

Sec.2 (3) amends 19.27.042 RCW to direct the state building code council to adopt by rule, guidelines for cities and counties exempting buildings being used to house indigent persons by July 1, 2026.

These changes do not create any fiscal impacts for local governments.

### **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.*

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

This substitute bill does not change the expenditure impact this bill would have on local governments. The impact on local government expenditures is indeterminate because the bill provides a local option and the cost of updating local building codes would vary by jurisdiction.

The Washington State Association of Counties (WSAC) estimates that it would cost jurisdictions approximately \$20,000 to pass an amendment to update the residential building code.

### **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.*

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

This substitute bill does not change the revenue impact this bill would have on local governments. The revenue impact on local governments is indeterminate, as this is a local option. There is no way to predict how many jurisdictions would choose to adopt an amendment to change the International Residential Code or whether permit fee revenue would be sufficient to offset expenditures.

#### **SOURCES**

Washington State Association of Counties (WSAC)