

Multiple Agency Fiscal Note Summary

Bill Number: 5955 S SB	Title: Large port districts
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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
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Commerce	10,000,000	10,000,000	10,000,000	0	0	0	0	0	0
Total \$	10,000,000	10,000,000	10,000,000	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						
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	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	.2	113,104	113,104	113,104	.3	114,136	114,136	114,136	.3	114,136	114,136	114,136
Department of Revenue	.0	0	0	0	.1	28,200	28,200	28,200	.1	27,000	27,000	27,000
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.2	113,104	113,104	113,104	0.4	142,336	142,336	142,336	0.4	141,136	141,136	141,136

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Department of Commerce	Non-zero but indeterminate cost and/or savings. Please see discussion.
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Prepared by: Myra Baldini, OFM	Phone: (360) 688-8208	Date Published: Final 2/ 3/2024
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Individual State Agency Fiscal Note

Bill Number: 5955 S SB	Title: Large port districts	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: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 01/31/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/31/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/01/2024

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.

SSB 5955 creates the port district equity fund, coupled with the general fund as the recipient of the earnings from investments under RCW 43.84.092(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.

There may be an impact on the debt service limitation calculation. Changes to the earnings credited to the general fund impacts, by an equal amount, general state revenues.

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: 5955 S SB	Title: Large port districts	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
General Fund-State 001-1		10,000,000	10,000,000		
Total \$		10,000,000	10,000,000		

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.4	0.2	0.3	0.3
Account					
General Fund-State 001-1	0	113,104	113,104	114,136	114,136
Total \$	0	113,104	113,104	114,136	114,136

Estimated Capital Budget Impact:

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

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: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 02/03/2024
Agency Approval: Pouth Ing	Phone: 360-725-2715	Date: 02/03/2024
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 02/03/2024

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.

Differences between the substitute and the original bill:

- The intent of the mitigation grant program established in the department is narrowed to focus on noise mitigation. The intent is also modified to focus only on the repair or replacement of failed noise mitigation projects and to address hazards or damages to residential properties from noise mitigation projects, in addition to building inspector services.
- The fund established in section 5 is now backed by distributions from specific retail sales and use taxes, and up to \$10 million annually, including a one-time transfer of \$10 million from the state general fund in FY25.
- The department must consult with the Department of Revenue to identify the total amount of sales tax revenue generated under RCW 82.08.020 and 82.14.525 from any capital project at the Port of Seattle, and for which mitigation projects and building inspector services for them would be funded.
- The proposed legislation removed the environmental justice consultation assessment required for significant port actions and the related programming in the Department of Commerce (department) to finance them.

The effect of the changes to the substitute will increase the fiscal impact to the department.

Bill Summary:

Section 3 amends RCW 53.54.030 to provide that qualifying port districts (Port of Seattle) inspecting homes where sound mitigation improvements are no longer working may incur costs to secure qualified building inspectors from King County. The grant program established in the Department of Commerce (department) in Section 5 could reimburse the county for these expenses. If the noise mitigation equipment is not working, the port must apply to the department's grant program to replace it. If the equipment resulted in hazards or structure damage, the port must apply to the department's grant program to address them.

Section 5 adds a new section to RCW 43.330 (Department of Commerce) to establish the noise mitigation grant program, which is subject to appropriation. The department must prepare and publish on its webpage an annual report, to include: (a) the number of inspectors hired or contracted, (b) number of inspections conducted, (c) number of properties receiving new or improved noise mitigation equipment after inspection; (d) the number of properties receiving funds to address hazards or damage; and (e) the number of inspected properties where no repairs occurred and the reasons why. Port districts may match awards under this chapter.

Section 6 adds a new section to RCW 53.20 (port district harbor improvements) to establish the port district equity fund. Beginning July 1, 2025 and each year thereafter, the Legislature must appropriate up to \$10 million from the state general fund to the fund established in this section and for the purposes of the department's grant program in Section 5. The Department of Revenue and the department must consult on the total amount of funding generated under RCW 82.08.020 (state retail sales and use tax) and 82.14.525 (cultural access programs sales and use tax currently only enacted by Pierce County) from any capital project at the Port of Seattle.

Section 6(2) requires the department to provide fund management services, and to develop procedures, grant criteria and grant monitoring. The department will publish a report in alignment with Section 5(2)(a-e) on grant awards and benefits realized.

Section 7 would provide an initial \$10 million appropriation into the fund established in Section 6 from the state general fund to issue grants under Section 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.

Section 7 would require an initial deposit of \$10 million from the state general fund to the port district equity fund established in Section 6. Beginning July 1, 2025 and each fiscal year thereafter, the Legislature must appropriate no more than \$10 million in additional resources resultant from the proceeds of retail sales and use taxes generated from qualifying capital projects (Section 6(4)(b)). Revenue generated beginning in fiscal year 2026 is indeterminate. It is unknown at what level the qualifying retail sales and use taxes generated from the Port of Seattle's capital improvement plans for Seattle-Tacoma International Airport will be, or if they would meet the \$10 million cap annually.

Cash receipts:

FY25: \$10,000,000

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 department would require approximately \$120,000 in FY25 for outreach and to form the grant program established in Section 5 and meet fund management and reporting obligations in Section 6.

Agency assumptions:

- The department assumes outreach and engagement with communities as part of the required environmental justice assessments for the new program created in Sections 5. Outreach would include coordination with the Port of Seattle and King County to identify potential capital projects for which qualifying taxes may be identified for the requisite consultation under Section 6(4), and the annual remittance to the fund established in Section 5 .
- The department assumes additional engagement and consultation will be required with the Department of Revenue to assess the adequacy of relevant retail sale tax detail collected from the port and the vendors associated with qualifying capital projects.
- The department assumes annual coordination with the Port of Seattle to collect data on awards and project outcomes under the proposed legislation and to meet the requirements of the annual report in Section 5.

0.30 Commerce Specialist 4 (626 hours) in FY25 and 0.20 FTE (418 hours) FY26-FY29 to oversee program management, facilitate community and stakeholder consultation to assist program formation, to provide project monitoring, to collect grants data and report annually.

0.04 FTE WMS Band 2 (84 hours) in FY25 and 0.02 FTE (41 hours) FY26-FY29 to provide leadership, oversight, coordination over all elements of program formation and operation. Staff will also support community outreach and engagement, and review of annual reports published to the department webpage.

Salaries and benefits:

FY25: \$42,822

FY26-FY29: \$27,445 per fiscal year

Goods and Services:

The department assumes \$5,250 (25 hours at \$210 per hour) in FY25 for Assistant Attorney General (AAG) consultation each year with the assumption there will be grant contracts each fiscal year.

FY25: \$8,517

FY26-FY29: \$ 4,213 per fiscal year

Professional Service Contracts:

Translated materials would cost approximately \$1,725 per document per language (between \$0.16 and \$0.21 cents per word) with an assumption that up to 27 translations (two program documents into the nine most common English language alternatives) would be required in FY25 as part of the requisite environmental justice assessments, including program communications during the first year of program operations (\$1,725 x 27 = \$46,575). For FY26-FY29 (\$1,725 x 9 = \$15,525).

FY25: \$46,575

FY26-FY29: \$15,525 per fiscal year

Travel Costs:

The department assumes approximately 10 trips in the first year of the program to support community outreach and engagement, and declining thereafter.

FY25: \$1,102

FY26-FY29: \$856 per fiscal year

Intra-agency reimbursements:

FY25: \$ 14,088

FY26-FY29: \$ 9,029 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Operating Costs:

FY25: \$ 113,104

FY26-FY29: \$57,068 per fiscal year

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	113,104	113,104	114,136	114,136
Total \$			0	113,104	113,104	114,136	114,136

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.4	0.2	0.3	0.3
A-Salaries and Wages		31,699	31,699	40,580	40,580
B-Employee Benefits		11,123	11,123	14,310	14,310
C-Professional Service Contracts		46,575	46,575	31,050	31,050
E-Goods and Other Services		8,517	8,517	8,426	8,426
G-Travel		1,102	1,102	1,712	1,712
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		14,088	14,088	18,058	18,058
9-					
Total \$	0	113,104	113,104	114,136	114,136

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
Administrative Services - Indirect	111,168		0.1	0.0	0.0	0.0
Commerce Specialist 4	88,794		0.3	0.2	0.2	0.2
WMS Band 2	126,529		0.0	0.0	0.0	0.0
Total FTEs			0.4	0.2	0.3	0.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

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

IV. B - Expenditures by Object Or Purpose

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

IV. C - Capital Budget Breakout

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

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

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

NONE

The proposed legislation has an indeterminate capital budget impact. Subject to appropriation, capital funds may be made available as grants to finance repair or replacement of mitigation projects and projects to repair hazards or damages to properties that resulted from mitigation projects. The department would require approximately \$86,000 in FY25 to operate the capital grant program established in Section 5. The number of awards made and at what levels are unknown and subject to appropriation.

FOR ILLUSTRATIVE PURPOSES ONLY:

Agency assumptions:

- The number and size of grants for building inspector services, to repair or replace mitigation equipment, or to mitigate or repair hazards or damages from mitigation projects are unknown and subject to appropriation. The department does not know how large a project area may be, when funding requests would be submitted, or the share of costs that would be requested. The department also cannot estimate the potential number of mitigation or repair projects to address hazards or damages may occur annually, or the number of hours of building inspector services that would be required.

0.25 Commerce Specialist 4 (522 hours) in FY25 and 0.30 FTE (627 hours) FY26-FY29 to provide program management, project technical assistance, management of grant funding availability, application review, and compiling project detail. Staff will manage awarded contracts, validate invoices, monitor contract implementation, and develop project communications.

0.06 FTE WMS Band 2 (125 hours) in FY25 and 0.03 FTE (65 hours) FY26-FY29 thereafter to provide leadership, oversight, coordination over all element of the established programs. Staff will also support community outreach and engagement, application development, technical assistance, application scoring and prioritization, and review of annual reports published to the department webpage.

0.05 FTE Budget Analyst 4 (105 hours) in FY25-FY29 to provide fund management, project accounting and project financial data management for the fund established in Section 5.

Salaries and benefits:

FY25: \$46,271

FY26-FY29: \$47,334 per fiscal year

Goods and Services:

The department assumes \$5,250 (25 hours at \$210 per hour) in FY25 for Assistant Attorney General (AAG) consultation each year with the assumption there will be grant contracts each fiscal year.

FY25: \$8,711

FY26-FY29: \$5,750 per fiscal year

Professional Service Contracts:

FY25: \$15,525

FY26-FY29: \$15,525 per fiscal year

Travel Costs:

FY25-FY29: \$856 per fiscal year

Intra-agency reimbursements:

FY25: \$15,223

FY26-FY29: \$15,573 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Capital Costs:

FY25: \$86,586

FY26-FY29: \$85,038 per fiscal year

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: 5955 S SB	Title: Large port districts	Agency: 140-Department of Revenue
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years				0.1	0.1
Account					
GF-STATE-State 001-1				28,200	27,000
Total \$				28,200	27,000

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: Maggie Douglas	Phone: 607867279	Date: 01/31/2024
Agency Preparation: Stephen Cleverdon	Phone: 60-534-1523	Date: 02/01/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/01/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/01/2024

Request # 5955-1-1

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.

Note: This fiscal note reflects language in SSB 5955, 2024 Legislative Session.

This fiscal note only addresses section 6(4) of the bill, which impacts the Department of Revenue (department).

COMPARISON OF SUBSTITUTE BILL WITH ORIGINAL BILL:

The substitute bill includes the department working with the Department of Commerce (Commerce) and informing the Economic and Revenue Forecast Council (ERFC) of the amount of state sales tax and Local Cultural Access Program sales tax received from eligible projects during the prior calendar year for appropriation by the Legislature up to \$10 million.

CURRENT LAW:

Under current law, the General Fund receives the state sales tax on any capital construction project at a commercial service airport operating a Noise Mitigation Program.

PROPOSAL:

This bill requires that beginning on February 15, 2025, and each subsequent February 15, the department notify the ERFC of the amount of state sales tax and Local Cultural Access Program sales tax received from eligible projects during the prior calendar year. The department will consult with the Commerce when determining this amount. An eligible project is any capital construction project at a commercial service airport operating a Noise Mitigation Program.

Beginning in fiscal year 2026, the legislature must appropriate from the General Fund to the Port District Equity Fund the amount reported by the department to the ERFC. The appropriated amount may not exceed \$10 million.

EFFECTIVE DATE:

The bill takes effect 90 days after the final adjournment of the session.

However, due to the time, it will take to receive all the excise tax returns, compare them to Commerce data, and determine the amount of relevant sales tax, the department cannot inform the ERFC of the amount until August 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.

ASSUMPTIONS

- This bill only impacts SeaTac Airport.
- Based on publicly available information about the SeaTac Airport's capital construction plans, the sales tax will reach the annual \$10 million cap for the foreseeable future.
- The legislature will appropriate the necessary funds from the General Fund to the Port District Equity Fund.

DATA SOURCES

- Port of Seattle, public information on SeaTac Airport capital projects

REVENUE ESTIMATES:

This legislation results in no revenue impact on taxes administered by the department.

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.

ASSUMPTIONS:

- Commerce will provide the information needed for the calculation and report to the ERFC.
- The first notification to the ERFC occurs on August 1, 2025, giving the department six months to implement the notification. The department will incur additional costs if a different implementation date is required.

FIRST YEAR COSTS:

The department will not incur any costs in fiscal year 2024.

SECOND YEAR COSTS:

The department will not incur any costs in fiscal year 2025.

THIRD YEAR COSTS:

The Department will incur total costs of \$14,700 in fiscal year 2026. These costs include:

Labor Costs – Time and effort equate to 0.1 FTE.

- Coordinate with Commerce concerning eligible projects and determine the amount of sales tax received.
- Notify ERFC of the amount of retail sales tax received during the prior calendar year.

Object Costs - \$700.

- Software, training, and travel expense

ONGOING COSTS:

Ongoing costs for fiscal year 2027 equal \$13,500 and include similar activities described in the third-year costs. Time and effort equate to 0.1 FTE.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years				0.1	0.1
A-Salaries and Wages				17,600	17,600
B-Employee Benefits				5,800	5,800
E-Goods and Other Services				3,400	2,600
G-Travel				400	400
J-Capital Outlays				1,000	600
Total \$				\$28,200	\$27,000

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 2024	FY 2025	2023-25	2025-27	2027-29
TAX POLICY SP 3	88,416				0.1	0.1
Total FTEs					0.1	0.1

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: 5955 S SB	Title: Large port districts	Agency: 461-Department of Ecology
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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:

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- 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: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 02/01/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/01/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/02/2024

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.

Compared to SB 5955, SSB 5955 has no changes that impact Ecology.

This bill would require the Department of Commerce to administer grants from the port district equity fund to provide assistance to qualifying port districts for expenses related to noise mitigation.

Ecology is not specified in the bill and assumes no new requirements under this bill. Therefore, Ecology assumes 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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5955 S SB

Title: Large port districts

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

Legislation Impacts:

- Cities:
- Counties:
- Special Districts: potential grant revenue for a port
- Specific jurisdictions only: Port of Seattle
- 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:

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: Angie Hong	Phone: 360-725-5041	Date: 02/02/2024
Leg. Committee Contact: Maggie Douglas	Phone: 3607867279	Date: 01/31/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/02/2024
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 02/02/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

CHANGES FROM THE PREVIOUS VERSION

This substitute bill removes the property tax allocation mentioned in the prior version and specifies the Dept. of Commerce and the Dept. of Revenue will work together on Port program reporting to the Economic and Revenue Forecast Council.

SUMMARY OF CURRENT BILL VERSION

Section 1 explains intent.

Section 2 amends RCW 53.36.020 [Finances – tax levy limitation] to require a Port commission to investigate and monitor noise impacts and to adopt a noise abatement program based upon the results with specific limitations on what may be considered “impacted areas.”

Section 3 amends RCW 53.54.030 [Aircraft noise abatement – Authorized programs within impacted areas] to amend remedial actions that a Port may take.

Section 4 and 5 amend RCWs to add grants from the Washington State Dept. of Commerce as a potential source of revenue for a noise abatement program.

Section 6 adds a new chapter to RCW 53.20 [Harbor Improvements] to require, beginning February 15, 2025, and each subsequent February 15, the Dept. of Revenue notify the ERFC of the amount of state sales tax and Local Cultural Access Program sales tax received from eligible projects during the prior calendar year. The Dept. of Revenue will consult with the Dept. of Commerce when determining this amount. An eligible project is any capital construction project at a commercial service airport operating a Noise Mitigation Program.

Section 7 Beginning in fiscal year 2026, the legislature must appropriate from the General Fund to the Port District Equity Fund the amount reported by the department to the ERFC. The appropriated amount may not exceed \$10 million.

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 FROM THE PREVIOUS VERSION

This substitute bill removes the property tax allocation mentioned in the prior version, removes the detail of a new program to be administered by a port, and specifies the Dept. of Commerce and the Dept. of Revenue will work together on a Port's program reporting to the Economic and Revenue Forecast Council. These changes removed the majority of the previous bill's expenditure impacts.

SUMMARY OF CURRENT BILL VERSION'S EXPENDITURE IMPACTS

The changes to section 2 of this bill: "to require a Port commission to investigate and monitor noise impacts and to adopt a noise abatement program" are likely to overlap with a current program that the port operates. It is unknown to what extent the port's current program meets these requirements. Therefore, the expenditure impact of this bill is indeterminate.

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 FROM THE PREVIOUS VERSION

This substitute bill removes the property tax allocation mentioned in the prior version, removes the detail of a new program to be administered by a port, and specifies the Dept. of Commerce and the Dept. of Revenue will work together on Port program reporting to the Economic and Revenue Forecast Council. These changes removed the previous bill's revenue

impacts.

SUMMARY OF CURRENT BILL VERSION'S REVENUE IMPACTS

Section 6 refers to grant programs made available through appropriation that are administered by the State Dept. of Commerce. It is unknown what appropriation will be made. These revenue sources for a port district are indeterminate and positive.

SOURCES

Port of Seattle