Multiple Agency Fiscal Note Summary

Bill Number: 1957 HB	**Title:** Disaster recovery assistance

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2021-23				2023-25				2025-27			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total $	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2021-23			2023-25			2025-27		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total

Estimated Capital Budget Expenditures

Agency Name	2021-23			2023-25			2025-27		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Total $	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

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FNPID 64381

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 1957 HB	Title: Disaster recovery assistance	Agency: 103-Department of Commerce

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact . Factors impacting the precision of these estimates , and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

☒ If fiscal impact is greater than $50,000 per fiscal year in the current biennium or in subsequent biennia , complete entire fiscal note form Parts I-V.

☐ If fiscal impact is less than $50,000 per fiscal year in the current biennium or in subsequent biennia , complete this page only (Part I).

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Jessica Van Horne	Phone: 360-786-7288	Date: 01/12/2022
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OFM Review:	Gwen Stamey	Phone: (360) 790-1166	Date: 02/02/2022

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 2 adds a new section to chapter 43.330 RCW establishing a grant program to provide financial assistance to small businesses in the immediate aftermath of a disaster.

Section 2(2) states subject to availability of amounts appropriated for this purpose, the Department of Commerce (department) must develop and implement a Small Business Disaster Recovery Financial Assistance Program. The department may provide grants to eligible businesses, grant funds may be used for payroll, utilities and rent, marketing and advertising, building improvements or repairs, replacing damaged inventory and equipment, and other operations and business expenses.

Section 2(3) states eligibility to apply for a grant under this section, a business must provide documentation of :
-Annual gross receipts of $5,000,000 or less; and
-A reduction in business income or activity as a result of a natural disaster such as a flood, earthquake, or wildfire.

Section 2(4) requires the department to make assistance available for an eligible business within three months of receiving an application.

Section 2(5) requires the department to coordinate with local economic development entities in conducting outreach to small businesses in order to increase awareness and understanding of the Small Business Disaster Recovery Financial Assistance Program.

Section 2(6) states the department may make rules to implement this section.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Cost associated with this legislation are indeterminate and subject to an appropriation stated in Section 2. Based on the funding through the Governor's Strategic Reserve Fund for disasters since 2007, the department assumes a grant program of $4,000,000 being available for disaster recovery assistance grants each fiscal year in order to provide estimated staffing for this program.

FOR ILLUSTRATIVE PURPOSES ONLY:

.20 FTE EMS Band 2 (418 hours) FY23-FY27 To provide program development and provide expert policy advice for the program.

.30 FTE Commerce Specialist 5 (626 hours) in FY23 and FY26, .20 FTE Commerce Specialist 5 (418 hours) in FY24-FY25 and FY27 to conduct the request for proposal (RFP) and service as the RFP coordinator and hire staff, provide day-to-day direction, assigning contracts, program planning elements, and provides support work to policy and rule development.

1.0 FTE Commerce Specialist 3 (2088 hours) FY23-FY27 to build capacity around solicitation, origination, management, and

the monitoring of project contracts. Assist senior management with drafting legislation, representing the agency, developing policy positions, and coordinating the state's role with respect to the implementation of the program.

.50 FTE Administrative Assistant 2 (1044 hours) FY23-FY27 to provide program administrative support, including scheduling, travel, communication and notifications.

Salaries and benefits:
FY23: $218,894
FY24-FY25: $206,108 per fiscal year
FY26: $218,894
FY27: $206,108

Contracts:
The department assumes 100 hours at a rate of $250 per hour for the professional service contract for administration including intake, review, disbursement, reporting, and technical assistance

FY23-FY27: $250,000 per fiscal year

Goods and Services:
The department assumes $2,000 for Assistant Attorney General (AAG) costs, for an estimated 9.5 hours at $210 per hour to assist with rule making in FY23.

FY23: $43,614
FY24-FY25: $39,708 per fiscal year
FY26: $41,802
FY27: $39,708

Travel:
To coordinate with local economic development entities and conduct outreach to small businesses in increase awareness and understanding of the program.

FY23-FY27: $5,000 per fiscal year

Equipment:
Two standard workstations in FY23 then a replacement computer in FY26 based on the department's replacement cycle.

FY23: $8,000
FY26: $2,632

Grants:
The department estimates two to five grants between $150,000 to $2,000,000 based on the funding through the Governor's Strategic Reserve Fund for disasters since 2007.

FY23-FY27: $4,000,000

Intra-agency Reimbursements:
FY23: $74,424
FY24-FY25 $70,077 per fiscal year
FY26: $74,424
FY27: 70,077

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

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Total Costs:
FY23: $4,599,932
FY24-FY25: $4,570,893 per fiscal year
FY26: $4,592,752
FY27: $4,570,893

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to 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

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

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

NONE

Part V: New Rule Making Required