

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
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* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

1. BILL SUMMARY

- a. **Legislation Title:** AN ORDINANCE relating to regulatory business and professional license fees; adjusting business and professional license and registration fees associated with the regulated activities of alarm monitoring, trade shows, residential sales, tow companies, used and recycled goods, adult entertainment, and price scanning; and amending Seattle Municipal Code Sections 6.08.010, 6.10.010, 6.20.040, 6.204.030, 6.204.080, 6.214.270, 6.250.060, 6.270.060, and 7.04.645.
- b. **Summary and background of the Legislation:** The proposed legislation increases 17 regulatory license and registration fees charged by the FAS Regulatory Compliance and Consumer Protection Division (RCCP) effective January 1, 2018. Regulatory license fees help to fund services provided by the FAS RCCP Division. These fees have not been adjusted in five to 20 years. The legislation proposed a three to six percent increase for 16 of the regulatory fees and a 100 percent increase to one fee. The one fee proposed to increase by 100 percent represents the regulatory license fee for tradeshow participants; increasing the existing fee of \$5 per day to \$10 per day. The overall increase in fees will help to support the City’s compliance and regulatory program.

The fee changes are detailed in a table at the end of this document.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? X Yes ___ No

Budget program(s) affected:				
Appropriation change (\$):	General Fund \$		Other \$	
	2018	2019	2018	2019
Estimated Revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2018	2019	2018	2019
	\$22,070	\$22,070	0	0

Positions affected:	No. of Positions		Total FTE Change	
	2018	2019	2018	2019

b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
 No.

c. Is there financial cost or other impacts of *not* implementing the legislation?
 Loss of the proposed revenue increase will result in a greater impact to the General Fund to support the Regulatory and Compliance Program.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

3.e. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2018 Revenue	2019 Estimated Revenue
00100	FAS	Regulatory License and Registration Fees	\$22,070	\$22,070
TOTAL			\$22,070	\$22,070

Is this change one-time or ongoing?
 Ongoing.

Revenue/Reimbursement Notes:

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?
 Seattle Public Utilities pays an annual recycling license.

b. Is a public hearing required for this legislation?
 No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

The proposed increase in license fees may impact historically disadvantaged people who are required to obtain regulatory licenses based on type of employment. The proposed increases are relatively low, especially in-light of the length of time since the last fee adjustment (five to 20 years).

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

N/A

h. Other Issues:

As part of the Summit Reimplementation Project, City funds have been re-evaluated to be consistent with Generally Accepted Accounting Principles (GAAP). As part of those fund value changes, and starting in fiscal year 2018, budget and accounting transactions for the FAS Regulatory Compliance and Consumer Protection Division will move to the General Fund; therefore, this additional revenue will be part of General Fund revenue.

List attachments/exhibits below:

None.

TABLE 1 REGULATORY LICENSE FEES	2017	2017	2018	2018	2018	2018	2018	2018			
	Current Fee prior to increase	# Active Licenses	Projected Rev based on current fee	Proposed \$ Fee Increase	% of Fee Increase	Proposed Fee with Increase	Projected Rev with Fee Increase	Projected New Rev with Fee Increase	Year Fee Last Adjusted	Fee Last Adjusted by Ord #	Previous Fee
Adult Entertainment License Fees (SMC 6.270.060)											
• Premises, annual	\$720	9	\$6,480	\$35	5%	\$755	\$6,795	\$315	1996	118395	\$635
• Entertainer, annual	\$145	1599	\$231,855	\$5	3%	\$150	\$239,850	\$7,995	2002	120978	\$75
• Manager, annual	\$145	80	\$11,600	\$7	5%	\$152	\$12,160	\$560	2002	120978	\$75
Alarm System Monitoring License Fees (SMC 6.10.010)											
• Alarm system monitoring company fee, annual											
• Alarm monitoring 1-100	\$100	72	\$7,200	\$5	5%	\$105	\$7,560	\$360	2003	121332	N/A
• Alarm monitoring 101-200	\$200	10	\$2,000	\$9	5%	\$209	\$2,090	\$90	2003	121332	N/A
• Alarm monitoring 201-500	\$400	15	\$6,000	\$20	5%	\$420	\$6,300	\$300	2003	121332	N/A
• Alarm monitoring > 500	\$500	17	\$8,500	\$23	5%	\$523	\$8,891	\$391	2003	121332	N/A
Burglar Alarm Dealer License Fee (SMC 6.08.010)											
• Dealer's license, annual	\$75	132	\$9,900	\$4	5%	\$79	\$10,428	\$528	1995	118395	\$65
Recyclable Goods Collection and Processing License Fee (SMC 6.250.060)											
• Recyclable goods collector/processor, annual	\$100	120	\$12,000	\$5	5%	\$105	\$12,600	\$600	2006	122258	N/A
Residential Sales License Fees (SMC 6.204.030)											
• Agent, annual	\$50	31	\$1,550	\$3	6%	\$53	\$1,643	\$93	1996	118395	\$45

TABLE 1 REGULATORY LICENSE FEES	2017	2017	2018	2018	2018	2018	2018	2018	Year Fee Last Adjusted	Fee Last Adjusted by Ord #	Previous Fee
	Current Fee prior to increase	# Active Licenses	Projected Rev based on current fee	Proposed \$ Fee Increase	% of Fee Increase	Proposed Fee with Increase	Projected Rev with Fee Increase	Projected New Rev with Fee Increase			
• Sales company, 1 or more employees, annual	\$225	3	\$675	\$12	5%	\$237	\$711	\$36	1996	118395	\$200
• Seller, annual	\$155	1	\$155	\$8	5%	\$163	\$163	\$8	1996	118395	\$135
Tow Company License Fee (SMC 6.214.270)											
• Tow company, per location, annual	\$500	28	\$14,000	\$25	5%	\$525	\$14,700	\$700	2012	123997	N/A
Tradeshow License Fee (SMC 6.20.040)											
• Participant, per day	\$5	280	\$1,400	\$5	100%	\$10	\$2,800	\$1,400	1993	117002	\$5
Used Goods License Fee (SMC 6.204.080)											
• Used goods dealer, annual	\$130	280	\$36,400	\$7	5%	\$137	\$38,360	\$1,960	1996	118395	\$115
Price Scanning System Registration Fee (SMC 7.04.645.D)											
• Three or fewer devices, annual	\$150	345	\$51,750	\$8	5%	\$158	\$54,510	\$2,760	2010	123361	N/A
• More than three devices, annual	\$300	265	\$79,500	\$15	5%	\$315	\$83,475	\$3,975	2010	123361	N/A
Totals			\$480,965				\$503,036	\$22,071			