

## CONCISE EXPLANATORY STATEMENT (CES)

### Factory Assembled Structures Rules Fee Increase (FY 24)

**WAC 296-150C-3000 Commercial coach fees; WAC 296-150F-3000, Factory-built housing and commercial structure fees; WAC 296-150I-3000, Penalties, fees, and refunds; WAC 296-150M-3000, Manufactured/mobile home fees; WAC 296-150P-3000, Recreational park trailer fees; WAC 296-150R-3000, Recreational vehicle fees; WAC 296-150T-3000, Factory-built temporary worker housing fees; and WAC 296-150V-3000, Conversion vendor units and medical units – Fees**

The date of adoption for this rule: October 17, 2023

The effective date for this rule: December 1, 2023

#### I. Purpose of rulemaking:

The purpose of this rulemaking is to adopt amendments to the Factory Assembled Structures (FAS) rules to increase fees by the fiscal growth factor rate of 6.22%. The fee increase is the maximum allowed by the state Office of Financial Management for fiscal year 2024.

A fee increase is needed to cover the operating expenses of the FAS Program (Program), including new technology to improve service. The Programs' current fee levels are insufficient to cover current expenses. The increase will ensure that revenues match expenditures.

#### 2. Differences between the rule as adopted and the proposed rule:

There are no differences between the proposed and adopted rules.

#### 3. Comments on proposed rule:

The public comment period for this rulemaking began on August 1, 2023, and ended on September 7, 2023. L&I received two written comments on the proposed rules.

A public hearing was held on September 7, 2023, at 9:00 a.m., in-person at the L&I Tumwater Office and virtually via Zoom meeting. Four L&I staff and one other person attended the public hearing. No persons provided testimony on the proposed rules.

Below is a summary of the comments that L&I received and L&I's responses.

General Comments	L&I Responses
<b>Comment #1:</b>	<b>Response #1:</b>
Why??? Huge increase...	Thank you for your comments. The 6.22% increase is the Office of Financial Management's maximum fiscal growth

	<p>factor rate for fiscal year 2024. The fiscal growth factor equals the average growth in personal income in the state for the prior ten fiscal years.</p> <p>The fees collected by L&amp;I support the FAS Program. The existing fee levels are not adequate to cover the program's budget. The fee increase is necessary to cover the cost of doing business, including funding to support new technology to improve service. The current FAS system application is outdated and unable to meet program or customer needs.</p>
<b>Comment #2:</b>	<b>Response #2:</b>
<p>It seems you guys raise the fees every year that's up with that.</p>	<p>Thank you for your comments. The fees collected by L&amp;I support the FAS Program. The existing fee levels are not adequate to cover the program's budget. The fee increase is necessary to cover the cost of doing business, including funding to support new technology to improve service. The current FAS system application is outdated and unable to meet program or customer needs.</p>