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To: [OFM Budget](#)
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Subject: DOR / Contingency Planning for State Agency Operations
Date: Friday, May 05, 2017 9:53:54 AM
Attachments: [FY18 State Government Shutdown - DOR Estimate 5-4-17.xlsx](#)
[Contingency Planning - DOR Response to OFM 2017.docx](#)

In response to Director Schumacher's memo dated April 25, 2017, please find attached the updated information from the Department of Revenue regarding contingency planning for state agency operations on July 1. The only change to the plan submitted for the 2013-2015 biennium is an update to the expenditures based on current salaries. There are no additional changes beyond that update.

In summary, through working with OFM and our Assistant Attorney General in 2013, it was determined that DOR provides a critical service to the state in collecting revenue to deposit into the state's General Fund to support the State Treasurer in meeting the state's financial and other constitutional obligations as well as making the required distributions to local governments that the state collects on their behalf. The local distribution includes funds for their mandatory payment obligations and critical services such as:

- Criminal Justice
- Emergency Communications
- Juvenile Detention
- Mental Health
- Public Safety

We have included the estimate to maintain a minimum "caretaker role" for the processing and depositing of revenue coming into the state from voluntary compliance. No enforcement efforts would occur to bring in additional revenue.

The point of contact in our agency should OFM have questions is Randy Simmons, Senior Assistant Director. He can be reached at randys@dor.wa.gov or 360-534-1605.

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2017 Contingency Planning for State Agency Operations
Department of Revenue

Category	Department of Revenue Response
1. Services funded by appropriations in the enacted transportation budget	None
2. Services that do not require an appropriation, such as from non-appropriated funds.	Unclaimed Property - Fund 196 <i>(Even though this is an essential service provided to Washington citizens, it does not fall into the category of public safety or constitutional mandate)</i>
3. Services that must be continued based on certain constitutional mandates and federal law.	DOR has essential services to support mandatory state obligations such as bond payments and distributions to local governments to fund their mandates and public safety functions. (See note below)
4. Services necessary for the immediate response to issues of public safety, or to avoid catastrophic loss of state property.	None, but it should be noted that no funds would be deposited or distributed and interest would not be earned, resulting in a significant revenue loss to the state and local governments. (See note below).

- DOR believes it provides a critical service to the state in collecting revenue to deposit into the state’s General Fund to support the State Treasurer in meeting the state’s financial and other constitutional obligations as well as making the required distributions to local governments that the state collects on their behalf. The local distribution includes funds for their mandatory payment obligations and critical services such as:
 - Criminal Justice
 - Emergency Communications
 - Juvenile Detention
 - Mental Health
 - Public Safety
- To ensure the continued processing and depositing of revenue received from taxpayers and distribution of funds to local governments, the DOR would need approximately:
 - 19 FTE’s at a fully burdened cost of \$61K for the first week and \$35K for each week thereafter.
 - This estimate does not include the additional costs and resources that would be needed to continue operating the non-appropriated Unclaimed Property Program identified in Category 2 above.