## **Budget Savings Options 2020**

Dollars in Thousands

**Agency** Board of Tax Appeals

Agency Priority	Impact	Program/Activity	GF-S	FTE Change	Brief Description and Rationale	Effective e Date	Other Considerations	Law/Reg. Change Required (cite)
H, M, L	1.7		FY 20 FY	21 FY 2	1	(MM/Y Y)		
M	2	Forgo Avatech technology study		30	Voluntary Reduction	7/1		
Н	2	Eliminate all Training/Professional Development		18	Voluntary Reduction	7/1		
М	2	Forgo paying for employee bar license dues		4	Voluntary Reduction	7/1		
M	2	Eliminate all travel		13	Voluntary Reduction	7/1		
Н		Eliminate all subscriptions (e.g. Westlaw)		18	Voluntary Reduction	7/1		
М		Eliminate all purchases of misc items (goods & services)		20	Voluntary Reduction	7/1		
н	2	Personnel Layoffs		290	The remaining dollar reduction amount would have to be achieved by personnel layoffs, per WAC 357-46-005. At this time, the BTA does not have any employees considering retirement or voluntarily reducing their hours to part-time status. Therefore, to achieve the requested reduction, the BTA would terminate one administrative employee and necessarily reduce the work hours of the remaining employees. A reduction in work hours is included within the definition of employee layoffs.  Based on financial data provided, we estimate that the termination of one administrative employee and the reduction of all remaining employees' work hours by about 5.3 hours per week (13.3%), would provide the approximately \$290,000 to meet the remainder of the 3 lifteen percent reduction requested.	7/1	Layoff Impact on Agency Mission A consequence of such a reduction would result in the BTA's inability to maintain the current services it provides to the taxpayers of the state. Of particular note is the current three-year backlog of tax appeal cases awaiting adjudication. The legislature addressed the backlog issue in the last budget cycle by allocating additional funding and resources. The bulk of this funding allowed the Board to increase the number of Tax Referee positions by three. This resulted in consistent increases in the agency's productivity as evidenced by the reduction of the agency's backlog in the last year by 25 percent.  Moreover, the agency's historic data indicates that in times of economic downturns (i.e., 2008-14), taxpayers file significantly more property tax appeals. Therefore, any decrease in hours worked by staff or any personnel reduction will, at best, drastically impact agency's ability to maintain its current progress in reducing backlogged cased. Further, any work hour reductions or layoffs will almost guarantee that hearings officers cannot meet the statutorily-required response time to draft decisions—even if there is no uptick in the number of appeals filed.  Agency Layoff Policy  Our agency layoff policy permits a reduction in personnel based on seniority and performance considerations. At present, the Board plans to terminate one administrative employee, but would consider additional terminations if the recommended reductions are unsatisfactory in achieving the targeted dollar amount. In the event that additional BTA employees would be let go, the Board recognizes that it is in our best interest to lay off the employee(s) prior to June 30, so that the agency could pay the vacation leave buyout expenses in FY 2020 instead of FY 2021.	

## Priority:

- L = Low priority agency activity or program
  M = Medium priority agency activity or program
  H = High priority agency activity or program

- Impact:

  1 = Allows continuation of the program/activity at a reduced level

  2 = Eliminates the ability to perform program objectives

- = Eliminates agency function
   4 = Long term implications (moves the problem to next biennium)
   5 = Short term (reduction to one time increase)