**SBEIS TEMPLATE**

*Agencies may choose to use this format when documenting their Small Business Economic Impact Statement (SBEIS).*

*Agencies can use a narrative, table, or both in their approach to each section. A few tables have been provided, but an agency can edit to their needs.*

**Small Business Economic Impact Statement**

Chapter Click or tap here to enter text. WAC

Insert title of chapter

A rule concerning Click or tap here to enter text.

Date Click or tap to enter a date.

**SECTION 1:**

**Describe the proposed rule, including:**

* a brief history of the issue;
* an explanation of why the proposed rule is needed; and
* a brief description of the probable compliance requirements and the kinds of professional services that a small business is likely to need to comply with the proposed rule.

**SECTION 2:**

**Identify which businesses must comply with the proposed rule using the North American Industry Classification System (NAICS) codes and the minor cost thresholds.**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **NAICS Code**  **(4, 5, or 6 digits)** | **NAICS Business Industry Description** | **Number of impacted businesses that operate in Washington State**  (if known) | **Minor Cost Threshold**  **=**  **.3% of Average Annual Receipts** | **$100**  (This can be the default minor-cost used if data is unavailable) | **Minor Cost Threshold =**  **1% of Average Annual Payroll** | **Cost of business that is less than $50 of annual cost per client or other appropriate units of service.**  DSHS rules only |
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**SECTION 3:**

**Analyze the probable cost of compliance.**

Identify the probable costs to comply with the proposed rule, including the cost of equipment, supplies, labor, professional services, and increased administrative costs.

Also, consider, based on input received, whether compliance with the rule will cause businesses to lose sales or revenue.

|  |  |  |  |
| --- | --- | --- | --- |
| **Probable Cost of Compliance** | | | |
|  | Description | Current Cost | Anticipated new cost |
| **Cost of Equipment** |  |  |  |
| **Supplies (types, amount)** |  |  |  |
| **Labor (show hours multiplied by the cost per hour)** |  |  |  |
| **Training** |  |  |  |
| **Professional Services** |  |  |  |
| **Increased administrative costs** |  |  |  |
| **Reporting** |  |  |  |
| **Record Keeping** |  |  |  |
| **(Additional Costs)** |  |  |  |
| **(Additional Costs)** |  |  |  |

|  |  |
| --- | --- |
| **Explain if compliance with the rule will cause businesses to lose sales or revenue.** |  |

**SECTION 4:**

**Analyze whether the proposed rule may impose more than minor costs on businesses in the industry.**

*Minor cost means a cost per business that is less than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll. However, for the rules of the department of social and health services, "minor cost" means cost per business that is less than fifty dollars of annual cost per client or other appropriate unit of service.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Estimated average cost of compliance per business for proposed rule** | **Minor cost threshold =.3% of average annual revenue or** | **$100**  This can be the default minor cost used if data is unavailable | **Minor cost threshold =**  **1% of average annual payroll** | **Cost of business that is less than $50 of annual cost per client or other appropriate units of service.**  DSHS rules only | **Does the estimated average cost of compliance per business exceed the minor cost thresholds or cost per DSHS client?**  **(Yes or No)** |
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**SECTION 5:**

**Determine whether the proposed rule may have a disproportionate impact on small businesses as compared to the 10 percent of businesses that are the largest businesses required to comply with the proposed rule.**

***Also, consider, based on input received, whether compliance with the rule will cause businesses to lose sales or revenue.***

Use one or more of the following as a basis for comparing costs:

* *Cost per employee = Total cost of rule divided by number of employees*
* *Cost per 1 hour of labor = Total cost of rule divided by labor cost for 1 hour*
* *Cost per $100 of sales = Total cost of rule divided by (total sales/100)*

**SECTION 6:**

**If the proposed rule is likely to impose a disproportionate impact on small businesses, identify the steps taken to reduce the costs of the rule on small businesses.**

**If the impacts cannot be reduced, provide a clear explanation of why.**

***Under RCW 19.85.030(2), each agency must consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses:***

|  |  |  |
| --- | --- | --- |
| **Subsection** | **Method** | **Agency response** |
| a) | Reducing, modifying, or eliminating substantive regulatory requirements |  |
| b) | Simplifying, reducing, or eliminating recordkeeping and reporting requirements |  |
| c) | Reducing the frequency of inspections |  |
| d) | Delaying compliance timetables |  |
| e) | Reducing or modifying fine schedules for noncompliance; or |  |
| f) | Any other mitigation techniques, including those suggested by small businesses or small business advocates. |  |

**SECTION 7:**

**Describe how small businesses were involved in the development of the proposed rule.**

**Stakeholder contact events**

|  |  |
| --- | --- |
| **Date(s)** | **Activity**  **How were small businesses notified and involved in the development of the proposed rule?**  **(News release, public meeting, survey etc.)** |
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**SECTION 8:**

**Identify the estimated number of jobs that will be created or lost as the result of compliance with the proposed rule.**

**SECTION 9:**

**Summarize the results of the analysis, including the determination if costs are disproportionate.**