

Multiple Agency Fiscal Note Summary

Bill Number: 6428 SB	Title: Electronic product recycling
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Estimated Cash Receipts

Agency Name	2005-07		2007-09		2009-11	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Non-zero but indeterminate cost. Please see discussion."					
Department of Ecology	0	382,000	0	320,000	0	320,000
Total \$	0	382,000	0	320,000	0	320,000

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2005-07			2007-09			2009-11		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Community, Trade, and Economic Development	.3	3,620	3,620	.0	2,120	2,120	.0	2,190	2,190
Department of General Administration	.1	0	21,817	.0	0	0	.0	0	0
Department of Ecology	1.5	0	380,940	1.8	0	308,994	1.8	0	308,994
Total	1.9	\$3,620	\$406,377	1.8	\$2,120	\$311,114	1.8	\$2,190	\$311,184

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

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Prepared by: Ann-Marie Sweeten, OFM	Phone: 360-902-0538	Date Published: Final 1/23/2006
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 12704

Individual State Agency Fiscal Note

Bill Number: 6428 SB	Title: Electronic product recycling	Agency: 090-Office of State Treasurer
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost. Please see discussion.
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Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
Fund					
Total \$					

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/12/2006
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 01/18/2006
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 01/18/2006
OFM Review: Deborah Feinstein	Phone: 360-902-0614	Date: 01/18/2006

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 6428 creates the electronic products recycling account. Earnings from investments will be credited to the general fund.

Section 29 creates the board of directors of the Washington materials management and financing authority. The state treasurer is directed to serve as ex officio member of the board. We anticipate no or little cost to the office to serve on the board.

Earnings from investments:

The amount of earnings by an account is a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursements, and transfers can have different average balances, and hence differing earnings.

There will be an impact to the earnings; however, the actual earnings will be determined more by the impact to the average daily balance than the amount of increases or decreases in receipts, disbursements, and transfers. Currently, estimated earnings are indeterminable. Without projected monthly estimates of receipts, disbursements, and transfers, OST is unable to estimate the changes to the average balance of the account and the impact to earnings.

Based on the November 2005 Revenue Forecast, the net rate for estimating earnings for FY 07 is 3.89%. Approximately \$38,900 in FY 07 in net earnings and \$5,000 in OST management fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

Debt Limit:

There may be an impact on the debt service limitation calculation. Any change to the earnings credited to the general fund will change, by an equal amount, general state revenues.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

SB 6428 creates the electronic products recycling account. Earnings from investments will be credited to the general fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 29 creates the board of directors of the Washington materials management and financing authority. The state treasurer is directed to serve as ex officio member of the board. We anticipate no or little cost to the office to serve on the board.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$0	\$0	\$0	\$0	\$0

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 6428 SB	Title: Electronic product recycling	Agency: 103-Community, Trade & Economic Develop
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.0	0.5	0.3	0.0	0.0
Fund					
General Fund-State 001-1	0	3,620	3,620	2,120	2,190
Total \$	0	3,620	3,620	2,120	2,190

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/12/2006
Agency Preparation: Cindy Trambitas	Phone: 360-725-2703	Date: 01/20/2006
Agency Approval: Sue Mauermann	Phone: 360 725-2804	Date: 01/20/2006
OFM Review: Mike Woods	Phone: 360-902-9819	Date: 01/21/2006

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

New Section 28: (1) Establishes the Washington materials management and financing authority.

New Section 29: (1)(a) The authority established in section 28 is governed by a board of directors. (4) The directors of the Department of Ecology (Ecology), Department of Community, Trade and Economic Development (CTED) and Office of State Treasurer, or their designees, serves on the board as ex officio members. (7) Members of the board serve without compensation but are entitled to reimbursement, solely from funds of the authority, for expenses incurred in the discharge of their duties under this chapter.

New Section 32: (1) and (2) The board shall adopt a general operation plan of procedures for the authority, including procedures for collecting fees and providing funding for contracted services. (3) The board shall conduct at least one public hearing on the general operating plan prior to adoption. (4) General operating plan must be adopted by April 1, 2007.

New Section 33 (1) The Board appoints the authority's chief executive officer. (4) If requested by the authority, Ecology and CTED to provide start-up support staff for the first twelve months of the authority's operation. Staff expenses must be reimbursed to the departments from authority resources within the first twenty-four months of operation.

New Section 39: This act takes effect July 1, 2006.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None. Reimbursement from the Washington Materials Management and Financial Authority is an interagency agreement with Ecology.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Board member salaries, benefits and related costs are not reimbursable from the Washington Materials Management and Financing Board, therefore, \$3,620 in FY 2007, \$1,060 in FY 2008 to 2010, and \$1,130 in FY 2011 are costs not covered by the interagency agreement. Only board member travel costs are reimbursable.

Assume the Washington Materials Management and Financing Board (14 members) will conduct the following tasks:

- Draft a general operation plan for the authority, that includes a minimum of fee collection procedures, contracted services procedures/standards, and minimum reserve requirements--assume 5 meetings in FY 2007.
- Conduct at least one public hearing--assume two hearings, one in Eastern Washington and one in Western Washington in FY 2007.
- Review the authority activity report--assume an annual report; one board meeting each year in FY 2008 and ongoing.
- Update the operating plan at least every four years--assume additional meeting in FY 2011.
- Appoint the chief executive officer for the authority--assume included with the above meetings.

Estimated costs for CTED's board member:

FY 2007 0.03 FTE; \$1,770 Salaries; \$440 Benefits at the CTED Specialist 3 level for 70 Hours--includes 5 board meetings and 2 public hearings; assume each meeting is 8 hours plus 2 hours preparation time for each meeting. Assume travel costs of \$670 for board meetings and one public hearing in Seattle (\$70 per meeting); one public hearing in Spokane

(\$250). Goods and Services \$740 of which \$670 is cost allocation. Only travel costs are reimbursable from the Washington Materials Management and Financial Authority.

FY 2008 to 2010: 0.01 FTE; \$590 Salaries; \$150 Benefits CTED Specialist 3 level for 20 hours each year--includes 1 board meeting plus 2 hours normal preparation time plus additional 10 hours to review annual activity report prior to meeting. Assume travel costs of \$70 for one board meeting in Seattle. Goods and Services \$250 of which \$223 is cost allocation. Only travel costs are reimbursable from the Washington Materials Management and Financial Authority. FY2011 0.01 FTE; \$590 Salaries; \$150 Benefits CTED Specialist 3 level for 20 hours each year--includes one normal board meeting (10 hrs) plus additional meeting to update the operating plan (10 hrs). Assume travel costs of \$140 for two board meetings in Seattle. Goods and Services \$250 of which \$223 is cost allocation. Only travel costs are reimbursable from the Washington Materials Management and Financial Authority.

Only travel costs are reimbursable for the board member. Board member salaries, benefits and related costs are not reimbursable.

Assume Ecology and CTED will provided start-up support staff for twelve months, from July 1, 2006 to June 30, 2007 (Fiscal Year 2007). Assume CTED 0.5 FTE; \$18,470 Salaries; \$4,620 Benefits at the Administrative Assistant 3 level to assist with meeting scheduling, note taking, travel arrangements, etc, in support of the authority establishment. Travel to all meeting in first year \$670. Goods and Services \$12,290 of which \$11,150 is cost allocation. The authority to reimburse the support staff costs within twenty-four months; latest reimbursement date June 30, 2008. Assume resources available to the authority will reimburse the full support staff costs, however, timing of the reimbursement may cross biennial lines. Should reimbursement cross biennial lines, accounts receivable will be set up for any owed amount.

Reimbursement for support staff and board member travel costs from the Washington Materials Management and Financial Authority, a public body, will be reimbursed through and interagency agreement with Ecology.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years		0.5	0.3	0.0	0.0
A-Salaries and Wages		20,240	20,240	1,180	1,180
B-Employee Benefits		5,060	5,060	300	300
C-Personal Service Contracts					
E-Goods and Services		13,030	13,030	500	500
G-Travel		1,340	1,340	140	210
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements		(36,050)	(36,050)		
T-Intra-Agency Reimbursements					
Total:	\$0	\$3,620	\$3,620	\$2,120	\$2,190

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Administrative Assistant 3	36,948		0.5	0.3		
CTED Specialist 3	59,088		0.0	0.0	0.0	0.0
Total FTE's			0.5	0.3	0.0	0.0

III. C - Expenditures By Program (optional)

Program	FY 2006	FY 2007	2005-07	2007-09	2009-11
Agency Administration (100)		670	670	446	446
Total \$		670	670	446	446

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

None.

Individual State Agency Fiscal Note

Bill Number: 6428 SB	Title: Electronic product recycling	Agency: 150-Dept of General Administration
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND					
Total \$					

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.3	0.0	0.1	0.0	0.0
Fund					
General Administration Service Account-Non-Appropriated 422-6	21,817	0	21,817	0	0
Total \$	21,817	0	21,817	0	0

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

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- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/12/2006
Agency Preparation: Howard Cox	Phone: 360-902-7403	Date: 01/13/2006
Agency Approval: Tristan Wise	Phone: 360-902-7456	Date: 01/15/2006
OFM Review: Rochelle Klopfenstein	Phone: 360-902-9820	Date: 01/16/2006

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The Department of General Administration would have a fiscal impact to enact Section 35 as it relates to developing policies that establish a preference for electronic products that meet environmental performance standards-Section 35 (1).

There is no assumed fiscal impact for the requirements of Section 35 (2) and (3). These sections direct the department to ensure that surplus electronic products not sold individually to private citizens are transported and processed in accordance with Section 25 of this bill, as well as requiring chain of custody documentation. The department already uses transporters that meet the requirements of this legislation and it is not assumed that meeting the processor and chain of custody requirements would mean additional cost.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 35 (1) is estimated to require .25 of a WMS Band 2 employee to coordinate and facilitate input to the preference policy; insure stakeholder communication and review of draft policy; and implement the final policy which requires publication, procedure writing and training of purchasing staff in General Administration and potentially other agencies.

This is considered to require an extensive stakeholder process that includes: legislators; business; governors' policy team; and state agency input.

Object E expenditure are estimated at 10% of salary and benefits.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.3		0.1		
A-Salaries and Wages	16.125		16,125		
B-Employee Benefits	3.709		3,709		
C-Personal Service Contracts					
E-Goods and Services	1.983		1,983		
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
Total:	\$21,817	\$0	\$21,817	\$0	\$0

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
WMS Band 2	64,500	0.3		0.1		
Total FTE's		0.3		0.1		0.0

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 6428 SB	Title: Electronic product recycling	Agency: 461-Department of Ecology
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2006	FY 2007	2005-07	2007-09	2009-11
Elec. Product Recycling Acct.-State NEW-1		382,000	382,000	320,000	320,000
Total \$		382,000	382,000	320,000	320,000

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.0	3.0	1.5	1.8	1.8
Fund					
Elec. Products Recycling Acct.-State NEW-1	0	380,940	380,940	308,994	308,994
Total \$	0	380,940	380,940	308,994	308,994

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/12/2006
Agency Preparation: Randy Martin	Phone: (360) 407-6136	Date: 01/17/2006
Agency Approval: Pat McLain	Phone: 360-407-7005	Date: 01/18/2006
OFM Review: Ann-Marie Sweeten	Phone: 360-902-0538	Date: 01/18/2006

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The bill would create a new program to deal with electronic product recycling.

Section 3: All manufacturers of electronic products sold in Washington would be required to develop standard and/or independent plans addressing the collection, transportation, and recycling of unwanted covered electronic products. For consistency, Ecology would create guidelines indicating the format and information necessary for plan approval. Plans would have to be implemented and fully operational no later than January 1, 2009.

Section 4: Beginning January 1, 2007, all manufacturers of covered electronic products sold in Washington would have to register each year with Ecology. A fee would be submitted with each registration, determined by the department, to cover administrative costs. Ecology would create a registration component for the program.

Section 6: All plans created under section 3 of the bill would have to be approved by Ecology. Ecology would have 90 days from plan submittal for approval or denial, with explanation, of each plan submitted. Submitted with each plan would be a fee to cover the Ecology's administrative cost.

Section 7: Every standard or independent plan would require an update every five years. Ecology would be required to approve or deny all updates.

Section 11: Every standard or independent plan would be required to implement and finance an auditable, statistically significant sampling of covered electronic products entering the program each year. After the fifth year, Ecology could reassess the sampling and make adjustments as appropriate.

Section 12: Ecology would be required to promote covered electronic product recycling through public informational campaigns.

Section 13: The electronic products recycling account would be created. All payments from plans not reaching the equivalent share (refer to section 22 of the bill) would be deposited in the account. Any money collected from manufacturer registration fees, fees associated with standard and independent plans, and penalties would be deposited in the account. Only Ecology's director or the director's designee could authorize expenditures from the account. Monies from the account could be used by Ecology solely for fulfilling its responsibilities under this chapter and for expenditures to manufacturers resulting from plans exceeding their equivalent share, as described in section 22 of the act.

Section 14: Annual reports would have to be filed with the department describing activity that has occurred in the previous year on standard or independent plan implementation.

Section 18: Ecology would be required to create and maintain a website to track the registration of manufacturers in the program.

Section 19: Ecology would be required to determine each manufacturer's return share percentage for each manufacturer of covered electronic products by dividing the weight of material identified by the manufacturer by the total weight of identified material by all manufacturers, then multiplying the quotient by one hundred.

Section 20: Ecology would be required to determine the equivalent share for each manufacturer and notify (bill) each manufacturer by June 1 of each program year. By September 1 of each year, Ecology would pay any authorized party or authority that exceeded its equivalent share.

Section 21: By September 1, 2006, Ecology would be required to notify each manufacturer of its preliminary return

share for the first year of the program.

Section 22: For purposes of this section, the initial reasonable collection, transportation, and recycling cost would be forty-five cents per pound and the administrative fee would be five cents per pound. Ecology could adjust the fee annually.

Section 23: Ecology would be required to establish an annual registration and plan review fee. Additionally, Ecology would establish an annual process for local government and local communities to report their satisfaction with the services provided under the plan. Ecology could adopt rules for implementing, administering, and enforcing this chapter.

Section 24: Each collector and transporter of covered electronic products would be required to register with Ecology. Ecology would develop the registration process.

Section 25: Ecology would have enforcement authority for non-compliance with the chapter for the standard or independent plan. Ecology would be required to establish, by rule, performance standards for the environmentally sound management and the allowable percent of nonrecycled residual that could be disposed of. Specific penalty amounts, specified in the bill, would be included in any rule.

Section 26: This section would specify the enforcement process to be followed and the penalty amounts for non compliance.

Section 27: Ecology would submit a report to the legislature by December 31, 2012.

ASSUMPTIONS

1. Ecology would create guidelines for the development of standard and independent plans.
2. Ecology would develop a rule to implement the bill. Cost of economic analysis for the rule would be included in the expenditures for the first year. The bill would direct Ecology to register and collect a fee from all manufacturers beginning January 1, 2007 (section 4). In order to have a fee structure in place by January 1, 2007, Ecology would have to develop and adopt an emergency rule. After adoption of an emergency rule, the program would begin the formal rule adoption process for a final rule.
3. It is estimated that this bill would apply to approximately 150 manufacturers based on the number identified recently in Maine for comparable products. The emergency rule adoption process would not provide enough time to create a billing system based upon market share. The first billing cycle would be calculated by dividing the total cost of the program by the number of manufacturers:

\$382,000 estimated approximate first year program cost

150 manufacturers

$\$382,000/150 = \$2,550$

Thereafter, the rule process to determine all fees would be used to determine the fee schedule for all manufacturers.

4. Ecology would create a web site to provide information on the electronics program.
5. Ecology would develop public information art work for use by retailers.
6. Ecology would develop a billing system to collect fees identified in the bill to pay for work carried out by Ecology. The agency information services would have to incorporate this billing system into an existing system. Time and personnel would be required for this incorporation.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Section 13 of the bill would create the electronic products recycling account. Funds collected from manufacturer's registration fee, fees associated with standard or independent plans and plan revisions, and penalties levied would be deposited in the account. In addition, all payments resulting from plans not reaching their 'equivalent share' as defined in their plans would also be deposited into the account.

It is estimated that this bill would apply to approximately 150 manufacturers based on the number identified recently in Maine for comparable products. The emergency rule adoption process would not provide enough time to create a billing system based upon market share. The first billing cycle would be calculated by dividing the total cost of the program by the number of manufacturers:

\$382,000 estimated approximate first year program cost

150 manufacturers

$\$382,000/150 = \$2,550$

Thereafter, the rule process to determine all fees would be used to determine the fee schedule for all manufacturers.

The intent is that all expenditures and all revenues would match each year.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 3 would direct Ecology to develop guidelines for standard or independent plans.

Section 4 would direct Ecology to develop a registration system along with a fee schedule that is to be in place by January 1, 2007. This would be accomplished by rule. Because of the timeframe, an expedited rule would be promulgated before January 1, 2007 to meet the bill's deadline. After the expedited rule was complete, the agency would start a normal rule adoption process to implement a number of requirements identified in the bill.

Section 7 would require Ecology to approve or deny all plans required in the bill.

Section 13 would create the electronic products recycling account. All payments from plans and registration fees would be deposited in this account. The director of Ecology would have authority to disburse funds from the account. An billing system would need to be created by modifying an existing billing system; the only resources necessary would be for modification of Ecology's existing system. The cost for this system development would be approximately \$50,000, assuming in house billing system development. This would be paid for out of the electronic product recycling account. This would be a one time cost that is reflected in FY07 goods and services.

Section 18 would require Ecology to create and maintain a website.

Section 23 would direct Ecology to adopt rules to implement the bill.

Section 24 would direct Ecology to create and maintain a manufacturer's registration system.

Section 25 would provide enforcement authority, including penalties, to Ecology.

Section 27 would direct Ecology to report to the legislature by December 31, 2012.

FTEs:

For FY07, 0.2 FTE (1 FTE for two months) at the Economic Analyst 3 level to complete the cost benefit analysis for the rule that would be developed to implement this bill. (Section 23)

For FY07 and FY08, 1 FTE at the Environmental Planner 3 level would be required for activities related to the standard or independent plan guideline development, plan submittal review/approval and annual reporting activities. For FY09 and thereafter, .5 FTE would be need for annual reporting activities, reviewing plan updates, and public information activities. (Sections 3 and 7)

1 FTE at the Environmental Specialist 3 level would be required for rule development, enforcement actions, billings and

fee activities, registration requirements, and assistance in reporting requirements. (Sections 3, 4, 23, 24, 25, and 27)

0.5 FTE (1 FTE at the ITAS 2 for the first six months of FY07) to develop and debug the webpage dedicated to electronic waste. (Section 18)

For FY07 and thereafter, 0.25 FTE at the Secretary Senior level would be required for administrative support, data input and other duties as required.

In the event of a lawsuit, the Attorney General would defend the agency. Any potential litigation costs would be paid for out of the Electronic Products Recycling Account.

Salaries and Wages Detail: Direct program salaries are calculated at step K.

Employee Benefits for direct program staff are calculated at the agency average of 25.7% of salaries.

Goods and Services are calculated at the agency average of \$3,773 per direct FTE. Standard agency administrative overhead costs are also included.

Travel Expenditures are calculated at the agency average rate of \$1,560 per direct program FTE.

Equipment Detail: \$7,293 for start-up equipment is budgeted for each new direct FTE, based on current costs for an office chair, 1/5 motor pool vehicle, and basic computer equipment.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years		3.0	1.5	1.8	1.8
A-		146,793	146,793	165,414	165,414
B-		37,726	37,726	42,512	42,512
C-					
E-		134,255	134,255	95,608	95,608
G-		4,602	4,602	5,460	5,460
J-		21,514	21,514		
N-					
P-					
S-		36,050	36,050		
Total:	\$0	\$380,940	\$380,940	\$308,994	\$308,994

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Econ. Analyst 3	62,100		0.2	0.1		
Environmental Planner 3	54,840		1.0	0.5	0.5	0.5
Environmental Spec. 3	47,280		1.0	0.5	1.0	1.0
ITAS 2	48,492		0.5	0.3		
Secretary Senior	32,028		0.3	0.1	0.3	0.3
Total FTE's			3.0	1.5	1.8	1.8

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 23 would direct Ecology to adopt rules to implement the bill. Four components of this bill would require rulemaking:

Section 3 would direct Ecology to develop guidelines for standard or independent plans for manufacturers of electronic products sold in Washington. The plans would be required to address the collection, transportation, and recycling of unwanted covered electronic products.

Section 4 would direct Ecology to develop a registration system along with a fee schedule that is to be in place by January 1, 2007, which would be accomplished by rule. Because of the timeframe, an expedited rule would be promulgated before January 1, 2007 to meet the bill's deadline. After the expedited rule was complete, the agency would start a normal rule adoption process to implement a number of requirements identified in the bill.

Section 25 would provide enforcement authority to Ecology, which would require rule development to establish and implement an enforcement program.

Ecology assumes that the components of this bill requiring rulemaking could be addressed in one comprehensive rule.