Multiple Agency Fiscal Note Summary

Bill Number: 1747 S HB	**Title:** Built environment pollution

Estimated Cash Receipts

Agency Name	2009-11		2011-13		2013-15	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of General Administration	0	351,030	0	351,030	0	351,030
Total $	**0**	**351,030**	**0**	**351,030**	**0**	**351,030**

Local Gov. Courts *						
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.					
Local Gov. Total						

Estimated Expenditures

Agency Name	2009-11			2011-13			2013-15		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Administrative Office of the Courts	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Community, Trade, and Economic Development	.4	99,809	99,809	.0	0	0	.1	35,165	35,165
Office of Financial Management	.2	49,436	49,436	.2	48,552	48,552	.2	48,552	48,552
Department of General Administration	2.3	45,394	396,424	2.3	45,394	396,424	2.3	45,394	396,424
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.0	0	10,000	.0	0	0	.0	0	0
Department of Transportation	1.3	0	323,000	.5	0	124,000	.0	0	124,000
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total	**4.2**	**$194,639**	**$878,669**	**3.0**	**$93,946**	**$568,976**	**2.6**	**$129,111**	**$604,141**

Local Gov. Courts *	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Other **	Non-zero but indeterminate cost. Please see discussion.								
Local Gov. Total									

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID 23329

Prepared by: Regan Hesse, OFM	Phone: 360-902-9820	Date Published: Final

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Judicial Impact Fiscal Note

Bill Number: 1747 S HB	Title: Built environment pollution	Agency: 055-Admin Office of the Courts

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND	FY 2010	FY 2011	2009-11	2011-13	2013-15
Counties					
Cities					
Total $					

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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.

X 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.

Legislative Contact	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Julia Appel	Phone: (360) 705-5229	Date: 02/24/2009
Agency Approval:	Dirk Marler	Phone: 360-705-5211	Date: 02/24/2009
OFM Review:	Cherie Berthon	Phone: 360-902-0659	Date: 02/24/2009

Request # -1

Part II: Narrative Explanation

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

Section 10
A city or town engaged in the generation, sale or distribution of energy, or in the sale and distribution of conservation services under section 9, may make assistance available for conservation improvements. In order to secure loans, the city or town may have a statutory lien on the property on which conservation improvements so financed are installed or constructed. The city or town may foreclose a lien in an action in superior court.

Section 11
Allows a district to bring a lien foreclosure action in superior court related to nonpayment of loans for conservation improvements.

Section 12
Allows a county to bring a lien foreclosure action in superior court related to nonpayment of loans for conservation improvements.

II. B - Cash Receipts Impact

II. C - Expenditures

It is not possible to predict how many actions might be brought in superior court under sections 10, 11, and 12. However, it is assumed that the impact would be less than $50,000 annually. The $50,000 expenditure level represents approximately 95 hours (0.08 FTE) of superior court judicial officer time annually cumulative for all superior courts in the state with associated support staff and operational costs. It is assumed, therefore, that this bill would require less than 95 hours of judicial officer time statewide on an annual basis.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Individual State Agency Fiscal Note

Bill Number: 1747 S HB	Title: Built environment pollution	Agency: 103-Community, Trade & Economic Develop

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND					
Total $					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.6	0.2	0.4	0.0	0.2
Fund					
General Fund-State 001-1	79,931	19,878	99,809	0	35,165
Total $	79,931	19,878	99,809	0	35,165

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Cory Plantenberg	Phone: 360-956-2101	Date: 02/24/2009
Agency Approval:	Tony Usibelli	Phone: 360-725-3110	Date: 02/24/2009
OFM Review:	John Shepherd	Phone: 360-902-0538	Date: 02/24/2009

Request # 106-500-1

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.

Differences between the substitute bill and the original bill:

There are no changes in the substitute bill that affect the Department of Community, Trade and Economic Development (CTED).

Summary of the substitute bill:

Section 3 requires CTED to develop and implement a strategic plan using a workgroup for enhancing energy efficiency in reducing greenhouse gas emissions from homes, buildings, districts, and neighborhoods and to direct future energy building code changes. CTED must complete and release the strategic plan to the legislature and State Building Code Council (SBCC) by December 31, 2010, and subsequently update the plan every three years.

Section 4 requires the State Building Code Council to consult with CTED when considering amendment or adoption of new energy codes.

Section 7 requires CTED, by December 31, 2009, to recommend to the legislature a methodology to determine an energy performance score for residential buildings and an implementation strategy to use that information to improve the energy efficiency of those buildings.

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

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

FTE Salaries and Benefits

CTED estimates that development of the strategic plan will require six quarterly meetings of the work group between July 1, 2009, and December 31, 2010, and require 0.25 FTE Senior Energy Policy Specialist in FY10 and half of FY11 to develop the plan, staff the group, and prepare for and attend the work group meetings and 0.25 FTE Senior Energy Policy Specialist in FY14 to work with the SBCC and update the plan.

FY10: $24,122

FY11: $12,543
FY14: $24,122

Goods and Services (G&S);

FY10: $13,043
-standard G&S: $10,510
-space and utilities: $533
-non-standard G&S: $2,000 for meeting facilities for the work group

FY11: $6,998
-standard G&S: $5,465
-space and utilities: $533
-non-standard G&S: $1000 for meeting facilities for the work group

FY14: $11,043
-standard G&S: $10,510
-space and utilities: $533
-non-standard G&S: $0

Note: Standard goods and services costs include supplies and materials, employee development and training, mandatory state seat of government and Department of Personnel charges, and CTED agency administration. CTED administration provides general standard governmental services including, but not limited to: budgeting, accounting, payroll, and purchasing services; personnel and employee services; internal information technology systems, desktop and network support services; facilities management services; public affairs services; policy and risk management services; and other support services.

Travel:

Three SBCC members will travel to the six work group meetings in Olympia (2,160 miles and 18 day per diem).

FY10: $675
FY11: $337

Section 7

FTE Salaries and Benefits

FY10: $28,946. CTED estimates that developing the methodology for energy performance scores will require 0.3 FTE Senior Energy Policy Specialist in FY10 only.

Goods and Services (G&S)

FY10: $13,145

-standard G&S: $12,612
-space and utilities: $533
-non-standard G&S: $0

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.6	0.2	0.4		0.2
A-Salaries and Wages	41,324	9,767	51,091		18,784
B-Employee Benefits	11,744	2,776	14,520		5,338
C-Personal Service Contracts					
E-Goods and Services	26,188	6,998	33,186		11,043
G-Travel	675	337	1,012		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	$79,931	$19,878	$99,809	$0	$35,165

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 2010	FY 2011	2009-11	2011-13	2013-15
EMS BAND 2	75,134	0.6	0.1	0.3		0.1
Various Administrative Services	55,478	0.1	0.0	0.1		0.0
Total FTE's	130,612	0.6	0.2	0.4		0.2

III. C - Expenditures By Program (optional)

Program	FY 2010	FY 2011	2009-11	2011-13	2013-15
Agency Administration (100)	20,325	4,804	25,129		9,239
Energy Policy (500)	59,606	15,074	74,680		25,926
Total $	79,931	19,878	99,809		35,165

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: 1747 S HB	**Title:** Built environment pollution	**Agency:** 105-Office of Financial Management

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND					
Total $					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Fund					
General Fund-State 001-1	25,160	24,276	49,436	48,552	48,552
Total $	25,160	24,276	49,436	48,552	48,552

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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☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Stephanie Lidren	Phone: 360-902-3056	Date: 02/25/2009
Agency Approval:	Aaron Butcher	Phone: 360-902-0406	Date: 02/25/2009
OFM Review:	Mike Woods	Phone: 360-902-9819	Date: 02/26/2009

Request # 102-3

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.

Section 8 (8) of SHB 1747 states that the "state may not renew leases with building that have a portfolio manager score below fifty". It is difficult to tell how many staff in certain facilities would have to be relocated as a result of this legislation, however, assuming that at least some percentage of staff in certain facilities will ultimately have to be relocated.

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.

Estimating that 5% of leased facilities or approximately 60 facilities may not be able to meet the energy star rating. Most leases are on a 5 year term, so assuming these 60 are staggered over 5 years, that is about 12 a year. Each request to relocate that comes to OFM via a modified pre-design takes approximately 20-40 hours of staff time to review and make a recommendation on the request to relocate. Approximately 360 hours per year (12*30 hours), equating to approximately .2 of an FTE.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
A-Salaries and Wages	14,760	15,204	29,964	30,408	30,408
B-Employee Benefits	3,720	3,792	7,512	7,584	7,584
C-Personal Service Contracts					
E-Goods and Services	4,800	4,800	9,600	9,600	9,600
G-Travel	480	480	960	960	960
J-Capital Outlays	1,400		1,400		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	$25,160	$24,276	$49,436	$48,552	$48,552

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 2010	FY 2011	2009-11	2011-13	2013-15
Facilities Analyst	73,800	0.2	0.2	0.2	0.2	0.2
Total FTE's	73,800	0.2	0.2	0.2	0.2	0.2

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: 1747 S HB	Title: Built environment pollution	Agency: 150-Dept of General Administration

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND	FY 2010	FY 2011	2009-11	2011-13	2013-15
General Administration Service Account-Non-Appropriated 422-6	175,515	175,515	351,030	351,030	351,030
Total $	175,515	175,515	351,030	351,030	351,030

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	2.3	2.3	2.3	2.3	2.3
Fund					
General Fund-State 001-1	22,697	22,697	45,394	45,394	45,394
General Administration Service Account-Non-Appropriated 422 -6	175,515	175,515	351,030	351,030	351,030
Total $	198,212	198,212	396,424	396,424	396,424

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Jonathon Iyall	Phone: 360-902-7434	Date: 02/24/2009
Agency Approval:	Tristan Wise	Phone: 360-902-7356	Date: 02/24/2009
OFM Review:	Regan Hesse	Phone: 360-902-9820	Date: 02/24/2009

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.

Section 8 directs General Administration to establish a state portfolio manager master account (subsection (3)), to select a standardized report for reporting public facilities (subsection (4)), and prepare a biennial report summarizing the statewide portfolio manager master account reporting data (subsection (5)).

Section 8 (8) restricts General Administration from renewing leases with buildings that have a portfolio manager score below fifty.

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.

General Administration will need to review its leases for compliance with the provisions of this measure. To secure the cash receipts for this activity, General Administration will bill the customers of its Real Estate Services line of business.

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.

General Administration will need .3 FTE of a Management Analyst 3 to administer the portfolio manager statewide account. This person will administer the portfolio manager database, assist agencies with linking their information into the database and will build/provide reports on a biennial basis. The costs associated with this effort are identified in the General Fund-State costs to reflect the statewide policy nature of this activity.

To avoid renewing leases in buildings with portfolio manager scores below fifty, General Administration's Real Estate Services program (RES) will need to assist, survey, collect data and monitor leased facilities for compliance with this bill. To do this, RES estimates it will need one Architect 2 and one Management Analyst 1. For additional detail on the required RES staffing levels please see the attachment "RES Staffing needs". These costs are identified in the General Administration Services account expenditures above.

Goods and Services are estimated at 10% of Salaries.

Indirect costs are calculated at 28% of Salaries and Benefits as determined by the GA Cost Allocation Rate Model, approved by OFM. Indirect costs are comprised of Agency Indirects, which includes HR, IS, Director’s office and Finance office, Revolving Fund charges and Division/Cost Center Indirect charges.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	2.3	2.3	2.3	2.3	2.3
A-Salaries and Wages	134,323	134,323	268,646	268,646	268,646
B-Employee Benefits	33,581	33,581	67,162	67,162	67,162
C-Personal Service Contracts					
E-Goods and Services	16,790	16,790	33,580	33,580	33,580
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	13,518	13,518	27,036	27,036	27,036
9-, ,					
Total:	$198,212	$198,212	$396,424	$396,424	$396,424

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 2010	FY 2011	2009-11	2011-13	2013-15
ARCHITECT 2	73,260	1.0	1.0	1.0	1.0	1.0
MANAGEMENT ANALYST 1	44,712	1.0	1.0	1.0	1.0	1.0
MANAGEMENT ANALYST 3	54,504	0.3	0.3	0.3	0.3	0.3
Total FTE's	172,476	2.3	2.3	2.3	2.3	2.3

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.

Anticipated RES Impact

Task Description	Responsibility	Anticipated Hours	Occurrence	Units	Total Hours
Program development-Coordinate with EAS-Energy	Energy Audit Coordinator	40		1+	40 hours start up
Staff Training for Energy Audit methodology	Architects, Planners, Lease Agents & Management & Energy Audit Coordinator	8	Initial & Semi Annual	16 Staff	128 Hours Startup
Generate Database to track energy consumption at leased spaces.	Management Analyst/support staff	60	Initial + Maintenance	2 Staff	120 Hours Startup
Revisions to Energy Forms to Coordinate with the EPA Energy Star Target Finder Website	Energy Audit Coordinator	12	Initial	1 Staff (12Hrs) + Review	24 Hours Startup
Total Start Up					312 hours
Identification and notification of affected sites	Energy Audit Coordinator/ Management Analyst	3	Per Site	220 buildings	660 Hours per year
Coordination and and Follow up of Energy Consumption Surveys	Energy Audit Coordinator	4	Per Pre Audit	220 Buildings over 2 years	220 Hours per year
Collection and Data entry of Utility Billings and site-based data.	Energy Audit Coordinator /Management Analyst	2	Per Pre Audit	220 Buildings over 2 years	220 Hours per year
Analysis and follow through to prescreen candidates for energy improvements.	Energy Audit Coordinator	4	Per Pre Audit	220 Buildings over 2 years	440 Hours per year
Field Inspections	Energy Audit Coordinator	8	Per Audit	50 Inspections per Year X (2) Staff	800 Hours per year
Project Management of Energy Improvement Alterations	Energy Audit Coordinator	10	Per Site	40 Alterations per year	400 hours per year
Monitoring projects	Management Analyst	4	Per Site	40 Alterations per year	160 hours per year
Design/construction management (by site) of Energy Improvement Alterations	Architects	40	Per Site	40 Alterations per year	1600 hours per year
Total Annual Hours					4500 hours per year
Total Staffing Requirements					2 FTE

Notes:

1. Program development is not included as we do not know how much development will be necessary until coordinating with EAS-Energy.
2. This approach a two year cycle for completing first phase.
3. RES does not currently have an FTE for the position of Energy Audit Coordinator.
4. It is anticipated that 45% of the sites (99) will require field inspections. Includes Travel Time.
5. It is anticipated that 80% of field inspections (80) will result in identification of potential energy efficiency measures.
6. Productive hours is defined as 74.71% for architects and 67.55% for other staff of annual employee hours
7. It is assumed that the positions of FTEs for this program are (1) Architect 2 and (1) Management Analyst 1 or 2.
8. It is assumed that the MA would also perform other duties.

Individual State Agency Fiscal Note

Bill Number: 1747 S HB	Title: Built environment pollution	Agency: 215-Utilities and Transportation Comm

Part I: Estimates

- [x] **No Fiscal Impact**

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Michael Young	Phone: 360-664-1155	Date: 02/23/2009
Agency Approval:	Walsh Sondra	Phone: 360-664-1286	Date: 02/23/2009
OFM Review:	Alyson Cummings	Phone: 360-902-0576	Date: 02/23/2009

Request # 09-24-1

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.

SHB 1747 directs CTED and the Building Code Council to enhance building efficiency through codes and other measures with the objective of achieving zero green house gas emission homes by 2030. The bill also enhances the authority of municipalities, public utility districts, and counties to sell conservation services and make loans to building and property owners for conservation projects.

Section 6 requires utilities to maintain certain data related to building energy usage, but the bill does not have a direct fiscal effect on the Utilities and Transportation Commission.

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.

Part III: Expenditure Detail

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: 1747 S HB	**Title:** Built environment pollution	**Agency:** 235-Department of Labor and Industries

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND					
Total $					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
Fund					
Accident Account-State 608-1	5,000	0	5,000	0	0
Medical Aid Account-State 609 -1	5,000	0	5,000	0	0
Total $	10,000	0	10,000	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.

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Jennifer C Smith	Phone: 360-902-6983	Date: 02/26/2009
Agency Approval:	Joshua Swanson	Phone: 360-902-6805	Date: 02/26/2009
OFM Review:	Mike Woods	Phone: 360-902-9819	Date: 02/26/2009

Request # 1747 S HB-1

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.

See Attachment.

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.

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.

See Attachment.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Personal Service Contracts					
E-Goods and Services	10,000		10,000		
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					
9-					
Total:	$10,000	$0	$10,000	$0	$0

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.

Part II: Explanation

This bill requires the Department of Community, Trade, and Economic Development (CTED) to develop a strategic plan for enhancing energy efficiency in and reducing greenhouse gas emissions from homes, buildings, districts, and neighborhoods. It directs CTED and the building code council to convene a work group to inform the initial development of the strategic plan. It requires the state energy code to increase construction of more energy efficient homes and buildings.

It requires qualifying public agencies to:

- Create an energy benchmark for each reporting public facility using a portfolio manager.
- Report the Environmental Protection Agency performance rating for each reporting public facility to General Administration.
- Link all portfolio manager accounts to the state portfolio manager master account to facilitate public reporting.

Each public facility with a national performance rating score below 50 shall undertake a preliminary energy audit. If potential cost-effective energy savings are identified, the agency must complete an investment grade energy audit.

The state may not renew leases with buildings that have a portfolio manager score below 50.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 6 – On and after January 1, 2010, qualifying utilities shall maintain records of the energy consumption data of all nonresidential and qualifying public agency building to which they provide service. This data must be maintained for at least the most recent 12 months in a format compatible for uploading to the portfolio manager. Disclosure of non-public residential building performance data will be phased in as follows:

- By January 1, 2011, for buildings greater than 50,000 square feet, and
- By January 1, 2012, for buildings greater than 10,000 square feet.

Section 8 – By July 1, 2010, each qualifying public agency shall:

- Create an energy benchmark for each reporting public facility using a portfolio manager.
- Report the Environmental Protection Agency national energy performance rating to General Administration for each reporting public facility included in the technical requirements for this rate.
- Link all portfolio manager accounts to the state portfolio manager master account to facilitate public reporting.

Each reporting public facility with a national energy performance rating score below 50 shall undertake, in consultation with General Administration, a preliminary energy audit by July 1, 2011. An investment grade energy audit must be completed by July 1, 2013, if potential cost-effective energy savings are identified. Implementation of cost-effective energy conservation measures are required by July 1, 2016.

The state may not renew leases with buildings that have a portfolio manager score below 50.

II. B – Cash Receipt Impact

None.

II. C – Expenditures

The Labor and Industries' Tumwater headquarters building is greater than 50,000 square feet. Labor and Industries' Town Center 3 lease also exceeds 50,000 square feet. Labor and Industries directly pays utility companies for six leased field offices that are greater than 10,000 square feet. If any of these facilities have a national performance rating below 50, it would require a preliminary energy audit and may require an investment grade energy audit.

The total cost estimate, according to General Administration, for all eight facilities to have energy audits is $10,000.

Labor and Industries would need to relocate any field office where it was not feasible to implement energy conservation measures to reduce the score below 50. This could affect up to seven locations, totaling 150,000 square feet of space.

All associated costs for moves would occur after July 1, 2016.

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

None.

Individual State Agency Fiscal Note

Bill Number: 1747 S HB	Title: Built environment pollution	Agency: 405-Department of Transportation

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

FUND					
Total $					

Estimated Expenditures from:

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	2.0	0.5	1.3	0.5	0.0
Fund					
Motor Vehicle Account-State 108 -1	261,000	62,000	323,000	124,000	124,000
Total $	261,000	62,000	323,000	124,000	124,000

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Thanh Nguyen	Phone: 360-705-7154	Date: 02/27/2009
Agency Approval:	Chris Christopher	Phone: 360-705-7851	Date: 02/27/2009
OFM Review:	Geri Beardsley	Phone: 360-902-9822	Date: 02/28/2009

Request # 09-089-1

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.

Section 8 of the proposal sets requirements for public agencies. By July 1, 2010 the department must
-- establish an energy benchmark using a portfolio manager (electronic database) for each site with buildings totaling over 10,000 square feet.
-- report to the Department of General Administration (GA) and the Environmental Protection Agency (EPA) the national energy performance rating for each of these facilities.
-- link all facility accounts to the state portfolio manager master account.

For each facility with a rating below 50
-- by July 1, 2011, a preliminary energy audit must be performed.
-- by July 1, 2013, investment grade energy audits must be performed on facilities identified in the preliminary audits as having potential cost-effective energy savings.
-- by July 1, 2016, cost-effective energy conservation measures must be implemented.

The department may not renew leases on buildings that have a score below 50.

By July 1, 2011 GA must conduct a review of facilities not covered by the performance rating. GA will identify additional facilities needing a preliminary energy audit. The department must complete these audits by July 1, 2012. Where warranted, investment grade audits on these facilities must be completed by July 1, 2013.

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 8a of the proposal requires the department to "create an energy benchmark for each reporting public facility using a portfolio manager." "Portfolio manager" is defined in section 2(15) as "the United States environmental protection agency's energy star portfolio manger or an equivalent tool adopted by the department." The department assumes that 373 buildings meet the criteria of a "reporting public facility" and that each of these 373 buildings will need a physical evaluation to establish the benchmark information. The department assumed that these inspections would require 5.5 hours per building by an Architect 2.

The calculations for expenditures are shown in the attached spreadsheet. The department used the following assumptions provided by General Administration, the lead agency for this fiscal note:
1) The portfolio manager will require approximately 2 hours per building for the initial set up and input of data.
2) The portfolio manager will require 10 minutes per building per month for input of current energy use data.
3) The portfolio manager is a free service provided by the US EPA's Energy Star Program.

4) Preliminary and investment grade audits required under Section 8(6) and (9) of the proposal are a no-cost service done by a utility company or an Energy Service Company.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2010	FY 2011	2009-11	2011-13	2013-15
FTE Staff Years	2.0	0.5	1.3	0.5	
A-Salaries and Wages	162,000	40,000	202,000	80,000	80,000
B-Employee Benefits	49,000	12,000	61,000	24,000	24,000
C-Personal Service Contracts					
E-Goods and Services	32,000	8,000	40,000	16,000	16,000
G-Travel	10,000		10,000		
J-Capital Outlays	8,000	2,000	10,000	4,000	4,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	$261,000	$62,000	$323,000	$124,000	$124,000

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 2010	FY 2011	2009-11	2011-13	2013-15
Architect 2		2.0	0.5	1.3	0.5	
Total FTE's		2.0	0.5	1.3	0.5	0.0

III. C - Expenditures By Program (optional)

Program	FY 2010	FY 2011	2009-11	2011-13	2013-15
Capital Plan Maintenance and Operations (D4)	224,000	55,000	279,000	110,000	
Total $	224,000	55,000	279,000	110,000	

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.

Calculations for the fiscal note for PSSB 5854 and SHB 1747--Built Environment Pollution [1]

Calculation of the Labor Hours Needed	2009-11			2011-13		
Hours	**FY10**	**FY11**	**Total**	**FY12**	**FY13**	**Total**
Gather data for benchmark (373 buildings x 5.5 hours each) [2]	2,052		2,052			0
Input initial data to portfolio manager (373 bldgs. x 2 hrs) [3]	746		746			0
Maintain portfolio manager data (10 minutes x 12 mo. x 373 bldgs.) [4]	746	746	1,492	746	746	1,492
Total Hours	3,544	746	4,290	746	746	1,492
Divided by Available Hours per Year (WSDOT standard)	1,776	1,776	1,776	1,776	1,776	1,776
FTE's	2.00	0.42	2.42	0.42	0.42	0.84

Cost Summary	2009-11			2011-13		
Category by Object of Expenditure	**FY10**	**FY11**	**Total**	**FY12**	**FY13**	**Total**
FTEs (Architect 2)	2.00	0.5	2.50	0.5	0.5	1
Salaries	$162,000	$40,000	$202,000	$40,000	$40,000	$ 80,000
Benefits	49,000	12,000	61,000	12,000	12,000	24,000
Total Sal & Ben	$211,000	$52,000	$263,000	$52,000	$52,000	$ 104,000
Object E--Goods and Services						
Supplies and Materials ($5,000 / yr / FTE)	$10,000	$2,500	$12,500	$2,500	$2,500	$5,000
Telephone and Postage ($1,000 / yr / FTE)	$2,000	$500	$2,500	$500	$500	$1,000
Professional Development @ $1,000 / yr / FTE	$2,000	$500	$2,500	$500	$500	$1,000
Facilities costs: rent utilities,etc. ($9,000 / yr / FTE)	$18,000	$4,500	$22,500	$4,500	$4,500	$9,000
Subtotal Object E	$32,000	$8,000	$40,000	$8,000	$8,000	$16,000
Object G--Travel						
Travel (73 sites x 150 miles x $0.5 / mile, + $60 per diem / site)	$10,000					
Object J--Capital Outlay						
IT Standard Costs ($4,000 / yr / FTE)	$8,000	$2,000	$10,000	$2,000	$2,000	$4,000
Total	$261,000	$ 62,000	$ 313,000	$ 62,000	$ 62,000	$ 124,000

Notes:

1) SHB 1747 & SSB 5854 requires that any "reporting public facility" (defined in Section 2(19) as a building or structure, or a group of buildings or structures at a single site, owned by a qualifying public agency, that exceed 10,000 sq. ft. of conditioned space) to participate in the Energy Star Portfolio Manager program.

2) The department has 373 buildings (out of a total of 946 buildings) at 73 different sites (out of a total of 296 sites) which meet the criteria of a "reporting public facility." The department assumes that all 373 buildings will need a physical evaluation to verify information required to establish the benchmark for the portfolio manager required in Section 8a of the proposal. (373 buildings x 5.5 hours = 2,052 total hours.)

3) Based upon the assumptions provided by General Administration, the lead agency for this fiscal note, up to 2 hours per building is required to input information into the Portfolio Manager. (373 buildings x 2 hours = 746 total hours.)

4) Based upon the assumptions provided by General Administration, the lead agency for this fiscal note, it will take10 minutes per

building per month to maintain the portfolio manager with current energy use data. (373 buildings x 1/6 hour x 12 months = 746 total hours.)

Individual State Agency Fiscal Note

Bill Number: 1747 S HB	**Title:** Built environment pollution	**Agency:** 461-Department of Ecology

Part I: Estimates

☒ **No Fiscal Impact**

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:	Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Preparation:	Allen Robbins	Phone: 360-407-7099	Date: 02/24/2009
Agency Approval:	Patricia McLain	Phone: 360-407-7005	Date: 02/24/2009
OFM Review:	Linda Steinmann	Phone: 360-902-0573	Date: 02/24/2009

Request # 09-130-1

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.

Section 8 would require each qualified public agency, by July 1, 2010, to create an energy benchmark for each reporting public facility using a portfolio manager. Each agency would report to the Department of General Administration, the Environmental Protection Agency national energy performance rating for each reporting public facility included in the technical requirements for this rating. If the rating is less than 50 then the public facility would need to undertake a preliminary audit by July 1, 2011. The methodology to establish the benchmark will be available from the Department of Community, Trade and Economic Development. Ecology currently has benchmarks on energy efficiency for its facilities.

Ecology assumes that all of Ecology's reporting facilities would rate higher than 50 and therefore would not need to do the preliminary audit and investment grade audit. The Department of General Administration assumes that 2 hours would be required for initial set up of each facility in the portfolio manager system and 15 minutes per month for data upkeep into the system for each facility. Ecology facilities that would meet the reporting requirements of this bill have already been entered into the portfolio manager system and the system is regularly updated with facility information consistent with data collected under Executive Order 05-01, so Ecology assumes there would be no fiscal impact.

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.

Part III: Expenditure Detail

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 1747 S HB	**Title:** Built environment pollution

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

[X] Cities: Local government entities operating energy utilities (Section 6), offering "energy conservation services" (Section 9) or choosing to make energy-efficiency loans (Sections 10-12).

[X] Counties: As above

[X] Special Districts: As above

[X] Specific jurisdictions only: As above

[ ] Variance occurs due to:

Part II: Estimates

[ ] No fiscal impacts.

[X] Expenditures represent one-time costs: Utilities would potentially need to upgrade monitoring systems to provide building-use reports. Most utilities are believed to already have the capacity to do so.

[X] Legislation provides local option: See discussion below.

[X] Key variables cannot be estimated with certainty at this time: The number of utilities that would need upgrades to their data systems, and the costs of those upgrades.

Estimated revenue impacts to:

Indeterminate Impact

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Jaime Kaszynski	Phone: 360-725-2717	Date: 02/24/2009
Leg. Committee Contact: Kara Durbin	Phone: 360-786-7133	Date: 02/19/2009
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/24/2009
OFM Review: John Shepherd	Phone: 360-902-0538	Date: 02/24/2009

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

CHANGES FROM ORIGINAL BILL VERSION
Sec. 2: Removes school districts from definition of "qualifying public agency."

Sec. 9: Removes authority for cities, towns, counties and public utility districts to establish "conservation utilities." Cities and counties may "engage in the sale or distribution of energy conservation services," to increase efficiency in energy use. Jurisdictions are required to coordinate with other existing conservation programs to avoid duplicating preexisting services. Jurisdictions offering conservation services are declared to be engaged in the sale or distribution of energy services and may operate loan programs under RCWs 35.92.360 or 54.16.280. Language providing that reductions in greenhouse gas emissions achieved through these services are "owned" by the jurisdiction and may in some cases be sold as renewable energy credits is removed.

Secs. 10-12: Language relating to "conservation utilities" is changed to reflect the changes in Sec. 9. Maximum payback terms for loans are extended to 20 years (from 10 years). Statutory liens are authorized, rather than required, in order to secure loans. Loan principles may include funds for a pooled reserve for debt. Conservation loans issued by a third party may be acquired with the proceeds of loan revenues if conditions are met.

(Secs. 13-16 in the original bill version relating to low-income housing weatherization are removed.)

ORIGINAL BILL VERSION SUMMARY
This bill addresses energy efficiency and weatherization.

Sec. 1: Intent section.

Sec. 2: Definition section
(17) Defines qualifying public agencies as state, colleges, university, and school districts.
(18) Defines qualifying utility as both consumer-owned and investor-owned electric and gas utilities with more than 25,000 customers in Washington state.

Sec. 3: Creates a work group on to work on development of strategic plan that includes the following representatives of local government: a municipal code enforcement officer, a public utility district representative and a municipal electric utility representative.

Sec. 4: Concerns changes to the Washington State Energy Code, including acceleration of construction of energy-efficient homes, and establishing the 2006 Energy Code as a minimum
standard.

Sec. 5: Establishes goals for the State Building Code Council such that by 2031 new homes and buildings be designed that reduce energy use 70 percent, with progress benchmarks provided.

Sec. 6: After January 1, 2010, requires qualifying utilities to maintain energy consumption records of all nonresidential and qualifying public agency buildings they serve. These records must be provided to the building portfolio manager in the most efficient way possible. Disclosure of nonpublic nonresidential building performance data will be phased in over time largest buildings first. This disclosure is required for all prospective lenders, lessees or purchasers of the building.

Sec. 7: Provides the Department of Community, Trade and Economic Development (CTED) with a deadline of December 31, 2009 to determine methodology to determine energy performances scores.

Sec. 8: Directs qualifying public agencies to create energy benchmarks for each public facility using a portfolio manager, to report national energy ratings for each facility, report to the state
portfolio.
(6) Requires an energy audit for any qualifying public agency with a rating of below 50 to identify potential cost-effective energy savings by July 1, 2011. If savings are identified, an
investment grad energy audit must be performed prior to July 1, 2012, with a requirement to implement these measures by July 1, 2015.
(7) Prohibits renewing leases for buildings with a portfolio manager score below 50.

Sec. 9: Authorizes municipalities to acquire and operate conservation facilities for the conservation of energy as a conservation utility which may offer loans under 35.92.360 or
54.16.280 RCW. Conservation credits may be sold to cities, counties and public utility districts (PUDs) to mitigate the greenhouse gas emissions of those jurisdictions.

Secs. 10-12: Amend RCWs that relate to authority for cities and towns engaged in the generation, sale or distribution of energy; public utility districts; and counties operating conservation utilities to assist property owners with energy efficiency-related or conservation improvements to structures or equipment. Jurisdictions would be given authority to provide grants for improvements to structures owned or occupied by persons qualifying as poor or infirm, consistent with the state constitution.

Jurisdictions making loans under sections 10-12, after the effective date of the bill, would be directed to:
-- Approve aggregate loan amounts and repayment terms by ordinance;
-- Enter into loan agreements with property owners that set forth terms and may provide for acceleration if repayments are delinquent; and
-- In order to secure a loan, have a statutory lien on the property, paramount to other encumbrances besides tax liens or special district assessments.

Jurisdictions making loans under sections 10-12, after the effective date of the bill, would be authorized to:
-- Foreclose liens in superior court within two years after a loan is accelerated as provided in the loan agreement;
-- Use loans to secure or repay general obligation or revenue bonds, notes or other forms of indebtedness;
-- Establish a reserve fund to secure the payment of these bonds and notes; and
-- Include in the principal amount of any loan a proportional share of the costs of issuing the bonds, notes or other forms of indebtedness, as well as up to 10 percent of the loan amount for the reserve fund.

Sec. 13: Definition section.

Sec. 14, 15, and 16: Address the CTED weatherization program.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

CHANGES FROM ORIGINAL BILL VERSION
This bill version does not change the expenditure impacts described below.

ORIGINAL BILL VERSION EXPENDITURE IMPACT
Local governments that would have direct expenditure impacts under this proposal include municipal utilities and public utility districts.

There are two municipal systems, two cooperative utilities and 10 public utility districts that provide electricity to more than 25,000 customers that would be impacted by the reporting requirements in Section 6. Each of these utilities would need to establish a program for providing energy consumption data to customers. There may be some one-time costs for providing the information in the required formats for programming and planning. However, this is not likely to represent a major cost as there are several available software packages. Subsection 3 authorizes utilities to minimize overall costs, and many if not all utilities already have the ability to provide this data. The number of utilities that would need upgrades and the cost of those upgrades is not known.

Local governments would also have indirect expenditure impacts under this proposal. Local code enforcement officers would need updated training as the state building code is revised to comply with this proposal. The impact to local government to implement changes to the state building code is unknown. However, past code updates required two days of travel for each inspector to training locations, and some jurisdictions also experienced costs associated with replacing the inspectors during the time they were absent for training. Depending on the changes made to the state building code, local jurisdictions could potentially need to revise codes and development regulations.

Other then as described above, jurisdictions choosing to form conservation utilities under Section 9 or to provide energy-efficiency loans under sections 10-12 would experience expenditure impacts. However, those impacts would vary based on rules to be determined in the future, and cannot be estimated.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

CHANGES FROM ORIGINAL BILL VERSION
Jurisdictions that "engage in the sale or distribution of energy conservation services" under Section 9 would no longer be given authority to sell reductions in greenhouse gas emissions linked to their services as renewable energy credits.

Jurisdictions providing energy efficiency loans under sections 10-12 would gain additional authority over loan terms and the use of repayment funds, and loans could have a payback period of 20 years. This change expands local revenue authority, but the impact cannot be estimated.

ORIGINAL BILL VERSION REVENUE IMPACT
The proposed legislation would have no direct impact on local government revenue or revenue authority. Sections of this bill provide local governments with expanded authority, which could impact revenue if acted upon.

Jurisdictions choosing to form conservation utilities under Section 9 or to provide energy efficiency loans under sections 10-12 would experience revenue impacts. However, those impacts would vary based on the value of conservation credits and loan terms to be determined in the future, and cannot be estimated.

SOURCES
Local government fiscal note for HB 1718 (2009)
Washington Public Utility District Association (WPUDA)
Association of Washington Cities