

Multiple Agency Fiscal Note Summary

Bill Number: 5441 SB	Title: Storm water control
-----------------------------	-----------------------------------

Estimated Cash Receipts

Agency Name	2013-15		2015-17		2017-19	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Ecology	0	2,847	0	0	0	0
Total \$	0	2,847	0	0	0	0

Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Ecology	.0	0	3,430	.0	0	0	.0	0	0
Total	0.0	\$0	\$3,430	0.0	\$0	\$0	0.0	\$0	\$0

Estimated Capital Budget Impact

NONE

Prepared by: Linda Steinmann, OFM	Phone: 360-902-0573	Date Published: Final 2/ 5/2013
--	-------------------------------	---

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

** See local government fiscal note

FNPID 33337

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5441 SB	Title: Storm water control	Agency: 461-Department of Ecology
-----------------------------	-----------------------------------	--

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
Water Pollution Control Revolv Acct-Federal 727-2	2,847		2,847		
Total \$	2,847		2,847		

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0	0.0	0.0	0.0	0.0
Account					
Water Pollution Control Revolv Acct-State 727-1	583	0	583	0	0
Water Pollution Control Revolv Acct-Federal 727-2	2,847	0	2,847	0	0
Total \$	3,430	0	3,430	0	0

Estimated Capital Budget Impact:

NONE

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: Jan Odano	Phone: (360) 786-7486	Date: 02/01/2013
Agency Preparation: Mike Herold	Phone: 360-407-6434	Date: 02/04/2013
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/04/2013
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 02/04/2013

Request # 13-062-1

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.

This bill is related to prioritizing state investments in storm water control.

The Department of Ecology (Ecology) develops and administers the National Pollutant Discharge Elimination System (NPDES) municipal stormwater permits in Washington State. Ecology provides grants and loans to eligible local jurisdictions to fund stormwater related projects in order to prevent and reduce stormwater pollution. Currently, Ecology funds both permitted and non-permitted stormwater projects based on the amount of water quality improvement it would create, with the highest priority given to projects producing more water quality benefits.

Section 1 of this bill would add a new section to chapter 43.21A RCW (Department of Ecology). This section would require Ecology, when providing grants, loans, or other financial assistance to a local government intended to address the management, treatment, or control of stormwater runoff, to give priority funding to activities or projects that are required by the NPDES municipal stormwater permit. After these projects are fully funded, and if additional resources are available, Ecology would provide funding to other eligible stormwater related projects.

Section 2 would amend RCW 90.48.290, to require that grants made by Ecology to address the management, treatment, or control of stormwater runoff be prioritized in a manner consistent with section 1.

Section 3 would amend RCW 90.48.285, to require that contracts made by Ecology to address the management, treatment, or control of stormwater runoff be prioritized in a manner consistent with section 1.

Section 4 would amend RCW 70.105D.070 (Toxics control accounts), to require that expenditures from either the State or Local Toxics Control Account intended to address the management, treatment, or control of stormwater runoff be prioritized in a manner consistent with section 1.

Ecology currently provides stormwater grants out of the capital and operating budgets. For a complete overview of the funding for stormwater related activities, see detail discussion under the Capital Budget section of the fiscal note.

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.

Federal revenue is shown to match federal expenditures in the Water Pollution Control Revolving Account – Federal.

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.

Sections 1, 2(3), and 3(4)(b) would require Ecology to give priority funding to permitted stormwater projects when providing grants, loans, or other financial assistance to local governments to address the management, treatment, or

control of stormwater runoff. This would shift the current funding priority based on the amount of water quality improvement to a permit related focus. As a result, Ecology would need to re-write the funding guidance and create a new application to reflect the new requirement under this bill. This would require an estimated 10 hours to re-write the funding guidance, and 40 hours to create, review, edit and finalize a new application (0.03 FTE of an Environmental Planner 4 in FY14). Funding for this work would be from the same fund sources that are used for water quality financial assistance for these projects: Water Pollution Control Revolving Account – Federal and 17% state funds from the Water Pollution Control Revolving Account – State.

Section 4(10) would not have fiscal impact on Ecology.

Notes on costs by object:

Salary estimates are current actual rates plus three percent to restore TSR, at the agency average new hire step H.

Benefits are the agency average of 32.0% of salaries.

Goods and Services are the agency average of \$5,127 per direct program FTE.

Travel is the agency average of \$1,156 per direct program FTE.

Equipment is the agency average of \$809 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 35.1% of direct program salaries and benefits. Administration program FTEs are not included because, at 0.15 FTE per direct program FTE, there would be less than 0.01 FTE. Agency Administrative Overhead is shown as object 9.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0		0.0		
A-Salaries and Wages	1,804		1,804		
B-Employee Benefits	577		577		
C-Personal Service Contracts					
E-Goods and Services	154		154		
G-Travel	35		35		
J-Capital Outlays	24		24		
N-Grants, Benefits and Client Services					
P-Debt Service					
S-Interagency Reimbursements					
9-Agency Administrative Overhead	836		836		
Total:	\$3,430	\$0	\$3,430	\$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 2014	FY 2015	2013-15	2015-17	2017-19
ENVIRONMENTAL PLANNER 4	60,120	0.0		0.0		
Total FTE's	60,120	0.0		0.0		0.0

Part IV: Capital Budget Impact

NONE

Ecology provides about \$36.8 million per biennium in grants and loans to permitted and non-permitted local jurisdictions for stormwater related projects out of the capital and operating budgets. For permitted communities, Ecology provides an

Request # 13-062-1

average of \$33.3 million in capital stormwater grants for retrofit and low impact development projects (average from the last 5-6 years), and about \$2.5 million to permit required activities out of the operating budget. Non-permitted communities receive about \$1 million from the federal 319 fund, and the centennial clean water funding program, which is used as the required state match for the 319 fund. Under this bill, Ecology would be required to give priority funding to permitted activities, increasing the funding available for these projects, while decreasing the funding available to retrofit and low impact development projects. There would be no impact on the funding available to non-permitted communities.

Current Law Stormwater Investments - Local Governments
(Estimated funding per biennium)

Permitted Communities
Non-permitted construction (Retrofit/LID, capital): 33,300,000
Permitted activities (Capacity grants, operating): 2,500,000
Sub-total: 35,800,000

Non-Permitted Communities
Non-permitted stormwater activities (319/Cent, capital): 1,000,000

Total: 36,800,000

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: 5441 SB	Title: Storm water control
-----------------------------	-----------------------------------

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

Legislation Impacts:

- ☐ Cities:
- ☐ Counties:
- ☐ Special Districts:
- ☒ Specific jurisdictions only: The bill would affect the types of local government storm water projects that are prioritized for funding from Ecology, but would have no net impact on the amount of funding available.
- ☐ Variance occurs due to:

Part II: Estimates

- ☒ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Part III: Preparation and Approval

Fiscal Note Analyst: Jaime Kaszynski	Phone: 360-725-2717	Date: 02/04/2013
Leg. Committee Contact: Jan Odano	Phone: (360) 786-7486	Date: 02/01/2013
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/04/2013
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 02/05/2013

Part IV: Analysis

A. SUMMARY OF BILL

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

Section 1 is added to RCW 43.21A, directing the Department of Ecology (Ecology) to prioritize funding for activities or projects required by the applicable operational state municipal storm water permit (hereafter, "permit") when providing grants, loans or other financial assistance related to the management, treatment or control of storm water, to units of local government. Ecology could only fund other storm water related projects if additional resources are available after all requirements of the permit have been funded. Sections 2 to 4 amend RCWs 90.48.290, 90.48.285 and 70.105D.070 to require that funding for storm water projects under those sections be prioritized as provided in Section 1.

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.

The bill would have no direct impact on local government expenditures. However, the bill would prioritize funding available to local governments from Ecology for storm water projects, thereby indirectly impacting expenditures for individual jurisdictions that receive higher or lower priority for funding. The net expenditures made by jurisdictions statewide would not change, as the net revenue available would remain the same.

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.

The bill would affect the types of local government storm water projects that are prioritized for funding from Ecology, but would have no net impact on the amount of funding available. As stated in Ecology's fiscal note, the bill would shift Ecology's funding priority away from the amount of water quality improvement that would result from the activity, to a focus on the storm water permits.

There are 100 cities and 15 counties covered by the permits. As indicated by Ecology, these jurisdictions presently receive the majority of storm water-related funding. The amount of funding that permittee and non-permittee jurisdictions would respectively receive would not be impacted by the bill, however the types of permittee's projects that would be funded could change. No overall net revenue impacts would result, but individual jurisdictions could receive higher or lower priority for funding.

SOURCES:

Department of Ecology staff and fiscal note

Snohomish County Surface Water Management Division

Association of Washington Cities' fact sheet on storm water permits

(<http://www.awcnet.org/Portals/0/Documents/Legislative/Stormwater0310.pdf>)