

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1375 P S HB	<b>Title:</b> Groundwater withdrawal	<b>Agency:</b> 461-Department of Ecology
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2014	FY 2015	2013-15	2015-17	2017-19
General Fund-State 001-1	800	800	1,600	1,600	1,600
Water Rights Tracking System Account-State 10G-1	200	200	400	400	400
<b>Total \$</b>	1,000	1,000	2,000	2,000	2,000

### Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.4	0.4	0.4	0.4	0.4
<b>Account</b>					
General Fund-State 001-1	36,807	36,807	73,614	73,614	73,614
<b>Total \$</b>	36,807	36,807	73,614	73,614	73,614

### 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.

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Request # 13-110-1

## 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.*

Compared to HB 1375 and SB 5200, PS HB 1375 primarily makes technical and section numbering changes to the original versions of the bill. The PS HB version would also require a water system to provide metering data of actual water use within five years of providing a water supply under this bill in order to quantify the consolidation. The original versions of the bill did not require metered data and made it optional for the water system to submit any additional information. There is no change of fiscal impact to Ecology from these changes.

Under current law, RCW 90.44.105 provides a process for water system purveyors to consolidate permit-exempt wells that are already constructed.

This bill would amend RCW 90.44.105 to allow for a well consolidation to occur in certain circumstances prior to well construction.

Section 1(3) would allow for a well consolidation to occur prior to well construction if

(1) an existing publically owned Group A or B water system wanted to serve a new development with a quantity of water otherwise withdrawn under RCW 90.44.050 and that the quantity of water consolidated may not exceed 5,000 gallons per day (gpd).

(2) a determination is made under RCW 58.17.110 or 19.27.097, that potable water is legally available for single or group domestic use under RCW 90.44.050 for a proposed new development,

(3) the water system is in compliance with water use efficiency requirements of RCW 70.119A.180(4), drinking water rules adopted by the Department of Health under RCW 43.70.040 and State Board of Health rules adopted under RCW 43.20.050(2)(a), and

(4) that the water system provide metered water use information to Ecology within five years of obtaining water under this section.

Ecology would have fiscal impact from conducting the impairment analysis related to new consolidations, providing technical assistance to local governments on legal availability determinations, implementing and overseeing permit development schedules once consolidations have been approved, and issuing consolidation amendments once water has been put to beneficial use.

### 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.*

For fiscal note estimation purposes, Ecology assumes the following scenario: 20 additional applications per year would be submitted and charged an application change fee. Assuming a minimum change fee of \$50, 20 applications would produce annual cash receipts of \$1,000 for deposit to the State General Fund (80%) and the Water Rights Tracking Account (20%). (Please note that actual fee amounts would depend on the amount of water within each individual change application.)

### 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.*

This bill would create fiscal impact on the department through processing additional “change” applications under the permit-exempt well consolidation process in this bill. The processing of a change application under this bill would require public notice, collection of fees, processing applications, issuing a permit, monitoring a development schedule, issuing a superseding certificate, analysis of information, administration, database management, correspondence and record keeping. Acceptance or denial of the change application would also create a new “agency action” and (potential) point of legal appeal. Ecology assumes that:

1. Approximately 20 total applications (beginning in FY14) to consolidate water rights with a permit exempt well are expected annually under the terms of this bill;
2. Each application would take approximately 24 hours of total staff time to process - Ecology assumes that processing of these consolidation applications will be more efficient and streamlined than a normal change application that takes an estimated 40 hours to process;
3. Staffing for this work would be performed by:
  - a. Senior permit Staff - Environmental Specialist 3 (18 hours estimated) for analysis, decision, etc.
  - b. Administrative Staff - Secretary Senior (1 hour) and Communications Consultant 2 (3 hours) to prepare the public notice, formatting, editing, mailing and scanning the draft and final reports of examination
  - c. IT Staff - Information Technology Specialist 2 (2 hours) to update database information and conduct GIS mapping of water rights
4. Ecology assumes that technical assistance to Local Government would be required to determine legal and scientific availability of water for the purpose of deciding if the proposed consolidation is possible / feasible. Ecology estimates that 0.2 FTE Environmental Specialist 4 would be required to provide technical assistance to the 20 applications submitted annually as well as other applicants that do not submit an application.
5. Each applicant would provide required information with the change application for the department to make a decision.
6. Ecology does not assume additional legal costs or an increase in the rate of appeals as this bill provides a means to approve permit-exempt well consolidation applications that meet the criteria of the bill. The applications considered under this bill are assumed to not have any impact to other water rights.
7. Ecology assumes that the consolidation amendment process identified in the bill under section 1(1) and 1(2) would be required under section 1(3) for the purposes of estimating costs.

#### FY14 and Beyond Impacts - Pending Applications:

Ecology estimates that approximately 0.2 FTE ES4 and 0.18 FTE ES3 would be required in FY14 and beyond to permit-exempt well consolidation applications. Staff costs for 0.003 FTE CC1, 0.001 FTE Sec. Sr. and 0.002 FTE ITS2 are not included in the fiscal note Expenditure and FTE tables because they are less than 0.01 FTE.

#### 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 included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2. 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	0.4	0.4	0.4	0.4	0.4
A-Salaries and Wages	19,129	19,129	38,258	38,258	38,258
B-Employee Benefits	6,121	6,121	12,242	12,242	12,242
C-Personal Service Contracts					
E-Goods and Services	1,948	1,948	3,896	3,896	3,896
G-Travel	439	439	878	878	878
J-Capital Outlays	307	307	614	614	614
N-Grants, Benefits and Client Services					
P-Debt Service					
S-Interagency Reimbursements					
9-Agency Administrative Overhead	8,863	8,863	17,726	17,726	17,726
<b>Total:</b>	<b>\$36,807</b>	<b>\$36,807</b>	<b>\$73,614</b>	<b>\$73,614</b>	<b>\$73,614</b>

#### 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 SPECIALIST 3	47,016	0.2	0.2	0.2	0.2	0.2
ENVIRONMENTAL SPECIALIST 4	54,504	0.2	0.2	0.2	0.2	0.2
FISCAL ANALYST 2		0.1	0.1	0.1	0.1	0.1
<b>Total FTE's</b>	<b>101,520</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>

### 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.*