

Individual State Agency Fiscal Note

Bill Number: 1509 HB	Title: Forest fire suppression	Agency: 490-Department of Natural Resources
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	7.4	7.4	7.4	4.8	4.8
Account					
General Fund-State 001-1	710,000	629,000	1,339,000	802,000	802,000
Total \$	710,000	629,000	1,339,000	802,000	802,000

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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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 2: States that when implementing the authority to direct the work of forest fire suppression in RCW 76.04.15, the Department of Natural Resources (DNR) must give first priority to fire suppression resource contractors that are located geographically closer to the actual fire activities. The bill requires DNR to take administrative steps prior to the actual commencement of fire suppression activities. These steps may include: 1) outreach and training; 2) the creation of memorandums of understanding (MOU) or other agreements with local fire suppression resource contractors; 3) the creation of formal working relationships with county governments that allows a role for a county to liaison between DNR and the resource contractors based in the county; and 4) any other preemptive, administrative action deemed beneficial by the department in the implementation of this section.

Section 3: Requires DNR to select private contractors consistent with the prioritization requirements provided in section 2 of this act.

Section 4: Requires DNR to employ persons in a manner consistent to section 2 of this act, when appropriate.

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.

AGENCY ASSUMPTION –

The bill requires DNR to take administrative steps prior to the actual commencement of fire suppression activities. Because injury or death could potentially occur in a wildfire, the following safety procedures are assumed for all fire suppression resource contractors: 1) Identified resource contractors must take a Labor and Industries fire training and be issued a Red Card; 2) All equipment must be properly inspected prior to fire dispatch; and 3) A MOU or agreement with resource contractors must be in place prior to fire dispatch.

Section 2: Starting in FY 2016, DNR will require additional staff time to create formal working relationships with 39 different county liaisons in the state to preemptively identify available fire suppression resource contractors. It will take staff time to identify who in the county would be included, i.e. fire districts, county commissioners, etc. Currently the department does not have a working relationship with the any of the counties in obtaining contracted vendors.

Additional staff time will be required to create and implement an ongoing outreach campaign program for all the various possible fire resources. After the fire resource has been identified, Labor & Industries fire training will need to be conducted by DNR staff. This one-day training will need to be held prior to a dispatch, and as often as needed as fire resources are contracted. Staff will then issue a Red Card after their training is completed. At that point staff will need to set up the contractor in the Statewide Resource Ordering and Status System Dispatching

Program in order for DNR to use these resources. Staff will be needed on every occasion for equipment inspections prior to a fire dispatch.

Staff will need to develop and maintain MOU's and agreements with local fire suppression resource contractors in the various fire prone communities of the state. Currently the department have pre-suppression agreements, which is where DNR doesn't have to seek out contractors, they call asking to work for DNR. Additional staff will be needed to work with a county liaison throughout each year. These additional staff will also act as a consultant with the dispatchers to assure DNR is in compliance with this new requirement.

Within DNR, the State of Washington is broken into six regions. To comply with this new legislation DNR will require five full-time positions for initial implementation; two in the Southeast Region, two in the Northeast Region, and one to cover the West Regions. Costs in FY 2016 include 5.0 FTE Natural Resource Specialist 1 and associated costs, one-time equipment costs and travel, for a total of \$615,000 in FY 2016, and \$569,000 in FY 2017. Starting in FY 2018, the West Regions will still require one full-time position; however, staff will be reduced in both the Southeast and Northeast Regions to just one full-time position, for a total of 3.0 FTE and \$341,000. These costs will be ongoing.

Section 3: Starting in FY 2016, DNR will need additional staff to select private contractors consistent with the prioritization requirements provided in section 2 of this act. Currently the department already uses the closest forces concept within compliance of the master agreement with DNR's federal partners. Complying with section 2 for every dispatch will require additional staff time to determine if there is a significant price disparity. This will require an ongoing 0.5 FTE Office Support Supervisor 2 and 0.2 FTE Natural Resource Specialist 3 and associated costs to assure the department is following the new requirement. Ongoing "emergency fire suppression" costs starting in FY 2016 will be \$53,000 each year.

Section 4: It is assumed that the department will be hiring more new staff to fight wildfires based on the language of the bill. It is further assumed many of these new staff will be short-term and not like many of the seasonal employees; therefore additional staff time to hire, pay, and release these new employees will be needed. Ongoing "emergency fire suppression" costs starting in FY 2016 include 0.1 FTE Fiscal Analyst 1 and associated costs for a total of \$7,000 each year.

Administrative cost is calculated at 27% for staff related cost only. Administrative cost for fiscal note purposes is represented as a Fiscal Analyst 2 (1.6 FTE in FY16 and FY17, decreasing to 1.0 FTE in FY18 and ongoing).

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years	7.4	7.4	7.4	4.8	4.8
A-Salaries and Wages	257,000	257,000	514,000	336,000	336,000
B-Employee Benefits	99,000	99,000	198,000	128,000	128,000
C-Professional Service Contracts					
E-Goods and Other Services	198,000	128,000	326,000	164,000	164,000
G-Travel	31,000	31,000	62,000	38,000	38,000
J-Capital Outlays	11,000		11,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	114,000	114,000	228,000	136,000	136,000
9-					
Total:	\$710,000	\$629,000	\$1,339,000	\$802,000	\$802,000

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 2016	FY 2017	2015-17	2017-19	2019-21
Fiscal Analyst 1	41,508	0.1	0.1	0.1	0.1	0.1
Fiscal Analyst 2	45,828	1.6	1.6	1.6	1.0	1.0
Natural Resource Specialist 1	44,712	5.0	5.0	5.0	3.0	3.0
Natural Resource Specialist 3	55,836	0.2	0.2	0.2	0.2	0.2
Office Support Supv 2	41,508	0.5	0.5	0.5	0.5	0.5
Total FTE's	229,392	7.4	7.4	7.4	4.8	4.8

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.

Sections 1-4: Rule changes will be needed in WAC 296.305.07002 (Wildland fire personnel accountability) and 296.305.07010 (Training for wildland firefighting) to meet the new requirements of this bill.