

Multiple Agency Fiscal Note Summary

Bill Number: 5115 SB	Title: Appliance efficiency
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Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Commerce	.9	319,881	319,881	.6	210,006	210,006	.6	101,695	101,695
Department of Enterprise Services	Fiscal note not available								
Total \$	0.9	319,881	319,881	0.6	210,006	210,006	0.6	101,695	101,695

Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

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

** See local government fiscal note

ENPID: 53205

FNS029 Multi Agency rollout

Individual State Agency Fiscal Note

Bill Number: 5115 SB	Title: Appliance efficiency	Agency: 103-Department of Commerce
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.2	0.6	0.9	0.6	0.6
Account					
General Fund-State 001-1	218,186	101,695	319,881	210,006	101,695
Total \$	218,186	101,695	319,881	210,006	101,695

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: Angela Kleis	Phone: 360-786-7469	Date: 01/11/2019
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Agency Approval: Joyce Miller	Phone: 360-725-2723	Date: 01/16/2019
OFM Review: Gwen Stamey	Phone: (360) 902-9810	Date: 01/17/2019

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 revises RCW 19.260 and repeals RCW 19.27.170. If the bill is passed, the Department of Commerce (department) would be required to revise Washington Administrative Code (WAC) 194-2 (Appliance Efficiency Standards), continue to provide periodic reporting to the legislature and update a printed library with new test standards.

The department would create rules referencing the 19 new standards adopted through this bill, and the bill lists specific standards which establish the framework for rulemaking.

In section 6(1) new language is added stating that the department may adopt existing federal standards by reference. This is a provision that allows the department to adopt federal standards in the event federal rules get eliminated. The department will develop draft modifications to WAC 194-24 incorporating up to 56 federal standards by reference, complete notifications, hold rulemaking meetings and finalize rules.

In addition, this section requires the department to compare new federal standards to adopted Washington State standards, and notify the legislature if any of Washington's state standards have been preempted by the federal government. The department may make recommendations to modify or add state standards which requires research based on existing voluntary standards or standards from other states.

Section 7(1 through 6) describes the implementation of the appliance standards. The number of new standards being adopted will require the department to develop communications with industry, distributor and retail outlets. New challenges addressing notification to retail internet providers will be required. There will also need to be a continued effort to notify sellers and installers of products to assure compliance. The department will be able to reference national (Energy Star) and state (California Title 20) appliance standards databases to identify compliant products.

Section 7(7) authorizes the department to adopt rules as necessary to implement and enforce this chapter.

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 6 and 7 – Rulemaking and Modifications to WAC 194-24

ASSUMPTIONS: The department assumes that rulemaking will be researched and completed in Fiscal Year 2020 for WAC 194-24. There will be staff assigned to develop and implement the enforcement strategy including industry notification and verification processes. The department assumes that the cost to purchase and file test standards will be \$4,500.

To accomplish this work the department assumes:

1.0 FTE EMS 2 Energy Policy Specialist (2,088 hours) in FY20 and 0.5 FT in FY21-24 to complete the rulemaking process, complete revisions to WAC 194-24 and provide expert policy level guidance and then complete the implementation and enforcement of the standards.

Salaries and Benefits

FY20 \$141,774

FY21-24 \$70,888 per year

Goods, Services, Equipment and Travel

FY20 \$76,412

FY21 \$30,807

FY22 \$36,107

FY23 \$32,123

FY24 \$30,807

Goods and Services includes \$4,500 to purchase and file test standards and \$10,600 for Attorney General costs.

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Costs

FY20 \$218,186

FY21 \$101,695

FY22 \$106,995

FY23 \$103,011

FY24 \$101,695

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	218,186	101,695	319,881	210,006	101,695
Total \$			218,186	101,695	319,881	210,006	101,695

III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.2	0.6	0.9	0.6	0.6
A-Salaries and Wages	107,777	53,889	161,666	107,778	53,889
B-Employee Benefits	33,997	16,999	50,996	33,998	16,999
C-Professional Service Contracts					
E-Goods and Other Services	71,412	30,807	102,219	66,914	30,807
G-Travel					
J-Capital Outlays	5,000		5,000	1,316	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	218,186	101,695	319,881	210,006	101,695

III. C - Operating FTE 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 2020	FY 2021	2019-21	2021-23	2023-25
Administrative Services (Indirect)	69,552	0.2	0.1	0.2	0.1	0.1
EMS Band 2 Senior Energy Policy Specialist	107,777	1.0	0.5	0.8	0.5	0.5
Total FTEs		1.2	0.6	0.9	0.6	0.6

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.

The department will adopt rules incorporating federal standards into WAC 194-24, and may adopt existing federal standards by reference. This is a provision that allows the department to adopt federal standards in the event the federal government chooses to eliminate federal rules.

Additionally, the department will update WAC 194-24 with new state standards.