

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6518 E 2S SB	<b>Title:</b> Pesticide, chlorpyrifos
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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 Health	.7	254,000	254,000	.6	161,000	161,000	.4	82,000	82,000
Washington State University	.0	280,000	280,000	.0	560,000	560,000	.0	560,000	560,000
Department of Ecology	.4	0	140,906	1.2	0	330,450	.0	0	0
Department of Agriculture	3.0	0	858,000	5.8	0	1,671,600	5.0	0	1,412,600
<b>Total \$</b>	<b>4.1</b>	<b>534,000</b>	<b>1,532,906</b>	<b>7.6</b>	<b>721,000</b>	<b>2,723,050</b>	<b>5.4</b>	<b>642,000</b>	<b>2,054,600</b>

## Estimated Capital Budget Expenditures

Agency Name	2019-21			2021-23			2023-25		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Health	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

## Estimated Capital Budget Breakout

<b>Prepared by:</b> Leslie Connelly, OFM	<b>Phone:</b> (360) 902-0543	<b>Date Published:</b> Final 3/ 5/2020
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6518 E 2S SB	<b>Title:</b> Pesticide, chlorpyrifos	<b>Agency:</b> 303-Department of Health
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	1.4	0.7	0.6	0.4
<b>Account</b>					
General Fund-State 001-1	0	254,000	254,000	161,000	82,000
<b>Total \$</b>	0	254,000	254,000	161,000	82,000

### 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.

Legislative Contact:	Phone:	Date: 02/18/2020
Agency Preparation: Jodine Sorrell	Phone: (360) 236-3015	Date: 02/21/2020
Agency Approval: Carl Yanagida	Phone: 360-7894832	Date: 02/21/2020
OFM Review: Bryce Andersen	Phone: (360) 902-0580	Date: 02/24/2020

## 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 fiscal note has changed from the fiscal note done previously on the SSB version. This bill requires the creation of a maximum contaminant level (MCL) for chlorpyrifos, rules to be adopted to implement the MCL, and a guidance value established for use until the MCL is determined.

Section 3: By January 1, 2022, DOH must establish and provide a recommendation to the State Board of Health (SBOH) a statewide MCL for chlorpyrifos for group A water systems. SBOH must adopt rules to implement the MCL recommendations by January 1, 2022. Until the MCL is determined, DOH must recommend a guidance value of chlorpyrifos for drinking water systems.

### 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 3: ESTABLISH MCL, RULEMAKING, AND REVIEW TEST RESULTS

By January 1, 2022, DOH must establish and provide a recommendation to SBOH for a statewide MCL for chlorpyrifos for group A water systems. SBOH must adopt rules to implement the MCL recommendations by January 1, 2022. Until the MCL is determined, DOH must recommend a guidance value of chlorpyrifos for drinking water systems.

#### ESTABLISH MCL:

##### Assumptions:

- DOH will contract with a vendor to complete a cost benefit analysis prior to finalizing the chlorpyrifos MCL.
- Data from other states will be used for the MCL and cost benefit analysis as there is insufficient time before January 1, 2022 to test group A water systems in this state.
- DOH will follow EPA processes when developing the MCL.

In order for DOH to establish a statewide MCL for chlorpyrifos, staff will need to update their literature review and evaluation of scientific evidence. They will review the existing state MCLs and the evidence supporting them; other government assessments, including the Toxic Substances and Disease Registry (ATSDR); the latest peer-reviewed science and government studies; and evaluate the evidence for a health protective value. Staff will also identify sensitive populations and determine exposure assumptions. Staff will research treatability options and alternatives and costs for chlorpyrifos as this is not currently known. They will prepare and submit written recommendations to SBOH for a chlorpyrifos MCL by January 1, 2022. Prior to completing the MCL, DOH will recommend to SBOH a guidance value (also known as a state action level) of chlorpyrifos for drinking water systems. This will require 0.8 FTE and \$113,000 in fiscal year (FY) 2021 and 0.3 FTE and 38,000 in FY 2022.

Before the MCL is finalized, DOH will contract with an outside vendor to provide a chlorpyrifos cost benefit

analysis. This analysis will compare the cost of treating drinking water to the impact on public health if there is no treatment. DOH estimates \$35,000 in FY 2021 for this contract, based on similar work performed by the New Hampshire Department of Environmental Services in 2018.

Total costs for ESTABLISH MCL:

FY 2021, 0.8 FTE and \$148,000

FY 2022, 0.3 FTE and \$38,000

RULEMAKING:

The SBOH and DOH will work together on the rulemaking in FY 2021 and FY 2022 to adopt rules to implement recommendations for a chlorpyrifos MCL for group A water systems. To complete complex, challenging rules and stakeholdering, DOH will require 0.5 FTE and \$86,000 in FY 2021 and 0.4 FTE and \$67,000 in FY 2022. This includes rulemaking, and travel costs as well as Office of the Attorney General costs of \$8,000 in FY 2021 and \$6,000 in FY 2022.

Toxicology staff will also be needed to advise and assist with the scientific and technical elements of rulemaking and stakeholdering. This will require 0.1 FTE and \$20,000 in FY 2021, and 0.1 FTE and \$19,000 in FY 2022.

Travel required for stakeholder meetings (\$1,080, included in rulemaking costs):

Assumptions:

- Four subject matter experts from DOH and SBOH will meet with stakeholders three times during the rulemaking process prior to implementation January 1, 2022.
- The space will be provided by DOH offices or local health partners at no cost.
- Meetings will be held in 3 locations: Tacoma, Mt Vernon, and Spokane.
- Staff will carpool using state vehicles.
- Assumptions for costs are based on similar PFAS stakeholdering that the DOH has completed in the past.
- Travel is based on:
  - o Per diem lunch \$20
  - o Per diem meals and lodging average of \$169 per day

Spokane:

4 staff X \$230 per diem meals and lodging (two days one night) = \$920

Mt Vernon:

4 staff X \$20 per diem lunch = \$80

Tacoma:

4 staff X \$20 per diem lunch = \$80

Total costs for RULEMAKING:

FY 2021, 0.6 FTE and \$106,000

FY 2022, 0.5 FTE and \$86,000

## REVIEW TEST RESULTS:

### Assumptions:

- Current rules state that utilities must sample for all chemicals with an MCL; therefore, testing of water systems is an expectation of this new MCL establishment.
- DOH estimates test results from 2,500 water systems with 6,500 sources will be received by DOH over three years after the MCL is created.
- Each of the 6,500 test results will take approximately eight minutes to open, review and record.
- Water systems will test the parameters, and DOH will monitor the results.

DOH will require staff time of 0.1 FTE in FY 2022, 0.3 FTE in FY 2023, and 0.8 in FY 2024 to review test results for accuracy and completeness; record the test findings; and analyze the results, draw conclusions, and work with water systems.

### Total costs for WATER SYSTEM TEST REVIEW:

FY 2022, 0.1 FTE and \$12,000

FY 2023, 0.3 FTE and \$25,000

FY 2024, 0.8 FTE and \$82,000

### Total costs for fiscal note:

FY 2021, 1.4 FTE and \$254,000

FY 2022, 0.9 FTE and \$136,000

FY 2023, 0.3 FTE and \$25,000

FY 2024, 0.8 FTE and \$82,000

## 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	0	254,000	254,000	161,000	82,000
Total \$			0	254,000	254,000	161,000	82,000

### III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		1.4	0.7	0.6	0.4
A-Salaries and Wages		133,000	133,000	96,000	54,000
B-Employee Benefits		44,000	44,000	33,000	21,000
C-Professional Service Contracts		35,000	35,000		
E-Goods and Other Services		28,000	28,000	20,000	1,000
G-Travel		2,000	2,000	2,000	
M-Inter Agency/Fund Transfers					
P-Debt Service					
T-Intra-Agency Reimbursements		12,000	12,000	10,000	6,000
9-					
Total \$	0	254,000	254,000	161,000	82,000

**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
Fiscal Analyst 2	53,000		0.2	0.1		0.1
HEALTH SERVICES CONSULTANT 2	62,460				0.2	0.1
HEALTH SERVICES CONSULTANT 3	70,632		0.2	0.1	0.1	
Health Svcs Conslt 1	53,000		0.1	0.1	0.1	0.1
Management Analyst 5	86,064		0.3	0.2	0.1	
PUBLIC HEALTH ADVISOR 3	70,632					0.2
TOXICOLOGIST 3	97,392		0.6	0.3	0.2	
<b>Total FTEs</b>			1.4	0.7	0.6	0.4

**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

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 SBOH will adopt rules by January 1, 2022 to implement recommendations for an MCL for chlorpyrifos in group A water systems.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6518 E 2S SB	<b>Title:</b> Pesticide, chlorpyrifos	<b>Agency:</b> 365-Washington State University
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
<b>Account</b>					
General Fund-State 001-1	0	280,000	280,000	560,000	560,000
<b>Total \$</b>	0	280,000	280,000	560,000	560,000

### 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.
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- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/18/2020
Agency Preparation: Chris Jones	Phone: 509-335-9682	Date: 03/03/2020
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 03/03/2020
OFM Review: Breann Boggs	Phone: (360) 902-0659	Date: 03/05/2020

## 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 5 of E2S SB states that subject to the availability of amounts appropriated, Washington State University shall provide the Washington state commission on pesticide registration with funding to work with agricultural grower groups exempt and presently using chlorpyrifos to research alternative pest control strategies.

Per Section 6, the bill is null and void if funding is not provided in the omnibus appropriations act.

### 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.

WSU estimates that \$280,000 in annual grant funds will be needed for the Washington State Commission on Pesticide Registration to work with agricultural grower groups presently using chlorpyrifos to research alternative pest control strategies.

## 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	0	280,000	280,000	560,000	560,000
Total \$			0	280,000	280,000	560,000	560,000

### III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services		280,000	280,000	560,000	560,000
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 \$	0	280,000	280,000	560,000	560,000

### 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

NONE



**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

NONE

**Part V: New Rule Making Required**

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6518 E 2S SB	<b>Title:</b> Pesticide, chlorpyrifos	<b>Agency:</b> 461-Department of Ecology
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	0.9	0.4	1.2	0.0
<b>Account</b>					
Model Toxics Control Operating Account-State 23P-1	0	140,906	140,906	330,450	0
<b>Total \$</b>	0	140,906	140,906	330,450	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:	Phone:	Date: 02/18/2020
Agency Preparation: Rebecca Pittman	Phone: 360-407-7544	Date: 02/21/2020
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/21/2020
OFM Review: Lisa Borkowski	Phone: (360) 902-0573	Date: 02/21/2020

## 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 SSB 6518, 2SSB 6518 made the following changes:

- Removed the provision in section 2(2)(a) that prohibited the use of chlorpyrifos unless the Department of Health, in consultation with Ecology, determined that specific control measures adopted by the Department of Agriculture (WSDA) are sufficient to protect human health.
- Revised section 2(2) to allow the use of chlorpyrifos if WSDA adopts control measures by rule that protect human health.

Compared to 2SSB 6518, E2SSB 6518 made the following changes:

- Added new section 4 that would require Ecology to develop water quality standards by January 1, 2022, (subject to available funding), to:
  - (1) Protect salmonids and other aquatic life from adverse impacts of chlorpyrifos.
  - (2) Ensure that chlorpyrifos pollution of surface water does not impact groundwater. When developing standards, Ecology must take into account injury to children and pregnant women.
- Added a null and void clause in section 6 if funding is not provided in the omnibus appropriations act by June 30, 2020.

The removal of the previous section 2(2)(a) and the addition of the new section 4 would change the fiscal impact of this bill to Ecology.

In this bill, section 4(1) would require Ecology to develop water quality standards by January 1, 2022, to protect salmonids and other aquatic life from adverse impacts of chlorpyrifos. Aquatic life criteria are already set for chlorpyrifos in WAC 173-201A-240 Table 240 for toxic substances, therefore this would require no new fiscal impact to Ecology.

Section 4(2) would require the water quality standards developed by Ecology to ensure chlorpyrifos pollution in surface water does not impact groundwater. Ecology assumes chlorpyrifos found in stormwater runoff in systems regulated by Ecology would be managed through existing protective best management practices by permittees, and would not impact groundwater. Therefore there would be no new fiscal impact to Ecology for this effort.

Section 4(2) would also require Ecology to develop water quality standards that take into account children and pregnant women. This would have fiscal impact and require complex rulemaking. Ecology does not have human health criteria set for chlorpyrifos, and there is not an existing national value to refer to. Ecology assumes this effort would not be completed by January 1, 2022, due to the time it would take to research and develop new human health criteria for chlorpyrifos, and work through the public rulemaking process to adopt it.

Section 6 would make this bill null and void if funding is not provided by June 30, 2020.

### 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.*

The expenditure impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Years (FY) 2021, FY 2022, and FY 2023 to implement the requirements of section 4(2).

Ecology would require 0.75 FTE Toxicologist 3 in FY 2021 and 0.38 FTE Toxicologist 3 in FY 2022 to research data and scientific judgments on the relationship between chlorpyrifos pollutant concentrations and environmental and human health effects. This would include performing literature research, consulting with toxic chemical experts, drafting recommended criteria and supporting documentation, incorporating peer review feedback, and finalizing the recommended human health standard for chlorpyrifos.

Once the standard is developed, it would need to be adopted through rulemaking. Ecology estimates that the rulemaking efforts required under this bill would take 18 months to complete, between July 1, 2021, and December 31, 2022. This would require a rulemaking lead and economic research staff.

The rulemaking lead would oversee project management and lead the rule development process including drafting the rule language, posting materials, holding hearings, managing stakeholder engagement, and performing other tasks as necessary. Ecology estimates that this work would require 0.85 FTE in FY 2022 and 0.43 FTE in FY 2023 of an Environmental Planner 3. Costs in FY 2022 also include \$2,000 for off-site public meeting rooms to hold half day hearings in Eastern and Western Washington.

Economic research staff would complete economic and regulatory analysis in support of the rule as required by law. Ecology estimates that this work would require 0.25 FTE of an Economic Analyst 3 and 0.10 FTE of a Regulatory Analyst 2 in FY 2023.

Ecology anticipates that this rulemaking would be somewhat controversial and would require assistance from the Attorney General's Office (AGO). Based on estimates provided by AGO, 0.05 FTE AAG (\$12,000) would be needed in FY 2023 to provide legal support regarding the proposed human health standard for chlorpyrifos and its adoption by rule.

SUMMARY: The total expenditure impact to Ecology under this bill is estimated to be FY 2021: \$140,906 and 0.86 FTE; FY 2022: \$200,101 and 1.41 FTEs; FY 2023: \$130,349 and 0.9 FTEs.

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36.6% of salaries.

Goods and Services are the agency average of \$5,724 per direct program FTE.

Also included are \$2,000 for room rentals in FY 2022, and \$12,000 for AAG costs in FY 2023.

Travel is the agency average of \$2,787 per direct program FTE.

Equipment is the agency average of \$1,637 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.7% of direct

program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development – Journey.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
23P-1	Model Toxics Control Operating Account	State	0	140,906	140,906	330,450	0
<b>Total \$</b>			0	140,906	140,906	330,450	0

### III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		0.9	0.4	1.2	
A-Salaries and Wages		75,236	75,236	167,101	
B-Employee Benefits		27,536	27,536	61,159	
E-Goods and Other Services		4,293	4,293	25,504	
G-Travel		2,090	2,090	5,602	
J-Capital Outlays		1,228	1,228	3,290	
9-Agency Administrative Overhead		30,523	30,523	67,794	
<b>Total \$</b>	0	140,906	140,906	330,450	0

### 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
ECONOMIC ANALYST 3	82,342				0.1	
ENVIRONMENTAL PLANNER 3	78,412				0.6	
FISCAL ANALYST 2			0.1	0.0	0.1	
IT APP DEVELOP-JOURNEY			0.0	0.0	0.1	
REGULATORY ANALYST 2	80,291				0.1	
TOXICOLOGIST 3	100,314		0.8	0.4	0.2	
<b>Total FTEs</b>			0.9	0.4	1.2	0.0

### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

### IV. C - Capital Budget Breakout

*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

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.*

WAC 173-201A-240 establishes water quality standards for toxic substances in Table 240. There are already aquatic life surface water standards set for chlorpyrifos. Ecology would need to amend this WAC to adopt human health standards for

chlorpyrifos as directed in section 4(2).

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 6518 E 2S SB	<b>Title:</b> Pesticide, chlorpyrifos	<b>Agency:</b> 495-Department of Agriculture
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	0.0	6.0	3.0	5.8	5.0
<b>Account</b>					
Model Toxics Control Operating Account-State 23P-1	0	858,000	858,000	1,671,600	1,412,600
<b>Total \$</b>	0	858,000	858,000	1,671,600	1,412,600

### Estimated Capital Budget Impact:

NONE

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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.
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- ☐ 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.*

Engrossed Second Substitute Senate Bill 6518 differs from SSB 6518 as follows:

New Section 2. The criteria for the Department to issue an “emergency temporary permit” has changed as follows:

- Allows for a smaller than 250’ buffer of variable width to be established by rule using best available technology and best management practices specific to minimizing potential drift.
- The requirements to provide a pesticide label with the “notice of the application” is more specific that the label be “consistent with federal law.”

Theses changes do not create any new expenditure impacts for Section 2.

New Section 5. (2) States additional funding must be provided to the Washington State Department of Agriculture for training and enforcement of the Washington Pesticide Control Act. This change does create additional expenditure impacts.

New Section 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2020, in the omnibus appropriations act, this act is null and void.

Substitute Senate Bill 6518 differs from SB 6518 as follows:

The starting prohibition date of chlorpyrifos is extended to January 1, 2022.

Christmas trees, alfalfa, asparagus, cattle ear tags, brassicas and nonfood for non feed users are added to Section 2 (4)

Senate Bill 6518 adds new sections to RCW 17.21

New Section 2 is added to RCW 17.21 that (1) prohibits use of chlorpyrifos starting January 1, 2022. (2)(a) The prohibition can be lifted if Washington State Department of Agriculture (WSDA) adopts very stringent mitigation measures that meet high-bar criteria (listed in the bill) that are approved by DOH and Ecology. (3)(a) WSDA can issue an “emergency temporary permit” until December 31, 2025, to persons who demonstrate that there are no reasonable or cost effective alternatives. The emergency permit must include the following:

- A required buffer zone of 250 feet.
- A prohibition on aerial application when the average wind speed exceeds three mph.
- Prior notification (48 hours) to the “nearby community” and the applicators’ families.

(4) Sweet corn, mint, onions, Christmas trees, alfalfa, asparagus, cattle ear tags, brassicas and nonfood for non feed users are exempted from the prohibition “until the department determines that a reasonable and less toxic alternative is available”.

### 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.*

This bill has no impact on cash receipts.

## **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.*

WSDA assumes the bill would be effective 90 days after the end of session. WSDA assumes work would begin in July 2020.

Section 2 expenditure impacts:

Waste Pesticide Disposal (PWD) Expenditures: The bill has no “use of existing stocks” provision and therefore a large volume of product would be taken in by the Waste Pesticide Disposal (WPD) Program. The effective date of the prohibition is extended to January 1, 2022, WSDA estimates that 9,000 lbs. could be taken in as waste pesticide in FY 2021, and a higher amount in FY 2022. WSDA estimates WPD based on prior prohibitions where large quantities were received during both the phase-in period and after it took effect. WSDA is not aware of a prohibition that starts this quickly with no provisions for using up existing stocks so it is extremely difficult to predict how it will affect the WPD. If collection at WPD events exceeds the amounts estimated below WSDA may need to submit a future budget request for that amount. Cost for disposal only (contractor’s fees) are:

- FY 2021 - 9,000 lbs. @ \$2.50/lb. = \$22,500
- FY 2022 - 10,800 lbs. @ \$2.50/lb. = \$27,000
- FY 2023 - 9,000 lbs. @ \$2.50/lb. = \$22,500
- FY 2024 - 3,600 lbs. @ \$2.50/lb. = \$9,000

WSDA’s WPD program would need to hold at least three additional collection events each year for the first two years.

This would require an additional 0.25 FTE for the program at the Program Specialist (PS) 3 level. The expenditure impact includes salary, benefits, and all associated FTE costs including agency administrative overhead, this is estimated to be \$57,000.

Natural Resources Assessment Section (NRAS): NRAS will require 0.75 FTE at the Natural Resource Scientist (NRS) 3 level to assist in various duties related to regulation, technical assistance and educational outreach, water quality protection, mitigation and pesticide stewardship strategies, assessment of crops and acres, and field visits for assessment and treatment. The expenditure impact includes salary, benefits, and all associated FTE costs including agency administrative overhead, this is estimated to be \$110,200.

Pesticide Registration Program: This program will need 0.5 FTE at the Program Specialist (PS) 4 level. Roughly, half of the 0.5 FTE will be devoted to rulemaking on criteria for issuing emergency permits, best management and mitigation practices, and existing stocks provisions. The other half of this 0.5 FTE will be devoted to working on Special Local Need (Section 24c) registrations, Emergency Exemptions from Registration (Section 18), coordinating outreach and other efforts with NRAS, and working with WSU and the grower community in finding effective alternatives. The expenditure impact includes salary, benefits, and all associated FTE costs including agency administrative overhead, this is estimated to be \$67,200.

Expenses for Registration program will decrease in year three (with associated decrease in administrative support), and will begin to decrease for all programs in year four.

## Section 5 (2) expenditure impacts:

The majority of the compliance and enforcement program is currently supported by fees for pesticide licenses and pesticide registrations. The programs currently operates on approximately 90% local fund and the remaining funds is a mixture of federal contracts, interagency agreements, model toxics control account and a the dedicated marijuana account.

There is an urgent need for additional education and training. The training program cannot keep up with requests for existing modules and there is no funding to create new, more accessible training. The enforcement program needs to make a greater impact in those areas that are prone to serious drift events with human exposures. The training program currently has to turn down requests for training under its existing structure and modules (many events scheduled a year in advance). Two additional FTEs are necessary to substantially establish and allow access to the education and training opportunities described below. The enforcement program needs two additional FTEs located in Central Washington and the Columbia Basin (areas with the most drift and serious human exposure incidents) to conduct the activities described.

Pesticide Compliance Program and the Technical Services and Education Program: will need 4 additional PS4 FTEs that requires additional funding for training and enforcement of the Washington pesticide control act, this is estimated to be \$559,000.

For increased enforcement of the Washington Pesticide Control Act, the Pesticide Compliance Program will need 2 FTEs at the PS 4 level. These FTEs will be devoted to (1) enforcing the pesticide laws and rules that cover drift and human exposures, especially in those agricultural sectors that use airblast sprayers (tree fruit, vineyards, hops, and cane/bush berries), and (2) conducting Worker Protection Standard (WPS) inspections under WAC 16-233. With 2 additional FTEs, the Compliance Program will substantially elevate activities in known problem areas to include:

- Increased surveillance
- ~ 40 Focused WPS inspections
- ~ 50 Agricultural-use and applicator inspections
- Compliance and drift prevention consultation to growers and grower groups

Technical Service and Education Program needs 2 additional FTE's at the PS4 level to increase much needed educational opportunities for Washington's agricultural community and be able to meet the current demand for the training program. For increased training related to the Washington Pesticide Control Act, the Technical Services and Education Program. With the additional FTEs, the Program will be able to:

- Improve the quantity, quality, consistency, and accessibility of educational materials including manuals, bulletins, pamphlets, presentations and videos in various languages (Spanish and English will have priority).
- Create new innovative pesticide training programs, including distance education, on-line courses, and traditional classroom programs, that target hot issues and potential problematic areas. Generate on-line training opportunities that include videos and interactive-type courses. Additionally, creating a website and mobile applications will allow customers to obtain information about how to comply with pesticide laws and regulations, when and where pesticide courses are occurring, and how they can enroll.
- Expand partnerships with agricultural commodity groups to provide (1) more training opportunities, prioritizing underserved sectors of agriculture including producers of row crops, plant nurseries, small fruits and forestry, and (2) more opportunities for agricultural producers on the west side of the state.
- Continue to develop and expand best management practices (BMP) training for airbalst sprayers and other equipment technologies to substantially reduce drift and human exposure incidents (growers will also learn to use pesticides more efficiently and effectively).

Administrative Support: WPD program, NRAS and the Pesticide Registration program, combined, will require 0.5 FTE for administrative support. The expenditure impact includes salary, benefits, and all associated FTE costs including agency administrative overhead, this is estimated to be \$64,600.

Agency Administrative Overhead (payroll, HR, IT and Financial Services) is calculated at the agency indirect rate of 22.2% of direct program salaries and benefits, and is shown as object 9.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
23P-1	Model Toxics Control Operating Account	State	0	858,000	858,000	1,671,600	1,412,600
<b>Total \$</b>			0	858,000	858,000	1,671,600	1,412,600

### III. B - Expenditures by Object Or Purpose

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years		6.0	3.0	5.8	5.0
A-Salaries and Wages		439,100	439,100	851,400	730,200
B-Employee Benefits		161,500	161,500	313,300	268,000
C-Professional Service Contracts		25,000	25,000	55,000	20,000
E-Goods and Other Services		87,500	87,500	170,500	150,800
G-Travel		8,000	8,000	16,000	16,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service		3,600	3,600	7,000	6,000
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead		133,300	133,300	258,400	221,600
<b>Total \$</b>	0	858,000	858,000	1,671,600	1,412,600

### 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
Management Analyst 3	67,248		0.5	0.3	0.4	0.3
Natural Resource Scientist 3	77,952		0.8	0.4	0.8	0.4
Program Specialist 3	65,592		0.3	0.1	0.3	0.1
Program Specialist 4	70,632		4.5	2.3	4.4	4.3
<b>Total FTEs</b>			6.0	3.0	5.8	5.0

### III. D - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B - Expenditures by Object Or Purpose

NONE

#### **IV. C - Capital Budget Breakout**

*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

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.*

Rulemaking will be required to establish criteria for issuing emergency temporary permits under Section 2, No. (3). Additionally, under Section 2, No. (2), rulemaking will be required if WSDA adopts any measures to lift part or all of the prohibitions on use.