

Multiple Agency Fiscal Note Summary

Bill Number: 5607 SB	Title: Fashion/env. policies
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	10,000	0	0	10,000	0	0	10,000
Total \$	0	0	10,000	0	0	10,000	0	0	10,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	12.3	3,736,000	3,736,000	3,746,000	12.3	3,736,000	3,736,000	3,746,000	12.3	3,736,000	3,736,000	3,746,000
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total \$	12.3	3,736,000	3,736,000	3,746,000	12.3	3,736,000	3,736,000	3,746,000	12.3	3,736,000	3,736,000	3,746,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Final
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Individual State Agency Fiscal Note

Bill Number: 5607 SB	Title: Fashion/env. policies	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	5,000	5,000	10,000	10,000	10,000
Total \$	5,000	5,000	10,000	10,000	10,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	12.3	12.3	12.3	12.3	12.3
Account					
General Fund-State 001-1	1,868,000	1,868,000	3,736,000	3,736,000	3,736,000
Legal Services Revolving Account-State 405-1	5,000	5,000	10,000	10,000	10,000
Total \$	1,873,000	1,873,000	3,746,000	3,746,000	3,746,000

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: Greg Vogel	Phone: 360-786-7413	Date: 01/26/2023
Agency Preparation: Allyson Bazan	Phone: 360-586-3589	Date: 02/01/2023
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/01/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/02/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1: Findings.

Section 2: Definitions.

Section 3: Every fashion retail seller and fashion manufacturer doing business in the state and having annual worldwide gross receipts that exceed \$100,000,000 must disclose its environmental due diligence policies, processes, and outcomes, including significant real or potential adverse environmental impacts and disclose targets for prevention and improvement.

Section 4: The Attorney General's Office (AGO) may enforce requirements imposed by this chapter by bringing civil proceedings for an injunction, monetary damages, or civil performance of a statutory duty. AGO must annually publish a report regarding compliance with this chapter. AGO may assess fines based on noncompliance. Private right of action for enforcement. Private right of action against AGO to compel investigation, enforcement or to allege a failure of AGO to perform an action under the chapter.

Section 5: Establishes the community benefit account. Directs the Department of Ecology (Ecology) to make expenditures from the account may be used only for implementing one or more environmental benefit projects that directly and verifiably benefit overburdened communities and vulnerable populations as defined in RCW 70A.02.010. Ecology must consult with the Environmental Justice Council prior to funding projects.

Sections 6 – 7: Codification.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department of Ecology (Ecology). The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agency's fiscal note. Appropriation authority is necessary in the AGO budget.

General Fund-State (GF-S) Account 001-1: AGO Environmental Protection Division and Administrative Division activities are funded with General Fund-State dollars. No cash receipt impact. There is no client agency to bill for legal services.

AGO AGENCY ASSUMPTIONS:

Ecology will be billed for non-Seattle rates:

FY 2024: \$5,000 for 0.02 Assistant Attorney General and 0.01 Legal Assistant 3, and each FY thereafter.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2023 legislative session.

Location of staffing is assumed to be in a Seattle and non-Seattle office buildings.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables, for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of a Management Analyst 5 (MA). The MA is used as a representative classification.

1. Assumptions for the AGO Environmental Protection Division (EPD):

EPD assumes the following additional staffing resources related to the implementation of this bill:

AAG positions are required to initiate and conduct the extensive litigation contemplated by the bill. EPD assumes the civil actions will require AGO to investigate and enforce the law.

Paralegal (PL) positions are required to identify companies covered by the bill, compile the data they have published, and support investigations and litigation contemplated by the bill.

Investigator (INV) positions will be required to conduct the work contemplated by the bill assuming approximately 20 investigations per FY, with an investigation load of approximately seven cases per INV.

EPD total FTE workload impact for Seattle rate:

FY 2024: \$1,630,000 for 3.0 AAG, 1.5 LA, 3.0 INV, and 3.0 PL and each FY thereafter.

EPD assumes the following direct cost assumptions related to the implementation of this bill:

FY 2024: \$100,000 for expert witnesses to support investigations and litigation, and in each FY thereafter.

EPD total FTE and direct workload impact for Seattle rate:

FY 2024: \$1,730,000 for 3.0 AAG, 1.5 LA, 3.0 INV, and 3.0 PL and each FY thereafter.

2. Assumptions for the AGO Administrative Division (ADM):

ADM assumes 1.0 Policy Analyst (Exempt) that would be required the following administrative work: generate an annual report, ongoing outreach and engagement with fashion retail sellers, and develop policy recommendations and research.

ADM total FTE workload impact for Seattle rate:

FY 2024: \$138,000 for 1.0 Policy Analyst (Exempt).

3. Assumptions for AGO Ecology Division’s (ECY) Legal Services for the Department of Ecology (Ecology):

AGO will bill Ecology for legal services based on the enactment of this bill.

ECY assumes that Ecology would need client advice while implementing the requirements of Section 5, including advising on possible rulemaking,

ECY total FTE workload impact for non-Seattle rate:

FY 2024: \$5,000 for 0.02 AAG and 0.01 LA, and each FY thereafter.

4. The AGO TORTS Division (TORTS) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Department of Enterprise Services (DES). The private cause of action against AGO created by Section 4 does not appear to have an impact. Therefore, costs are not included in this request.

5. The AGO Solicitor General’s Office (SGO) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload. Therefore, costs are not included in this request.

AGO total workload impact:

FY 2024: \$1,873,000 for 3.02 AAG, 1.51 LA, 3.0 INV, 3.0 PL, and 1.0 PA and each FY thereafter.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	1,868,000	1,868,000	3,736,000	3,736,000	3,736,000
405-1	Legal Services Revolving Account	State	5,000	5,000	10,000	10,000	10,000
Total \$			1,873,000	1,873,000	3,746,000	3,746,000	3,746,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	12.3	12.3	12.3	12.3	12.3
A-Salaries and Wages	1,162,000	1,162,000	2,324,000	2,324,000	2,324,000
B-Employee Benefits	381,000	381,000	762,000	762,000	762,000
C-Professional Service Contracts	100,000	100,000	200,000	200,000	200,000
E-Goods and Other Services	216,000	216,000	432,000	432,000	432,000
G-Travel	14,000	14,000	28,000	28,000	28,000
Total \$	1,873,000	1,873,000	3,746,000	3,746,000	3,746,000

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 2024	FY 2025	2023-25	2025-27	2027-29
Assistant Attorney General	118,700	0.0	0.0	0.0	0.0	0.0
Assistant Attorney General-Seattle	124,635	3.0	3.0	3.0	3.0	3.0
Legal Assistant 3	55,872	0.0	0.0	0.0	0.0	0.0
Legal Assistant 3-Seattle	67,044	1.5	1.5	1.5	1.5	1.5
Management Analyst 5	91,524	0.8	0.8	0.8	0.8	0.8
Paralegal 2-Seattle	75,096	3.0	3.0	3.0	3.0	3.0
Policy Analyst (Exempt)	95,000	1.0	1.0	1.0	1.0	1.0
Senior Investigator-Seattle	98,532	3.0	3.0	3.0	3.0	3.0
Total FTEs		12.3	12.3	12.3	12.3	12.3

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Division (ADM)	138,000	138,000	276,000	276,000	276,000
Ecology (ECY)	5,000	5,000	10,000	10,000	10,000
Environmental Protection Division (EPD)	1,730,000	1,730,000	3,460,000	3,460,000	3,460,000
Total \$	1,873,000	1,873,000	3,746,000	3,746,000	3,746,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5607 SB	Title: Fashion/env. policies	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

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: Greg Vogel	Phone: 360-786-7413	Date: 01/26/2023
Agency Preparation: Lars Andreassen	Phone: 360-742-7903	Date: 02/02/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/02/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/04/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill would add a new chapter to Title 70A RCW, cited as the Washington fashion sustainability accountability act.

Section 3: Every fashion retail seller and fashion manufacturer doing business in the state and having annual worldwide gross receipts that exceed \$100 million would be required to disclose its environmental due diligence policies, processes, and outcomes, including significant real or potential adverse environmental impacts, and disclose targets for prevention and improvement. The disclosures would need to include supply chain mapping and environmental sustainability reporting and be reported on the company's website.

Section 4: The Attorney General's Office (AGO) would be authorized to enforce requirements imposed by this chapter by bringing civil proceedings for an injunction, monetary damages, or civil performance of a statutory duty. AGO would need to annually publish a report regarding compliance. AGO would be authorized to assess fines based on noncompliance. Fines would be deposited into a new Community Benefit Account created under section 5.

Section 5: The Community Benefit Account would be established. Receipts from fines imposed by the AGO under section 4 would be deposited into the account. The account could be used by the Department of Ecology for implementing environmental benefit projects that directly and verifiably benefit overburdened communities and vulnerable populations as defined in RCW 70A.02.010. Ecology would need to consult with the Environmental Justice Council prior to funding projects.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The expenditure impact to Ecology is indeterminate to implement environmental projects authorized under section 5.

Section 4 would allow the AGO to enforce the requirements of section 3 and assess fines based on noncompliance. There are no requirements for Ecology, therefore Ecology assumes no fiscal impact related to this section.

Section 5 would allow Ecology to implement environmental benefit projects that benefit overburdened communities and vulnerable populations using funding from potential fines collected by the AGO and deposited into the new Community Benefit Account. The amount and timing of fines is unknown, therefore the costs for Ecology to implement projects from this account is indeterminate.

Ecology assumes that if fines are issued and collected by the AGO into the Community Benefit Account, Ecology would:

- Develop a method to properly disburse funds. This is assumed to include consultation with the Environmental Justice Council, and establishing eligibility requirements, evaluation criteria, minimum program benefits, or administration provisions. The bill does not require rulemaking or provide specific rulemaking authority for Ecology. Ecology assumes we would implement with guidance.
- Request funding from the account to implement projects through the budget process.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals 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

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.