

Multiple Agency Fiscal Note Summary

Bill Number: 1181 S HB	Title: Climate change/planning
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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	48,000	0	0	57,000	0	0	20,000
Total \$	0	0	48,000	0	0	57,000	0	0	20,000

Agency Name	2023-25		2025-27		2027-29		
	GF- State	Total	GF- State	Total	GF- State	Total	
Local Gov. Courts							
Loc School dist-SPI							
Local Gov. Other	Fiscal note not available						
Local Gov. Total							

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 the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	.2	0	0	48,000	.2	0	0	57,000	.1	0	0	20,000
Department of Commerce	9.0	3,321,700	3,321,700	3,321,700	7.8	2,618,010	2,618,010	2,618,010	7.8	2,618,010	2,618,010	2,618,010
Military Department	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	1.2	407,000	407,000	407,000	.0	0	0	0	.0	0	0	0
Department of Transportation	.0	0	0	500,000	.0	0	0	0	.0	0	0	0
Department of Ecology	4.1	0	0	1,174,721	1.8	0	0	565,916	.0	0	0	0
Environmental and Land Use Hearings Office	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Fish and Wildlife	3.0	1,026,000	1,026,000	1,026,000	3.0	1,026,000	1,026,000	1,026,000	3.0	1,026,000	1,026,000	1,026,000
Department of Natural Resources	2.3	612,000	612,000	612,000	.0	0	0	0	.0	0	0	0
Total \$	19.8	5,366,700	5,366,700	7,089,421	12.8	3,644,010	3,644,010	4,266,926	10.9	3,644,010	3,644,010	3,664,010

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Military Department	.0	0	0	.0	0	0	.0	0	0
Department of Health	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Environmental and Land Use Hearings Office	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

Department of Health	Non-zero but indeterminate cost and/or savings. Please see discussion.
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Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Preliminary
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Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 075-Office of the Governor
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Tracy Sayre	Phone: 360-890-5279	Date: 01/31/2023
Agency Approval: Jamie Langford	Phone: (360) 870-7766	Date: 01/31/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/31/2023

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.

Substitute HB 1181 does not require the Governor's Office to participate in any workgroups, committees, or activities and therefore doesn't have a fiscal impact.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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.

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	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	24,000	24,000	48,000	57,000	20,000
Total \$	24,000	24,000	48,000	57,000	20,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.1
Account					
Legal Services Revolving Account-State 405-1	24,000	24,000	48,000	57,000	20,000
Total \$	24,000	24,000	48,000	57,000	20,000

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Cam Comfort	Phone: (360) 664-9429	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 amends RCW 36.70A.020 to guide the development of regional plans, policies, and strategies adopted under RCW 36.70A.210 and RCW 47.80. Language is added relating to achieving statewide targets for the reduction of greenhouse gas emissions and per capita vehicle miles traveled, to encourage the participation of vulnerable populations and overburdened communities, and to mitigate the effects of a changing climate.

Section 2 amends RCW 36.70A.480 to reflect the increase in the number of goals set forth in RCW 36.70A.020 from 14 to 15.

Section 3 amends RCW 36.70A.070 to add elements that a county or city must consider in developing comprehensive plans under RCW 36.780A.040, including green spaces, achieving environmental justice, reducing per capita vehicle miles within the jurisdiction, and reducing and mitigating the risk to lives and property posed by wildfires. Such plans also must include a climate change and resiliency element designed to address environmental related problems specific to the jurisdiction.

Section 4 adds a new section to RCW 36.70A and establishes various thresholds for counties and cities.

Section 5 adds a new section to chapter RCW 70A.45 to require the Department of Commerce (Commerce), in consultation with the Department of Ecology (Ecology), the Department of Health (DOH), and the Department of Transportation (WSDOT), to publish guidelines relating to increasing increase housing capacity within urban growth areas, reducing greenhouse gas emissions, and reducing per capital miles traveled.

Section 6 adds a new section to chapter RCW 36.70A allowing counties and cities that are required to complete a greenhouse gas emissions reduction subelement to submit the subelement to Commerce for approval. Criteria for Commerce review is provided, including striving to achieve final action on a submitted greenhouse gas emissions reduction subelement within 180 days of receipt.

Section 7 amends RCW 36.70A.280 to clarify that the Growth Management Hearings Board shall hear petitions alleging that Commerce's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement was not in compliance with the joint guidance provided in Section 5.

Section 8 amends RCW 36.70A.320 to add a reference to an effective date.

Section 9 amends RCW 36.70A.190 to require Commerce to establish funding levels for grants to community-based organizations for the specific purpose of advancing participation of vulnerable populations and overburdened communities in the planning process. Commerce is required to develop, in collaboration with Ecology, the Department of Fish and Wildlife (DFW), the Department of Natural Resources (DNR), DOH, the Military Department's Emergency Management Division (EMD), and federally recognized tribes that choose to participate, and adopt by rule guidance that creates a model climate change and resiliency element that may be used by counties, cities, and multiple-county planning regions. Various requirements are listed.

Section 10 adds a new section to RCW 47.80 to require WSDOT to compile, maintain, and publish the per capita vehicle miles travelled annually in each city in the state and each unincorporated portions of each county.

Section 11 adds a new section to chapter RCW 90.58 to require Ecology to update its shoreline master program guidelines to require that the impact of sea level rise and increased storm severity be addressed.

Section 12 amends RCW 86.12.200 to require consideration of climate change impacts.

Section 13 adds a new section to RCW 43.21C to provide that the adoption of ordinances, amendments to comprehensive plans, amendments to development regulations, and other non-project actions taken by counties and cities pursuant to RCW 36.70A.070(9)(d) or (f) to implement Commerce measures pursuant to Section 5 are not subject to administrative or judicial appeals.

Section 14 amends RCW 36.70A.030 to provide additional definitions.

Section 15 amends RCW 36.70A.130 to require certain counties or cities that revise their comprehensive plan on or before December 31, 2024, to incorporate a climate change and resiliency element into its comprehensive plan as part of the first progress implement report as required by subsection (9) of this section.

Section 16 adds a new section to RCW 36.70A providing that jurisdictions subject to RCW 36.70A.130(5)(b) implement the requirements of this act before June 30, 2025.

Section 17 adds a new section to RCW 43.20 requiring DOH, beginning June 30, 2024, to ensure water system plans for group A community public water systems serving 1,000 or more connections include a climate resilience element; specifies what the water systems must do to comply with the climate resilience element.

Section 18 amends RCW 70A.125.180 to clarify that financing for the water systems acquisition and rehabilitation program may include grants or loans, for projects and planning required under RCW 36.70A.480.

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 agencies are the Department of Ecology (Ecology) and the Department of Commerce (Commerce). 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 agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

Ecology will be billed for non-Seattle rates:

FY 2024 – FY 2025: \$14,000 for 0.05 Assistant Attorney General (AAG) and 0.03 Legal Assistant 3 (LA)

FY 2026: \$37,000 for 0.15 AAG and 0.08 LA.

Commerce will be billed for non-Seattle rates:

FY 2024 and each FY thereafter: \$10,000 for 0.04 AAG and 0.02 LA.

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.

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

Location of staffing assumed to be in a non-Seattle office building.

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.

Assumptions for the AGO Ecology Division's (ECY) Legal Services for the Department of Ecology (Ecology):

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

Rulemaking under Section 11 of the bill will be controversial and complex, with an anticipated need for the most AAG involvement in the third year. In addition, Ecology will require legal services to support its role as a consulting agency under other sections of the bill.

ECY: Total non-Seattle workload impact:

FY 2024 – FY 2025: \$14,000 for 0.05 AAG and 0.03 LA.

FY 2026: \$37,000 for 0.15 AAG and 0.08 LA.

Assumptions for the AGO Agriculture and Health Division's (AHD) Legal Services for the Department of Commerce (Commerce):

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

AHD anticipates providing legal services to assist the client with rulemaking, adoption of a model element for a climate change & resiliency planning sub-element, legal advice related to Commerce approvals of planning jurisdictions' greenhouse gas emissions reduction sub-elements, and representation in appeals of approvals/rejections of sub-elements to the Growth Management Hearings Board (GMHB).

AHD: Total non-Seattle workload impact:

FY 2024 and in each FY thereafter: \$10,000 for 0.04 AAG and 0.02 LA.

AHD also determined the bill will not significantly increase or decrease the division's workload in representing the Department of Health (DOH). The bill would require other agencies to consult with DOH on certain matters and require DOH to ensure certain water system plans include a climate resilience element and to update its water system planning guidebook. New legal services are nominal, and costs are not included in this request.

The AGO Transportation and Public Construction Division (TPC) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Military Department's Emergency Management Division (EMD). EMD's requirement under section 9 (8) of the bill is to coordinate with the Commerce during Commerce's rulemaking. New legal services are nominal, and costs are not included in this request.

TPC has also determined the bill will not significantly increase or decrease the division's workload in representing Washington State Department of Transportation (WSDOT). WSDOT is required under section 5 (1) of the bill to consult with Commerce during Commerce's creation of guidelines regarding comprehensive plans and development regulations. WSDOT is required under section 10 to compile, maintain, and publish a summary of the per capita vehicle miles travelled. New legal services are nominal, and costs are not included in this request.

The AGO Licensing & Administrative Law Division has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing Environmental Land Use and Hearings Office or the GMHB. New legal

services are nominal, and costs are not included in this request.

The AGO Public Lands Conservation Division (PLC) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Department of Natural Resources (DNR), Department of Fish and Wildlife (DFW) or the Parks Department (Parks).

Section 9(8) of the bill indicates that DNR and DFW will collaborate with Commerce (among other agencies) on rules Commerce will adopt to develop and implement climate change and resiliency plans and policies required by RCW 36.70A.070 (9).

DNR and DFW are not responsible for any direct rulemaking. PLC’s advice roles on DNR’s and DFW’s collaboration with Commerce are anticipated to be minimal. New legal services are nominal, and costs are not included in this request.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services	State	24,000	24,000	48,000	57,000	20,000
	Revolving Account						
Total \$			24,000	24,000	48,000	57,000	20,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.1
A-Salaries and Wages	16,000	16,000	32,000	39,000	14,000
B-Employee Benefits	5,000	5,000	10,000	12,000	4,000
E-Goods and Other Services	3,000	3,000	6,000	6,000	2,000
Total \$	24,000	24,000	48,000	57,000	20,000

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	0.1	0.1	0.1	0.1	0.0
Legal Assistant 3	55,872	0.1	0.1	0.1	0.1	0.0
Management Analyst 5	91,524	0.0	0.0	0.0	0.0	0.0
Total FTEs		0.2	0.2	0.2	0.2	0.1

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Agriculture & Health Division (AHD)	10,000	10,000	20,000	20,000	20,000
Ecology Division (ECY)	14,000	14,000	28,000	37,000	
Total \$	24,000	24,000	48,000	57,000	20,000

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: 1181 S HB	Title: Climate change/planning	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	8.9	9.0	9.0	7.8	7.8
Account					
General Fund-State 001-1	1,620,645	1,701,055	3,321,700	2,618,010	2,618,010
Total \$	1,620,645	1,701,055	3,321,700	2,618,010	2,618,010

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 02/04/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/04/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/06/2023

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.

Differences between SHB 1181 and HB 1181:

No amendments in SHB 1181 will change the department's assumptions about the fiscal impact from the original bill:

- Section 1 clarifies that "Shorelines of the State" is a goal of the GMA by listing it as the fifteenth goal under the Growth Management Act (GMA).
- Section 3 contains multiple additional changes to the elements required in comprehensive plans, including Land Use, Utilities, Transportation, Parks, and the new Climate element.
- Section 4 modifies the criteria for applicability of the required greenhouse gas element to include ten counties and their cities. The applicable counties include Benton; Clark; Franklin; King; Kitsap; Pierce; Snohomish; Spokane; Thurston; and Whatcom. This change removed three counties (Grant, Yakima, Skagit and their cities) from the requirement to submit a greenhouse gas sub element.
- Section 5 changes the deadline for the department to provide the intermediate set of guidelines from December 31, 2022 to December 31, 2013.
- Section 6 (2)-(4) modifies several of the procedural steps for submitting a greenhouse gas emissions reduction sub-element to the department for approval.
- Section 16 is added providing that jurisdictions that must update their comprehensive plans in the June 2025 deadline, under RCW 36.70A.130(5), must include the new climate change and resiliency element in their updated comprehensive plan. Funding provided to cover applicable costs for this purpose is considered timely, notwithstanding the requirement in the GMA that funding for new elements be provided two years before comprehensive plans must be updated. This section expired June 31, 2025.

Summary of the substitute bill:

Sections 1-4 amends RCW 36.70A , the Growth Management Act (GMA) to create a new climate change goal and new climate change and resiliency element required for all fully planning counties and cities.

Section 3 amends RCW 36.70A.070 changing several required elements for comprehensive plans under GMA, including new climate change provisions, and it adds a new climate change and resiliency element requirement for comprehensive plans under GMA, including new greenhouse gas (GHG) and resiliency sub-elements. The section outlines these new elements in detail.

Section 4 adds a new section to RCW 36.70A creating a new section in the GMA that outlines the applicability and requirements for the GHG sub-element of the climate change and resiliency element. It further outlines the applicability to local jurisdictions of several amendments to elements in, under Section 3 of this bill.

Section 5 adds a new section to RCW 70A.45 requiring the Department of Commerce (department) to publish guidelines and measures that will provide jurisdictions the option to reduce greenhouse gas (GHG) through increased housing capacity. This section further requires the department to publish intermediate guidelines by December 31, 2023 and adopt by rule, a full set of guidelines by December 31, 2025. After 2025, the department is required to evaluate the impact of the climate change element. The section includes additional provisions outlining department implementation and specific parameters for the new guidelines.

Section 6 adds a new section to RCW 36.70A creating a new section to the GMA that allows a county or city to submit a GHG sub-element for approval to the department, which (if approved) would become effective on the date of approval by the department. The section includes provisions for notice to apply for approval, and specific details regarding new department procedures for approval, decisions, appeals, and publication.

Section 8 amends RCW 36.70A.320 creating a grant program for community-based organizations, and it directs the department to collaborate with state agencies to create a model climate and resilience element and guidance by rule.

Section 14 amends RCW 36.70A.030 adding definitions to the GMA related to provisions of this bill.

Section 15 amends RCW 36.70A.130 adding a requirement to the GMA that counties and cities with comprehensive plan and development regulation updates due by December 31, 2024, must incorporate climate change and resiliency element in as part of the first implementation progress report.

Section 16 adds a new section to RCW 36.70A adding a requirement the counties and the cities within these counties, with GMA update deadlines of June 30, 2025, must implement the requirements of this bill; and any funding provided to cover applicable local government costs related to implementation shall be considered timely.

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.

Agency Assumptions:

- The department received funding in the biennial budget to cover costs necessary to begin implementation of the GHG reduction framework in Section 5 and to the development of the model climate resilience element required in Section 8. The department assumes these staff will continue with the program past FY23 and do not represent new costs until FY24.
- If any updates to the guidance are published after 2025, then the department will need to provide an evaluation of the impact that the climate change elements have had on zoned housing capacity, and reduction of GHG emissions and VMT (Section 5).
- The department would undertake rulemaking under Section 8 for development of a model climate element that is developed in collaboration with the departments of Ecology, Fish and Wildlife, Transportation, Natural Resources, and Health, and the Emergency Management Division of the Washington Military Department.
- The department assumes 246 fully planning counties and cities under the GMA will be required to develop and adopt the new climate change and natural hazard resiliency element within their comprehensive plans, beginning during the next GMA periodic update cycle in FY24-FY27. Based on current GMA review and comment technical assistance for comprehensive plan periodic updates, the department estimates approximately 40 hours to review each climate change element, and additional criteria for other plan elements, required under Section 4. This equals approximately 9,840 hours (246 x 40 hours) of professional planner and administrative time.
- In addition, 109 local jurisdictions, comprised of 13 fully planning counties, and cities within those counties, will be required to develop and adopt the GHG sub-element and resiliency sub-element, based on population density criteria in Section 4. Based on current GMA review and comment technical assistance for comprehensive plan periodic updates, the department

estimates approximately 40 hours to review and approval for each local sub-element, including related administrative work. This equals approximately 4,360 hours (136 x 40 hours) of professional planner and administrative staff time.

- The department assumes this bill will require adjustments to the climate program work that began with the 2021 budget proviso. The bill will require adjusting the technical guidance. The department assumes that staff will need to develop training for fully planning counties and cities to implement the new climate change element and sub-elements outlined in Sections 1-4; development and ongoing review and publication of the guidance under Section 5; initial development and ongoing administration of the sub-element approval program and rulemaking under Section 6; and creation of the model element for climate change.
- The department assumes this bill will require the expansion to the current Climate Program beyond the 2021 budget proviso, which is currently staffed with 3.0 FTE.
- This bill will require sufficient staff levels for increased plan review, with specific climate change and land use planning expertise under the GMA. Additional 3.0 FTE Commerce Specialist 3 will be required in FY22-FY27 to provide ongoing technical assistance to local government.
- The department must develop a model climate change and resiliency element for local governments under Section 8.
- The department must develop and manage a new environmental justice program under Section 8, including the management of an indeterminant grant program to community-based organizations. The department assumes a \$100,000 per year as a service contract to support an organization(s) within the region with advancing participation of vulnerable populations.
- The department assumes \$10,000 per fiscal year, FY24-FY25, in AAG rulemaking review and consultation for rulemaking required throughout this bill, including guidelines in Section 5, and model element adopted by rule under Section 6, and general guidance updates, based on similar high level GMA guidance and rulemaking review.
- Additional department IT work will be required to upgrade its internal planning data system for the new sub-element review and approval process and tracking submitted materials, FY24-FY25, along with the development of online interactive climate guidance, which will support the creation of the new climate element. The department assumes \$25,000 a year for the first two years for contractor assistance, and 0.3 FTE for two IT staff to maintain Plan View throughout the program.
- Without sufficient funding appropriated to local governments, Section 13 will render the timelines requiring counties and cities to comply with the new climate change elements null and void.
- Significant development of new climate change planning guidance through rulemaking is required that will revise guidance on comprehensive elements, including the initial creation and adoption of a climate change element and sub-elements under Section 4 during the upcoming periodic update cycle under RCW 36.70A.130(5).
- Immediate work will begin to develop a new approval program for GHG and resiliency sub-elements, as required under Section 6. This will require increased workload and IT support in FY24 and FY25 as noted above.
- Based on prior grant programs administered for local comprehensive plan review and updates, the department assumes a grant program will be needed to assist counties and cities with implementation of this bill. If sufficient funding is appropriated, per Section 13, the department assumes it would develop and administer a grant program, based on prior GMA planning grants provided for local comprehensive plan updates schedule to with deadlines in FY24-FY27 (December 2024-June 2027). The department assumes that all counties and cities will continue to receive sufficient periodic update grant during the next scheduled update deadlines under RCW 36.70A.130(5).
- The department assumes the new Section 16 clarifies that GMA update grant funding provided to years prior to the June

30, 2025 comprehensive plan update deadline will be timely to assist those counties and cities with implement the requirements of this bill.

All Sections:

1.0 FTE Managing Director WMS2 (2,088 hours), FY24-FY29, to provide leadership, oversight, supervision, rules coordination and decision-making over all elements of the program. Staff provides expert policy advice or consultation on a range of issues specific to the Climate Program and to areas that have agency wide implications.

1.0 FTE Commerce Specialist 4 (2,088 hours), FY24-FY29, to function as an agency expert for Climate Program. Staff may represent the agency at legislative hearings or state and national meetings; provide high-level consultative assistance to other recognized experts; developing, negotiating and monitoring complex contracts with local governments, public and private entities as well as with community organizations.

3.0 FTE Commerce Specialist 3 (6,264 hours), FY24-FY29, during the GMA periodic update cycle (RCW 36.70A.130), in which there are 136 counties and cities, comprised of ten fully planning counties, and cities within those counties that may voluntarily develop and adopt the greenhouse gas (GHG) sub-element and resiliency sub-element, along with the mandated updates. Based on current GMA review and comment, and technical assistance for comprehensive plan periodic updates, the department estimates approximately 40 hours to review each local sub-element. This includes approximately 2,720 hours a biennium of professional planner (3.0 FTE) and administrative staff time.

1.0 FTE Commerce Specialist 2 (2,088 hours), FY24-FY29, for grant assistance. This position would provide administrative support concerning billing, communication and other tasks associated with administration of two grant programs.

1.0 FTE Management Analyst 4 (2,088 hours), FY24- FY25, for rule making assistance and research. To serve as a consultant to executive management, implementing legislative directives, and developing policies and procedures. Activities could include identifying problems; analyzing and evaluating operating deficiencies or difficulties; providing alternatives and recommended courses of action.

0.3 FTE for IT Business Analyst Journey (626 hours), FY24-FY29, to maintain the Plan View database throughout the program.

0.3 FTE for IT Application Developer Journey (626 hours), FY24-FY29, to maintain the Plan View database throughout the program.

Attorney General costs:

\$10,500 each fiscal year, FY24-FY25 each year, for legal review of draft guidelines adopted by rule for the new Section 1-4 guidance through rulemaking, the Section 5 guidelines adopted by rule and procedures adopted by rule for the sub-element approval program under Section 6.

IT costs:

\$50,000 each fiscal year, FY24-FY25, for changes to the plan review tracking data system, including major data system upgrades for the new program.

Salaries and Benefits:

FY24: \$918,237

FY25: \$949,267

FY26-FY29: \$829,353 per fiscal year

Professional Contracts:

Section 1-15:

\$80,000, in FY24-FY29, each year, to provide support to small local jurisdictions to conduct vulnerability assessments, following success of FY23 Pilot Program (Section 4).

\$80,000, in FY25, for development of evaluation tool for Climate Element (Section 5).

\$50,000, in FY24-FY25, each year, for support to create a new grant program (Section 6).

Section 3(9):

\$50,000, in FY24-FY25, each year, for development of GHG reduction measures.

FY24: \$180,000

FY25: \$260,000

FY26-FY29: \$80,000 per fiscal year

Goods and Services:

Attorney General costs: \$10,500 in FY22-FY23 for 50 hours at \$210 per hour each fiscal year. The department assumes legal review of draft guidelines adopted by rule for the new Section 1-4 guidance through rulemaking, the Section 5 guidelines adopted by rule and procedures adopted by rule for the sub-element approval program under Section 6.

FY24: \$166,128

FY25: \$166,179

FY26-FY29: \$113,495 per fiscal year

Travel:

Travel includes stakeholder outreach and necessary collaboration with state agencies.

FY24-FY29: \$13,300 per fiscal year

Equipment:

Seven standard workstations in fiscal year 2024 to include a computer/tablet.

FY24: \$40,880

Intra-Agency Reimbursements:

FY24: \$302,100

FY25: \$312,309

FY26-FY29: \$272,857 per fiscal year

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

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Total Costs:

FY24: \$1,620,645

FY25: \$1,701,055

FY26-FY29: \$1,309,005 per fiscal year

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	1,620,645	1,701,055	3,321,700	2,618,010	2,618,010
Total \$			1,620,645	1,701,055	3,321,700	2,618,010	2,618,010

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	8.9	9.0	9.0	7.8	7.8
A-Salaries and Wages	686,315	706,903	1,393,218	1,236,210	1,236,210
B-Employee Benefits	231,922	242,364	474,286	422,496	422,496
C-Professional Service Contracts	180,000	260,000	440,000	160,000	160,000
E-Goods and Other Services	166,128	166,179	332,307	226,990	226,990
G-Travel	13,300	13,300	26,600	26,600	26,600
J-Capital Outlays	40,880		40,880		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	302,100	312,309	614,409	545,714	545,714
9-					
Total \$	1,620,645	1,701,055	3,321,700	2,618,010	2,618,010

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
Administrative Services-Indirect	111,168	1.3	1.4	1.4	1.2	1.2
Commerce Specialist 2	70,799	1.0	1.0	1.0	1.0	1.0
Commerce Specialist 3	82,056	3.0	3.0	3.0	3.0	3.0
Commerce Specialist 4	86,212	1.0	1.0	1.0	1.0	1.0
IT APP Development	120,457	0.3	0.3	0.3	0.3	0.3
IT Business Analyst	86,212	0.3	0.3	0.3	0.3	0.3
Management Analyst 4	86,212	1.0	1.0	1.0		
WMS Band 2	122,841	1.0	1.0	1.0	1.0	1.0
Total FTEs		8.9	9.0	9.0	7.8	7.8

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.

Rulemaking is needed to revise chapter 365-196 WAC:

Sections 1-4: New guidance for counties and cities to update the requirements to comprehensive elements and to develop guidance for applicability of the new requirements and develop general guidance for updates to the GMA.

Section 5: Additional guidelines that specify the proportionate reductions of GHG and VMT. The department assumes these will be guidelines adopted by new rule and subsequently amended every four years.

Section 6: Development of the process requiring the department to approve GHG emission reduction sub-elements. A corresponding new rule to adopt new procedures would be required to establish parameters of department approval.

Section 7: New guidance for the requirements in the new climate change and resiliency element to the comprehensive plan.

Section 8: Development of a new model climate change and resiliency element by rule for local governments.

Section 14: New guidance for an amendment to GMA definitions.

Section 15: Additional guidance for the periodic update and first implementation progress report.

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 245-Military Department
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Serina Roberts	Phone: 2535127388	Date: 01/31/2023
Agency Approval: Timothy Rajcevich	Phone: 2535127596	Date: 01/31/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/31/2023

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.

There is no fiscal impact to the Military Department in this bill. All items in the bill related to the Military Department are currently part of the Emergency Management Division's normal business and will not increase workload or costs.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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.

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.9	0.5	1.2	0.0	0.0
Account					
General Fund-State 001-1	325,000	82,000	407,000	0	0
Total \$	325,000	82,000	407,000	0	0

Estimated Capital Budget Impact:

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

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 02/01/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 02/01/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	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.

The tasks in S HB 1181 that will have a fiscal impact on Department of Health (DOH) includes:

Section 5: Commerce will lead a process in consultation with DOH and other agencies to publish guidelines that specify a set of measures counties and cities have available for both climate change mitigation (reducing GHG emissions) and adaptation (addressing impacts of a changing climate). The work on these tasks started last session when a version of this bill did not pass but was funded in the budget. The work calls on the use of, but no changes to, the Washington Tracking Network.

Section 8: Commerce will lead rulemaking, in collaboration with other state agencies including the Department of Health. The rule will create a model climate change and resiliency element of the Growth Management Act (GMA).

Adding Section 17 – (mirroring language from 5094 SB): Beginning with water system plans initiated after June 30, 2024; DOH and the State Board of Health (SBOH) shall ensure group A water systems serving 1,000 or more connections include in their water system plans a climate resilience element. DOH must update the water system planning guidebook to assist these water systems in implementing the climate resilience element, including guidance on any available technical and financial resources. DOH must also develop loan or grant criteria for evaluating climate readiness project applications.

Section 18: The bill is amended to add that projects and planning of climate resilience elements are to be included as potential receivers of grants or loans from the water system acquisition and rehabilitation program. DOH, through the water system acquisition and rehabilitation program shall provide financial assistance to partially cover projects and planning required by this bill in section 2, the climate resilience element.

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.

None

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.

Sections 5 and 8

This governor's request bill updates the Growth Management Act.

It adds a climate change and resiliency goal to the existing GMA goals and specifies both mitigation and adaptation and specifically names protecting human health and safety under the climate goal. It also adds environmental justice and wildfire risk reduction considerations to the existing land use element.

The bill also requires state agency coordination, with Commerce as lead, on climate change mitigation and adaptation guidance for city and county planning departments. It also requires a similar coordination, with Commerce as lead, on creating a model climate change and resiliency element of the GMA.

The following is an estimate of staffing for the biennium:

Health Service Consultant 4 (0.50 FTE). The HSC4 will continue the work started in the previous fiscal year on the climate

change mitigation and adaptation guidance documents led by the Department of Commerce. The HSC4 will also serve as technical support on the use of the Environmental Health Disparities Map and liaison to the Washington Tracking Network. And will also collaborate with Commerce and support them in the rulemaking process.

Cost for Health Service Consultant 4:

Fiscal Year (FY) 2024 \$83,000 and 0.50 FTE

Fiscal Year (FY) 2025 \$82,000 and 0.50 FTE

Section 17: Added

Program updates and application criteria:

This bill requires DOH to update respective water system planning manuals and criteria for loan or grant climate readiness applications. This work is minimal, closely aligned with current criteria already in place and falls within normal work duties. No fiscal impact to DOH for program updates and application criteria.

Assisting water systems in implementing the climate resilience element:

In order to assist water systems in implementing the climate resilience element, including facilitating stakeholder conversations on information needs and developing responsive training resources, DOH plans to coordinate with the University of Washington Climate Impacts Group to develop processes and assemble tools that water systems can use to identify current and future climate-change hazards to water systems for various timeframes. This coordination is part of normal work duties. No fiscal impact to DOH.

Rulemaking:

Rulemaking is needed to amend both the Drinking Water State Revolving Fund (DWSRF) WAC and the Group A Public Water Systems WAC to include the elements of climate resilience required by the bill. DOH and SBOH will conduct this work on these WACS, respectively and with cooperation with each other. Costs are listed out separately here.

Rulemaking DOH:

Assumptions:

- Section 18 is allowing grants and loans for large group A public water systems to partially cover a climate resilience element that is now required by this bill as part of their water system plans. DOH will need to amend chapter 246-296 WAC (DWSRF) to include the required climate resilience elements.

To complete this one-time work, DOH will require 1.0 FTE in FY 2024 to:

- Provide guidance and rule writing.
- Engage with water planning experts on the need for centralized climate data projections.
- Coordinate with stakeholders (including water systems, state agency staff, local agency staff, local decision makers, and affected constituent groups), facilitate and participate in stakeholder meetings, and lead development of policy-heavy components of the rule.
- Arrange meeting rooms, take notes during stakeholder meetings, and deal with other logistical and communication issues associated with the rulemaking.

Attorney General time to review and advise on rulemaking will be \$2,000 in FY 2024.

Travel required for stakeholder meetings: total \$680

Assumptions:

- Two subject matter experts from DOH will meet with stakeholders four times during the rulemaking process.
- Meeting space will be provided by local health partners at no cost.
- Meetings will be held in 4 locations: Spokane, Everett, Vancouver, and Yakima.
- Staff will carpool in state vehicles.

- All assumptions for costs in the fiscal note are based on similar rulemaking with similar work that the DOH has completed in the past.
- Travel is based on:
 - Use of state vehicles
 - Per diem lunch \$20
 - Per diem meals and lodging average of \$150 per day

Spokane:

2 staff X \$150 per diem meals and lodging = \$300

Everett:

2 staff X \$20 per diem lunch = \$40

Vancouver:

2 staff X \$20 per diem lunch = \$40

Yakima:

2 staff X \$150 per diem meals and lodging = \$300

DOH rulemaking costs for FY 2024: 1.0 FTE and \$176,000

Rulemaking SBOH:

SBOH will conduct rulemaking in FY 2024 to adopt rules in chapter 246-290 WAC (Group A Public Water Supplies) to include new climate resilience elements to the Group A rule's water system plans. Group A rules would also need to be amended to incorporate climate resilience projects such as fire protection. SBOH will work closely with DOH to coordinate the update of these rules along with DOH's rule updates to chapter 246-296 WAC.

To complete this rulemaking including analyses required by the Administrative Procedures Act and Regulatory Fairness Act as well as interested party and community engagement, SBOH will require 0.4 FTE and \$66,000 in FY 2024. This includes Office of the Attorney General costs of \$2,000 in FY 2024.

SBOH rulemaking costs for fiscal year 2024: 0.4 FTE and \$66,000

Rulemaking Total costs: FY 2024: 1.4 FTE and \$242,000

Total costs for this fiscal note:

FY 2024: 1.9 FTE and \$325,000

FY 2025: 0.5 FTE and \$82,000

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	325,000	82,000	407,000	0	0
Total \$			325,000	82,000	407,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.9	0.5	1.2		
A-Salaries and Wages	175,000	44,000	219,000		
B-Employee Benefits	62,000	16,000	78,000		
E-Goods and Other Services	70,000	18,000	88,000		
G-Travel	1,000		1,000		
J-Capital Outlays	2,000		2,000		
T-Intra-Agency Reimbursements	15,000	4,000	19,000		
Total \$	325,000	82,000	407,000	0	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 2024	FY 2025	2023-25	2025-27	2027-29
COMMERCE SPECIALIST 3	78,900					
ENVIRONMENTAL PLANNER 3	80,952	0.2		0.1		
ENVIRONMENTAL PLANNER 4	91,524	0.2		0.1		
HEALTH SERVICES CONSULTAN 4	82,896	0.5	0.5	0.5		
MANAGEMENT ANALYST 5	91,524	0.4		0.2		
PUBLIC HEALTH ADVISOR 4	82,896	0.4		0.2		
WMS02	114,360	0.2		0.1		
Total FTEs		1.9	0.5	1.2		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

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

IV. B - Expenditures by Object Or Purpose

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

IV. C - Capital Budget Breakout

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

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

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

NONE

Section 18

Assumptions:

- Legislative funding and appropriation will be provided through the state capital budget from bonds.
- Based on the current Drinking Water System Repairs & Consolidation program, financial assistance provided to water systems in this bill will be grants, not loans. The small size and minimal number of climate resilience projects projected based upon current DWSRF capital projects would make a loan program ineffective for this bill’s purpose.
- There are 243 water systems having 1,000 or more connections in the state.
- Water system plans are on a 10-year revolving cycle.

- DOH anticipates demand at 5 annual grants for this funding at \$1,010,000 per grant to assist with climate resilience planning and projects under this bill.
- Water system plans will involve costly environmental studies and modeling to complete.
- No additional staffing is required for these additional 5 annual grants. This work will be performed by existing program grant staff as part of their normal work duties funded through the 04R- Drinking Water Assistance Account.

The capital budget impact of this bill is indeterminate. Awards and expenditures are contingent on a legislative appropriation in the capital budget. The number of awards will vary based on the appropriation and capital requests received.

Part V: New Rule Making Required

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

New rulemaking is required in Section 8 (8) for a climate resiliency element in the GMA for planning organizations, but Commerce is the lead agency with Department of Health (DOH) listed as a collaborator.

Section17: Requires DOH and the SBOH to adopt and update rules for group A water systems with 1,000 or more connections to include in their water system plans a climate resilience element.

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 405-Department of Transportation
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
Account					
Multimodal Transportation Account-State 218-1	254,000	246,000	500,000	0	0
Total \$	254,000	246,000	500,000	0	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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Gabriel Philips	Phone: 360-705-6813	Date: 02/02/2023
Agency Approval: Kerri Woehler	Phone: 360-705-7958	Date: 02/02/2023
OFM Review: Tiffany West	Phone: (360) 890-2653	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.

See attached WSDOT fiscal note.

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.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
218-1	Multimodal Transportation Account	State	254,000	246,000	500,000	0	0
Total \$			254,000	246,000	500,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages	154,000	154,000	308,000		
B-Employee Benefits	55,500	55,500	111,000		
C-Professional Service Contracts					
E-Goods and Other Services	31,000	31,000	62,000		
G-Travel	1,500	1,500	3,000		
J-Capital Outlays	12,000	4,000	16,000		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	254,000	246,000	500,000	0	0

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.

Bill Number: 1181 SHB	Title: Climate Change/Planning	Agency: 405-Department of Transportation
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Part I: Estimates

Use the fiscal tables provided below to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. For **NO FISCAL IMPACT**, check the box below, skip fiscal tables, and go to **Part II to explain briefly**, why the program believes there will be no fiscal impact to the department.

- NO FISCAL IMPACT**
- PARTIALLY INDETERMINATE**
- INDETERMINATE**

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. *(This section refers to the State Capital Budget not the Transportation Budget Capital Budget funding.)*
- Requires new rule making, complete Part V.

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.

Dollars in Thousands

		2023-25 Biennium		2025-27 Biennium		202-297 Biennium	
Expenditures		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
218-1-MULTIMODAL TRANSPORTATION		\$254.0	\$246.0				
Total Expenditures		\$254.0	\$246.0	\$0.0	\$0.0	\$0.0	\$0.0
Biennial Totals		\$500.0		\$0.0		\$0.0	
FTEs		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Transportation Planning Specialist 5 (TPS5)	\$144	1.0	1.0				
Transportation Planning Specialist 4 (TPS4)	\$66	0.5	0.5				
Annual Average		1.5		0.0		0.0	
Objects of Expenditure		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A - SALARIES AND WAGES		\$154.0	\$154.4				
B - EMPLOYEE BENEFITS		\$55.5	\$55.5				
E - GOODS AND SERVICES		\$31.0	\$31.0				
G - TRAVEL		\$1.5	\$1.5				
J - CAPITAL OUTLAYS		\$12.0	\$4.0				
Expenditures by Program		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
PROGRAM T		\$254	\$246				

Agency Assumptions:

1. This fiscal note identifies fiscal impacts of both SHB 1181 and HB 1181 since there is no difference in the impact to WSDOT between the two bills
2. The Governor’s proposed 2023-2025 transportation budget includes \$500,000 for WSDOT to fulfill new Growth Management Act requirements pertaining to the agency’s work (as outlined in HB 1181) : provide VMT data, work on metrics to reduce VMT, implement level-of-service changes, and support the Department of Commerce.
3. The work activities and deliverables associated with new Growth Management Act requirements (described in HB 1181) are complementary but separate from the proposal in the Governor’s budget to provide \$1.75 million to continue ongoing work related to VMT reduction targets. Vehicle miles traveled reductions targets and actions to meet those targets will be set by region for those regions who opt to pilot the new process. The department shall provide technical assistance to local partners in developing targets, conducting modeling and analysis, identifying appropriate strategies to meet targets, and conducting outreach. Elements include:
 - a. A WSDOT FTE to lead VMT reduction efforts. A dedicated staff resource is essential for maintaining momentum.
 - b. Continued partnerships with the Department of Commerce on land use and transportation integration.
 - c. Consulting services from an independent, objective consultant to facilitate outreach and collaborative work with local communities
 - d. Technical assistance to, and pilot projects from, local jurisdictions who opt into being early adopters of local VMT reduction target setting

Agency Contacts:

Agency Preparer: Gabe Philips	Phone: 425.647.0030	Date: 1/30/2023
Agency Approval: Kerri Woehler	Phone: 360.480.1962	Date: 1/30/2023
Agency Budget Analyst: Stacey Halverstadt	Phone: 360.705.7544	Date: 1/31/2023

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.

- SHB 1181 introduces changes including separating human development and wildfire prone areas in land use elements and requiring cities and counties to make good faith efforts to obtain information required in the utility’s element. None of the changes in SHB 1181, compared to HB 1181, impact WSDOT. Therefore, the fiscal impact to WSDOT remains the same as the initial fiscal note analysis for HB 1181, as described below.
- Section 3(6)(iii)(B); page 13 relating to level of service standards: “if the department of transportation has prepared such standards”
 - This bill adds active transportation considerations to the comprehensive plan requirements. This work will fall to the cities, counties, and regional planning organizations. However, it does indicate that WSDOT collaborate with Commerce to provide guidance, which will likely include information about 1) methods for conducting an inventory of active transportation facilities, 2) a level of service standard that considers active transportation, 3) a methodology for defining active transportation demand, 4) a list of measures to reduce vehicle miles traveled, and 5) vehicle miles traveled data for each city and county. Much of this work has already started and/or will fall within existing WSDOT staff duties. There will likely be some fiscal impact associated with the work that extends beyond that.
- Section 5(2)(a); page 21 relating to VMT reduction measures: “ The department of commerce, in consultation with the department of transportation, shall publish guidelines that specify a set of measures counties and cities may have available to them to take through updates to their comprehensive plans and development regulations that have a demonstrated ability to reduce per capita vehicle miles traveled, including measures that are designed to be achievable throughout the state, including in small cities and rural cities
 - Related work is underway through the department of transportation’s vehicle miles of travel reduction proviso and Commerce’s parallel proviso related to greenhouse gas emissions and a model climate

element. Specifically, WSDOT is already assisting Commerce in developing a set of measures with demonstrable benefits for the model climate change element they are developing. Additional work will be needed to collaborate with Commerce on updates to its guidebook for transportation plan elements in a comprehensive plan. (See: <https://deptofcommerce.app.box.com/s/erocgtpv3acyxv2m9bcb59c38s13qqjb>. Relevant sections include Chapter 2 on land use connection (p22), rural areas (p35, p48); Chapter 4 on active transportation (p115), demand management (p190); Chapter 6 on complete streets (p227), TSMO (p235), transit (p240), freight (p252), parking (p267), and access (p267).) Resources are also needed for web publishing and providing training on the new guidance.

- Section 5(2)(b)(iii); page 22, related to per capita vehicle miles travelled: “The most recent summary of per capita vehicle miles traveled as compiled by the department of transportation.”
 - WSDOT already produces vehicle miles traveled information. See: <https://wsdot.wa.gov/about/transportation-data/travel-data/annual-mileage-and-travel-information>. Combined with OFM figures on population, minimal effort is required to produce per capita figures.
- Section 9, on page 28, on per capita vehicles miles of travel, **does not mention WSDOT**, but states: “NEW SECTION. Sec. 9. A new section is added to chapter 47.80 RCW to read as follows: The department shall compile, maintain, and publish a summary of the per capita vehicle miles traveled annually in each city in the state, and in the unincorporated portions of each county in the state.”
 - An acceptable version of this can already be produced from the vehicle miles of travel data WSDOT produces annually.

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 legislation has no anticipated 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.

Section 3(6)(iii)(B); page 13: \$288,000 is estimated for 1.0 FTE Transportation Planning Specialist 5 (TPS5) salaries and benefits in 2023-25 to update level of service standards for highways of statewide significance for consistency with VMT reduction goals and to provide technical assistance to local governments working to incorporate level-of-service standards for state-owned facilities in comprehensive plans. In addition, \$18,000 is estimated to cover standard costs for the FTE, including supplies and materials, telephone & postage, professional development, computer/IT costs, and travel.

Section 5(2)(a); page 21: \$131,000 is estimated for 0.5 FTE Transportation Planning Specialist 4 (TPS) salaries and benefits to support Department of Commerce on updating and publishing the guidebook. An additional \$13,000 is estimated to cover standard costs for the FTE, including supplies and materials, telephone & postage, professional development, computer/IT costs, and travel, and \$50,000 in goods and services to fund web publishing and guidebook training and outreach.

These funds are one-time.

Part III: Expenditure Detail

III. A - Expenditures by Object or Purpose

Stated in II.C – See Expenditures by Object Table

Part IV: Capital Budget Impact

No anticipated impact.

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.

No anticipated impact.

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.9	4.2	4.1	1.8	0.0
Account					
Climate Commitment Account-State 26C-1	567,309	607,412	1,174,721	565,916	0
Total \$	567,309	607,412	1,174,721	565,916	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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Jessica Moore	Phone: 360-529-7583	Date: 01/30/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 01/30/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/03/2023

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.

The differences between HB 1181 and SHB 1181 are as follows:

- Section 1 would now include subsection 15, which would add shoreline management to the list of goals adopted to guide the development and adoption of comprehensive plans and development regulations under the Growth Management Act (GMA).
- Section 3 would now require public entities that own utility systems to include information required to the extent possible; however, the failure to include the information, if a good faith effort is undertaken, would not be grounds for a finding under the GMA.
- Section 3 would now expand the transportation element under the GMA to include multimodal levels of service as pertains to traffic and transportation and would require a transition plan for transportation as required under Title II of the Americans with Disabilities Act.
- Section 3 would now expand the park and recreation element under the GMA to include an evaluation of tree canopy coverage.
- Section 3 would now remove the requirement under the GMA to update comprehensive plans and related development regulations made during the update cycle that begins in 2024 for measures identified by Commerce under section 5 of the previous version of the bill.
- Section 4 would now update the parameters of the counties required to include the greenhouse gas emissions reduction subelement under the GMA.
- Section 5 would now require Commerce to update guidelines for implementing the GMA every five years instead of every four years. Intermediate guidelines would now be required by December 31, 2023, instead of December 31, 2022.
- Section 6 would now include a requirement for counties to provide to Commerce a notice of intent to apply for approval of their greenhouse gas emissions reduction subelement under the GMA. The section would now amend all of the previously required approval steps as well as the timeline Commerce would have to approve an application.
- A new section 7 would amend RCW 36.70A.280 of the GMA to outline what petitions the Growth Management Hearings Board would be required to hear and who would be eligible to file a petition.
- Section 7 would now become section 8 and so on until section 12 would become section 13.
- Section 13 from HB 1181 is now removed in SHB 1181.
- A new section 16 would amend chapter 36.70A RCW to require jurisdictions subject to the implementation requirements to complete implementation by June 30, 2025, and would include a new expiration for the section of July 31, 2025.
- A new section 17 would amend chapter 43.20 RCW, administered by the State Board of Health, to require water system plans initiated after June 30, 2024, for group A community public water systems serving 1,000 or more connections to include a climate resilience element at the time of approval.
- A new section 18 would amend RCW 70A.125.180, administered by the Public Works Board and Commerce, to require

Commerce to provide financial assistance through a new water system acquisition and rehabilitation program and adopt guidelines for the program.

None of these changes would result in a change in the fiscal impact for Ecology under SHB 1181.

Under current law, Ecology works in partnership with local governments to implement chapter 90.58 RCW (Shoreline Management Act) to promote public access, encourage water-dependent uses, protect shoreline resources, and develop, adopt, and administer shoreline master programs. Department of Commerce is lead agency for rule-making and technical assistance to local governments under the GMA.

This bill would add a climate change resiliency and environmental justice goal to GMA and require amendments to growth management and shoreline plans to address resilience to changing climate conditions and would require Ecology to update shoreline master program rules for local governments to address the impact of sea level rise and increased storm severity.

Section 1 would amend the GMA RCW 36.70A.020 to incorporate environmental justice and resiliency by expanding existing goals, adopting a new climate goal, and adding the Shoreline goal that has been in place since 1995, but was formerly contained only in RCW 36.70A.480, separate from the other listed goals.

Section 2 would amend the section of GMA that covers Shorelines of the State (RCW 36.70A.480). The amendment would update the description of the Shoreline Management Act (SMA) as the 15th goal of GMA to reflect the addition of a new enumerated 14th goal for Climate Change added in Section 1. Section 3 would amend RCW 36.70A.070 to modify numerous existing elements to give special consideration to achieving environmental justice goals and policies, defines greenhouse gas emission reduction goals, adds a new climate change and resiliency element, requires public entities that own utility systems to include information required to the extent possible, expands the transportation element to include multimodal levels of service as pertains to traffic and transportation and would require a transition plan for transportation as required under Title II of the Americans with Disabilities Act, and expands the park and recreation element under the GMA to include an evaluation of tree canopy coverage.

Section 4 would add a new section to chapter 36.70A RCW to define which of the “fully planning” cities and counties would be required to meet the climate change and resiliency requirements outlined in section 3 of this bill.

Section 5 would amend chapter 70A.45 RCW, Limiting Greenhouse Gas (GHG) Emissions, to require Commerce to consult with the state Departments of Ecology, Health, and Transportation to publish guidelines defining the set of measures counties and cities would use to update their comprehensive plans and development regulations to achieve the statewide GHG emission reductions set forth in section 3 and including an environmental justice assessment. Commerce would be required to publish guidelines by December 31, 2025, and every five years thereafter. Intermediate guidelines would be required by December 31, 2023. Updates to the guidelines after 2025 would be required to include a determination of whether adequate progress has been made toward the statewide greenhouse gas emissions and per capita vehicle miles traveled reduction goals.

Section 6 would create a new section of GMA to add an option for local governments to obtain Commerce approval of the GHG reduction sub-element.

Section 7 would amend RCW 36.70A.280 of the GMA to outline what petitions the Growth Management Hearings Board would be required to hear and who would be eligible to file a petition.

Section 8 would amend a section of GMA related to Growth Management Hearings Board statutes (RCW 36.70A.320) to clarify that like SMPs, the GHG sub-element takes effect as provided in section 6 (14 days after public notice of Commerce approval).

Section 9 would amend the section of GMA that requires Commerce to provide technical and financial assistance to help local governments meet GMA obligations (RCW 36.70A.190). Section 8(8) would require Commerce to work with Ecology, WDFW, DNR, DOH, and the Military Department’s Emergency Management Division (EMD) to adopt by rule guidance that creates a model resiliency element. Commerce would be required to establish funding levels for grants to community-based organizations to increase participation of vulnerable populations and overburdened communities in the planning process. The bill specifies the model element is optional.

Section 10 would add a new section to chapter 47.80 RCW, regional transportation planning organizations, that would require WSDOT to compile, maintain, and publish a summary of the vehicle miles traveled (VMT) annually for all cities, and unincorporated portions of each county.

Section 11 would create a new section in the SMA (chapter 90.58 RCW). Ecology would be required to update SMP guidelines (chapter 173-26 WAC) to include requirements for local governments to update SMPs to address the impact of sea level rise and increased storm severity on people, property, and shoreline natural resources and the environment.

Section 12 would amend RCW 86.12.200 that would require comprehensive flood control management plans to include consideration of climate impacts.

Section 13 would amend chapter 43.21C RCW, State Environmental Policy Act (SEPA), to make adoptions of ordinances, amendments to comprehensive plans, amendments to development regulations, and other non-project actions taken by a county or city under RCW 36.70A.070 (9) (a) or (c) exempt from administrative or judicial appeals.

Section 14 would amend RCW 36.70A.030 to include definitions of “per capita vehicles miles traveled,” “active transportation,” “transportation system,” “environmental justice,” “active transportation facilities,” “green space,” and “green infrastructure.”

Section 15 would amend RCW 36.70A.130, the GMA periodic update schedule, to require counties and cities that have a December 31, 2024, deadline to complete the requirements for a climate change and resiliency element as part of their “5-year check-in” deadline (December 31, 2029). This applies to King, Kitsap, Pierce and Snohomish counties and cities within them with a population over 6,000.

Section 16 would amend chapter 36.70A RCW to require jurisdictions subject to the implementation requirements to complete implementation by June 30, 2025, and would include a new expiration for the section of July 31, 2025.

Section 17 would amend chapter 43.20 RCW, administered by the State Board of Health, to require water system plans initiated after June 30, 2024, for group A community public water systems serving 1,000 or more connections to include a climate resilience element at the time of approval.

Section 18 would amend RCW 70A.125.180, administered by the Public Works Board and Commerce, to require Commerce to provide financial assistance through a new water system acquisition and rehabilitation program and adopt guidelines for the program.

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 under this bill is estimated to be greater than \$50,000 from Fiscal Year (FY) 2024 to FY 2025, and less than \$50,000 in FY 2026, to implement the requirements of sections 3, 5, 9 and 11.

Note: The Governor's 2023-25 proposed operating budget includes funding for this proposed legislation (CPC – Comprehensive Planning - Climate). Expenditures are estimated in the Climate Commitment Account consistent with the Governor's proposed budget.

Section 3 would amend RCW 36.70A.070 which outlines requirements for GMA elements. In consultation with Commerce, Ecology assumes that Commerce would engage in rulemaking to implement this section of the bill and that Ecology consultation and technical assistance would be required. Based on shared assumptions with Commerce, Ecology assumes this would involve monthly meetings with meeting preparation, research, and reading required in between meetings and stakeholder coordination from FY 2024 to FY 2025. Based on previous efforts, Ecology estimates that this would require 0.25 FTE of an Environmental Planner 5 and 0.25 FTE of an Environmental Planner 4 in each of these fiscal years.

Section 5(1) would require Commerce to consult with the state Departments of Ecology, Health, and Transportation to publish guidelines defining the set of measures counties and cities would use for updates to their comprehensive plans and development regulations to achieve the statewide GHG emission reductions set forth in section 3 and including an environmental justice assessment. Commerce would be required to publish guidelines by December 31, 2025, and every five years thereafter. Intermediate guidelines would be required by December 31, 2023. Updates to the guidelines after 2025 would be required to include a determination of whether adequate progress has been made toward the statewide greenhouse gas emissions and per capita VMT reduction goals. In consultation with Commerce, Ecology assumes that Commerce would engage in rulemaking to implement this section of the bill and that Ecology consultation and technical assistance would be required. Based on shared assumptions with Commerce, Ecology assumes this would involve monthly meetings with meeting preparation, research, and reading required in between meetings and stakeholder coordination from FY 2024 to FY 2026. Ecology estimates that this would require 0.10 FTE of an Environmental Specialist 4 to evaluate GHG emission reductions from proposed actions and 0.07 FTE of an Environmental Planner 4 to attend meetings, provide input on the guidelines, and review drafts of the guidelines for FY 2024-2025, and 0.05 FTE of an Environmental Specialist 4 and 0.03 FTE of an Environmental Planner 4 for FY 2026.

Section 6 would create a new section of GMA to add Commerce approval of the GHG reduction sub-element. The process would be based on the SMP approval process described in RCW 90.58.090. The process would include clarification that like SMP approvals, the appeal of a GHG sub-element is an appeal of Commerce's approval to the Growth Management Hearings Board. Based on shared assumptions with Commerce, Ecology had assumed that Commerce would develop procedural rules for their approval of local GHG emissions sub-elements between 2030 and 2032 and that Ecology consultation and technical assistance would be required during this time. This is outside the scope for estimating on a fiscal note, so no estimate is made here.

Section 9 would require Ecology to participate in Commerce rulemaking to create a model climate resiliency element. In consultation with Commerce, Ecology assumes that Commerce would engage in rulemaking to implement this section of the bill and that Ecology consultation and technical assistance would be required on sea level rise, the handling of ground water, co-benefits of Salmon, as well as functions and values of floodplains and wetlands. Based on shared assumptions with Commerce, Ecology assumes this would involve monthly meetings with meeting preparation, research, and reading required in between meetings and stakeholder coordination from FY 2024 through FY 2025. Based on previous effort, Ecology estimates that this would require 0.25 FTE of an Environmental Planner 4 each fiscal year.

Section 11 would require Ecology to update SMP rules to address impacts of sea level rise and increased storm severity resulting from climate change. Based on previous experience with the controversial nature of climate change principles, Ecology assumes that rulemaking would involve extensive public participation and controversy. Ecology also assumes that the rulemaking would be a Significant Agency Action under the HEAL Act, and subject to the environmental justice assessment requirements under RCW 70A.02.060. Ecology further assumes that rulemaking would need to be completed by the end of FY 2026 to ensure that local government has adequate preparation time for new requirements to their SMPs

during their next scheduled periodic review, starting in FY 2027. (The first deadlines for the next scheduled periodic review are at the end of FY 2028 and SMP updates typically take two years. Therefore, we assume local partners would begin their next updates starting in FY 2026.) Therefore, Ecology estimates that the rulemaking efforts required under this bill would take 36 months to complete, between July 1, 2023, and June 30, 2026. Rulemaking would require a rulemaking lead, technical staff, and economic research staff.

The rulemaking lead would oversee project management, lead rule development, manage stakeholder engagement, and perform other tasks as necessary. Ecology estimates that this work would require 1.0 FTE in FY 2024, FY 2025, and FY 2026 of an Environmental Planner 3.

Ecology assumes that the environmental justice reviews that are currently taking place will be replaced by the HEAL mandated Environmental Justice (EJ) assessments. Therefore, Ecology estimates no additional cost to incorporating the EJ assessment into the rulemaking effort for this bill.

Technical staff would work with the rulemaking lead to create the rule language and lead the overall policy change of the rulemaking. Ecology estimates that this work would require 0.75 FTE of an Environmental Planner 5, 0.50 FTE of an Environmental Planner 4, and 0.25 FTE of an Environmental Specialist 4 in FY 2024, FY 2025, and FY 2026, each fiscal year.

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 2026.

Ecology would hold three public meetings in FY 2026 and three public hearing(s) in FY 2026 for rulemaking. Goods and services estimates include facility rental costs estimated at \$1,000 per event (total Goods and Services costs of \$6,000 in FY 2026). Due to the controversial and complexity of the topic area, Ecology assumes that a facilitator would be required for the public meetings and hearings. Contract estimates include facilitator contract costs estimated at \$2,100 per event (total estimated contract costs of \$12,600 in FY 2026).

The Public Outreach Coordinator would provide web and social media updates, meeting planning and attendance, and a communications strategy. Ecology estimates that this work would require 0.25 FTE in FY 2025 and again in FY 2026 of a Communication Consultant 5. Ecology assumes six ads in newspapers for required public notices at \$500 each (total Goods and Services costs of \$3,000 in FY 2026).

The Attorney General's Office (AGO) estimates a need for 0.05 AAG FTE at a cost of \$14,000 in FY 2024 and FY 2025, and 0.15 AAG FTE at a cost of \$37,000 in FY 2026.

Section 12 would amend RCW 86.12.200 that would require comprehensive flood control management plans to include consideration of changing conditions. Comprehensive flood control management plans are voluntary and there is no schedule for updates. Ecology has updated the Flood Planning Guidance and changing conditions are included in the scope of work. The existing rule (WAC 173-145) requires that jurisdictions that opt to prepare or update a comprehensive flood control management plan address the kinds of flooding impacts that will be aggravated by changing conditions in the future. The direction in section 11 that would ensure a plan includes consideration of changing conditions can be implemented consistent with existing rules without need for rule amendments. Additionally, the Flood Planning Guidance provides more specific details on how to include consideration of changing conditions. Therefore, no new rule updates would be necessary to implement this section of the bill, and there would be no new fiscal impact to Ecology.

SUMMARY: The expenditure impact to Ecology under this bill is:

Section 3 CONSULTATION ON COMMERCE RULEMAKING is estimated to require
FY 2024: \$86,155 and 0.6 FTEs

FY 2025: \$86,155 and 0.6 FTEs

Section 5(1) CONSULTATION ON COMMERCE RULEMAKING is estimated to require:

FY 2024: \$25,099 and 0.2 FTEs

FY 2025: \$25,099 and 0.2 FTEs

FY 2026: \$11,731 and 0.1 FTEs

Section 9 CONSULTATION ON COMMERCE RULEMAKING is estimated to require:

FY 2024: \$41,042 and 0.3 FTEs

FY 2025: \$41,042 and 0.3 FTEs

Section 11 RULEMAKING is estimated to require:

FY 2024: \$415,013 and 2.9 FTEs

FY 2025: \$455,116 and 3.2 FTEs

FY 2026: \$554,185 and 3.6 FTEs

The TOTAL Expenditure Impact to Ecology under this bill is estimated to be:

FY 2024: \$567,309 and 3.9 FTEs

FY 2025: \$607,412 and 4.2 FTEs

FY 2026: \$565,916 and 3.7 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 36% of salaries.

Contract costs of \$12,600 in FY 2026 are included for three public meeting and three hearing facilitations.

Goods and Services are the agency average of \$5,224 per direct program FTE. Also included is \$6,000 in FY 2026 for meeting facility costs and public notices and \$3,000 in FY 2026 for newspaper advertisements. In addition, AGO costs of \$14,000 in FY 2024 and FY 2025, and \$37,000 in FY 2026 are included in object E.

Travel is the agency average of \$1,563 per direct program FTE.

Equipment is the agency average of \$1,031 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 28.75% 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 2024	FY 2025	2023-25	2025-27	2027-29
26C-1	Climate Commitment Account	State	567,309	607,412	1,174,721	565,916	0
Total \$			567,309	607,412	1,174,721	565,916	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.9	4.2	4.1	1.8	
A-Salaries and Wages	300,727	322,513	623,240	275,530	
B-Employee Benefits	108,261	116,104	224,365	99,191	
C-Professional Service Contracts				12,600	
E-Goods and Other Services	31,866	33,172	65,038	62,612	
G-Travel	5,346	5,737	11,083	4,971	
J-Capital Outlays	3,527	3,785	7,312	3,280	
9-Agency Administrative Overhead	117,582	126,101	243,683	107,732	
Total \$	567,309	607,412	1,174,721	565,916	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 2024	FY 2025	2023-25	2025-27	2027-29
COMM CONSULTANT 5	87,144		0.3	0.1	0.1	
ECONOMIC ANALYST 3	85,020				0.1	
ENVIRONMENTAL PLANNER 3	80,952	1.0	1.0	1.0	0.5	
ENVIRONMENTAL PLANNER 4	89,292	1.1	1.1	1.1	0.3	
ENVIRONMENTAL PLANNER 5	98,592	1.0	1.0	1.0	0.4	
ENVIRONMENTAL SPEC 4	73,260	0.4	0.4	0.4	0.2	
FISCAL ANALYST 2		0.3	0.4	0.4	0.2	
IT APP DEV-JOURNEY		0.2	0.2	0.2	0.1	
REGULATORY ANALYST 2	82,896				0.1	
Total FTEs		3.9	4.2	4.1	1.9	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

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.

Sections 3, 5, and 9 would require Ecology to participate in three GMA rule-making efforts with Commerce as lead agency. Section 11 would require Ecology to lead rulemaking for the Shoreline Management Act rule (chapter 173-26 WAC).

Individual State Agency Fiscal Note

Bill Number: 1181 S HB	Title: Climate change/planning	Agency: 468-Environmental and Land Use Hearings Office
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 01/31/2023
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 01/31/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/03/2023

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 – Like 2021 and 2022 versions of this bill, this bill adds climate change and resiliency as a goal to the GMA. Includes vulnerable populations and overburdened communities to the goal of citizen participation and coordination and adds environmental justice to the climate change goal.

Section 3 - The land use element includes green spaces, environmental justice considerations, and wildfire buffers. The capital facilities plan element includes an inventory of green infrastructure, the utilities element includes components of drinking water, storm water, wastewater systems. Includes specific language regarding the transportation element. The climate change and resiliency element includes extensive language establishing compliance via GHG, provides for extensions in certain cases, and exempts certain actions taken from SEPA review.

Section 5 - Chapter on limiting greenhouse gas emissions expanded to require several state agencies, including Commerce, to come up with guidelines for reduction of GHG in comp plans, including recognition of environmental justice. Includes a list of things that Commerce cannot include in its guidelines.

Section 6 – This remains virtually unchanged from prior versions of this bill and sets forth that appeals from Commerce’s final decisions to approve or reject a proposed GHG emissions reduction sub-element or amendment may be appealed to the Growth Management Hearings Board (GMHB). The GMHB’s decision concerning these appeals must be based solely on whether or not the adopted or amended GHG emissions reduction sub-element, any adopted amendments to other elements of the comprehensive plan necessary to carry out the sub-element, and any adopted or amended development regulations necessary to implement the sub-element, comply with the GMA’s climate change goal, the climate change and resiliency element, the guidelines adopted by Commerce related to GHG emissions reductions related to the sub-element, or SEPA.

Section 7 – This edit to language concerning appeals to the GMHB makes clear that challenges to the GHG sub-element are pursuant to Section 6, and that decision by the GMHB shall be based on whether the sub-element is in compliance with the joint guidance issued by the department under Section 5.

Section 9 – The Department of Transportation must collect and publish information on per capita vehicle miles traveled.

Section 11 - Directs Ecology to update its guidelines to require shoreline master programs to address the impacts of sea level rise. When Ecology updates its guidelines the local jurisdictions are supposed to amend their programs to comply. If a local jurisdiction failed to complete an update, that might generate an appeal to the Shorelines Hearings Board (SHB), however, we expect most will go to the GMHB as only certain small counties and cities would have programs appealable to the SHB.

Section 13 - Exempts actions taken under 36.70A.070(9) from SEPA appeals.

Section 14 – Adds definition for some terms like “active transportation,” “environmental justice,” “green space,” etc.

Current Agency Structure: The Environmental & Land Use Hearings Office (ELUHO) is the administrative agency that supports three environmental and land use hearings boards – the Pollution Control Hearings Board (PCHB), Shoreline Hearings Board (SHB), and Growth Management Hearings Board (GMHB). Each GMHB case must be decided within 180 days of a filed appeal. ELUHO has a team of 3 legal assistants to support all three Boards.

Assume new GMHB appeals – The bill is expected to generate new appeals to the GMHB. Petitioners will want to legally test the application of GHG emissions reductions and other new requirements of the bill. The number and timing of appeals depends on the schedule of plan updates, however, ELUHO estimates 3 new appeals to the GMHB per year. This

assumption is based on ELUHO's experience with parties who are interested in testing new law or state regulations.

Assume new appeals in FY 2025 – We anticipate challenges to the new law will begin in FY2025.

Assume cost absorption – ELUHO assumes the GMHB can absorb costs to manage the few appeals likely to be generated by this bill.

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.

None

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.

None

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

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: 1181 S HB	Title: Climate change/planning	Agency: 477-Department of Fish and Wildlife
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.0	3.0	3.0	3.0	3.0
Account					
General Fund-State 001-1	513,000	513,000	1,026,000	1,026,000	1,026,000
Total \$	513,000	513,000	1,026,000	1,026,000	1,026,000

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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Tiffany Hicks	Phone: 3609022544	Date: 01/27/2023
Agency Approval: Tiffany Hicks	Phone: 3609022544	Date: 01/27/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 01/29/2023

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 does not change agency workload estimated in the prior version of the bill.

Section 1(14) adds a new “Climate change and resiliency” Growth Management Act (GMA) goal to local comprehensive plans.

Section 3(9)(a) adds a “climate change and resiliency element” that is designed to result in reductions in overall greenhouse gas emissions and enhance resiliency to climate change in human communities and ecological systems through goals, policies, and programs consistent with the best available science.

Section 8(8) directs Commerce (WDFW, and other state agencies) to develop and adopt by rule guidance that creates a model climate change and resiliency element that may be used by counties, cities, and multiple-county planning regions for developing and implementing climate change and resiliency plans and policies.

Section 10 and 11 may require WDFW to help address the impact of sea level rise and increased storm severity on people, property, and shoreline natural resources and the environment within Ecology’s update of Shoreline Master Program (SMP) guidelines and programs (new section 10) and counties’ comprehensive flood control management plans (new section 11).

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 bill’s new planning goals and elements pertaining to fish and wildlife habitat protection, enhancement, and resilience (sections 1 and 3) will trickle down in implementation through the new climate guidance/rule statewide over time for the foreseeable future (section 8). Better planning guidance for habitat connectivity via open space and natural areas (sections 1 and 3) will be fundamental to species' adaptation to and ability to disperse/migrate within new climatic conditions, especially in wildfire prone ecoregions (section 8). To fulfill the new land use planning requirements this bill would create will require increased capacity and partnership within WDFW headquarters and regions, as described below:

Ongoing headquarters capacity for climate rulemaking and implementation:

First, as highlighted above, the bill calls for WDFW’s participation in climate-related rulemaking led by Commerce and (we assume) in Ecology’s update of Shoreline Master Program (SMP) guidelines/rules and programs.

Second, WDFW will need to play an ongoing role to implement the new climate guidance/rule during the current Growth Management Act (GMA) periodic update cycle, which will continue county by county (including cities) through FY 2027 and again in ten years. A science-policy team has been and will be well-suited to fulfill this need:

A Research Scientist 2 will assemble and review existing scientific literature related to the effects of climate change on fish and wildlife and their habitat in Washington State and develop resources focusing on enhancing areas of vital habitat for safe passage, species migration, and climate resilience to support salmon recovery and ecosystem health services. This work will also require increased capacity to analyze spatial data and develop management recommendations for Priority

Habitats and Species (PHS).

An Environmental Planner 5 will present climate guidance/rule to local planners/jurisdictions to support updates to their GMA Comprehensive Plans and Critical Area Ordinances (CAO), such as webinars describing resilience measures in land use planning. Within the Ecosystem Services Division, this position may span the PHS section and the Land Use Conservation and Policy section in the development of tools/products/resources that can be applied programmatically across regions in support of local governments. Other important roles include training regional staff and coordinating with other state agencies for consistency in policy interpretations and communications.

Increased regional capacity for implementing climate guidance/rule:

This bill would increase the need for technical assistance to local governments from WDFW for implementation of new climate guidance/rule in concert with the other existing habitat-related GMA and Shoreline Management Act (SMA) land use planning efforts our regional staff are already supporting.

First, the heightened need for WDFW's advisory role continues for at least the next 4.5 years of this GMA periodic update cycle (through FY 2027). Local governments will increasingly need to rely on our local subject matter experts to provide the technical assistance to meet the bill's new climate resilience requirements (as reflected in their Comprehensive Plans and CAOs) on top of best available science and other updates.

Then, WDFW responsibilities will shift to the next cycle of SMP periodic reviews (SMA). The SMEs will adapt their assistance to reflect Ecology's update of shoreline master program guidelines/rules and SMPs called for in this bill (new section 10). The combination of GMA and SMA land use planning work becomes a continuous cycle alternating every five years, requiring ongoing staffing to advise local governments statewide.

WDFW will fulfill this growing need with a new region-based Environmental Planner 3 to support those local governments most in need of technical assistance. This approach is consistent with the EP3s currently being hired in regions 4 and 6 to support the first four counties (and their cities) in the GMA periodic update cycle (with a 2024 deadline). Ten more counties' (and their cities') updates are due in 2025, 9 more counties (and their cities) are due in 2026, and the remaining 16 counties (and their cities) are due in 2027. We anticipate the need for at least one EP3 will be needed in each of WDFW's six regions over time.

To conduct agency duties as outlined above, estimates by section are as follows:

Sections 1 and 3 will require an Environmental Planner 5 and a Fish and Wildlife Research Scientist 2 each for:
0.4 FTE in fiscal years 2024 and 2025 and 0.8 FTE in fiscal years 2026 and 2027 to develop/provide programmatic implementation tools for GMA updates

0.2 FTE in fiscal years 2028 and 2029 to develop/provide programmatic implementation tools for SMP updates

Sections 1 and 3 will require an Environmental Planner 3 for:

0.8 FTE in fiscal years 2024 through 2027 to implement tools for GMA updates

0.2 FTE in fiscal years 2028 and 2029 to implement tools for SMP updates

Section 8 will require an Environmental Planner 5 and a Fish and Wildlife Research Scientist 2 each for:

0.5 FTE in fiscal years 2024 and 2025 for GMA rulemaking consultation

Sections 10 and 11 will require an Environmental Planner 5 and a Fish and Wildlife Research Scientist 2 each for:

0.1 FTE in fiscal years 2024 and 2025 to provide consultation on SMP rule making

0.2 FTE in fiscal years 2026 and fiscal year 2027 and 0.8 FTE in fiscal years 2028 and 2029 to develop/provide programmatic implementation tools for SMP updates

Sections 10 and 11 will require an Environmental Planner 3 for:
 0.2 FTE in fiscal years 2024 through 2027 and 0.8 FTE in fiscal years 2028 and 2029 to implement tools for SMP updates.

Salaries and Benefits total \$367,000 in fiscal year 2024 and ongoing.

Goods and services, Object E, includes \$6,000 per FTE, per year, for WDFW standard costs, which cover an average employee's supplies, communications, training, and subscription costs per year. An infrastructure and program support rate of 33.5% is included in object T and is calculated based on WDFW's federally approved indirect rate.

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	513,000	513,000	1,026,000	1,026,000	1,026,000
Total \$			513,000	513,000	1,026,000	1,026,000	1,026,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	3.0	3.0	3.0	3.0	3.0
A-Salaries and Wages	271,000	271,000	542,000	542,000	542,000
B-Employee Benefits	96,000	96,000	192,000	192,000	192,000
C-Professional Service Contracts					
E-Goods and Other Services	18,000	18,000	36,000	36,000	36,000
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	128,000	128,000	256,000	256,000	256,000
9-					
Total \$	513,000	513,000	1,026,000	1,026,000	1,026,000

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
ENVIRONMENTAL PLANNER 3		1.0	1.0	1.0	1.0	1.0
ENVIRONMENTAL PLANNER 5		1.0	1.0	1.0	1.0	1.0
FISH & WILDLIFE RESEARCH SCIENTIST 2		1.0	1.0	1.0	1.0	1.0
Total FTEs		3.0	3.0	3.0	3.0	3.0

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Business Services (010)	72,000	72,000	144,000	144,000	144,000
Habitat (030)	441,000	441,000	882,000	882,000	882,000
Total \$	513,000	513,000	1,026,000	1,026,000	1,026,000

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: 1181 S HB	Title: Climate change/planning	Agency: 490-Department of Natural Resources
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.3	2.3	2.3	0.0	0.0
Account					
General Fund-State 001-1	306,000	306,000	612,000	0	0
Total \$	306,000	306,000	612,000	0	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: Jackie Wheeler	Phone: 360-786-7125	Date: 01/27/2023
Agency Preparation: Zoe Catron	Phone: 360-902-1121	Date: 02/03/2023
Agency Approval: Collin Ashley	Phone: 360-688-3128	Date: 02/03/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/03/2023

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.

No change from previous fiscal note.

This bill would require additional technical expertise from the Department of Natural Resources (DNR) Policy and Resilience as well as from WA Geological Survey, Wildfire, Aquatics, Forest Resilience/Urban and Community Forestry to address the following elements within the bill, to be coordinated by Policy and Resilience:

Section 3(1): Land use plans must reduce risk posed by wildfire, including by reduction of wildfire risk at wildland-urban interface.

Section 3(9): Land use plans must consider natural hazard mitigation plans, including sea level rise, landslides, and wildfire

Section 8(8): Identifies that DNR will participate in the development of model guidance for climate change and resiliency elements including infrastructure plans; identifications of natural hazards including sea level rise, landslides, and wildfire; and recognition of benefits of salmon recovery, forest healthy, ecosystem services, and health and resilience. This bill is an extension of the current model element working group.

Section 10: Requires updating the SMP guidelines, which would likely have a direct impact to the Aquatics division.

Section 14 (37): Expands definitions of green space to include vegetation which provides relief from urban heat effects, which implicates UCF as a technical expert for incorporation of green space into local plans.

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.

Section 8(8) of this bill names DNR to participate in development of model guidance for climate change and resiliency elements including infrastructure plans; identifications of natural hazards including sea level rise, landslides, and wildfire; and recognition of benefits of salmon recovery, forest healthy, ecosystem services, and health and resilience. Total estimated staff costs for FY24 and FY25 are detailed below.

DNR Policy and Resilience estimates 0.5 FTE per year of a Policy Advisor to attend meetings, coordinate program technical expertise, and provide technical guidance on model element deliverables or final deliverable products as needed. Staffing support is estimated based on current model element product review and interagency coordinating meeting schedules.

Washington Geological Survey (WGS) estimates 0.25 FTE per year of an Environmental Planner 4 (Geologic Planning Liaison) will be needed to attend meetings, provide contributing feedback, and technical guidance with respect to climate change impacts to geological phenomena relating to the work WGS performs, continuing the collaborative work with the department of Commerce over the last year.

Wildfire estimates 0.25 FTE per year of an Environmental Planner 4 will be needed to attend meetings, provide contributing feedback, and technical guidance with respect to climate resilience, mitigation, or hazard planning as needed for the model guidance deliverable.

Forest Resilience estimates 0.25 FTE per year of an Environmental Planner 4 will be needed to attend meetings, provide contributing feedback, and technical guidance with respect to climate resilience, mitigation, or hazard planning as needed for the model guidance deliverable.

Aquatics estimates 0.5 FTE per year of an Environmental Planner 4 will be needed to attend meetings, provide contributing feedback, and technical guidance with respect to climate resilience, mitigation, or hazard planning as needed for the model guidance deliverable. This will include providing technical expertise to the Department of Ecology’s Shoreline Management Act.

Total Costs per Fiscal Year (FY24 & FY25):

Environmental Planner 4: 1.25 FTE : \$149,100

Policy Advisor: .5 FTE : \$65,900

Goods and services and travel are calculated on actual program averages per person.

Administrative costs are calculated at 31% of staff salary and benefits and staff-related goods and services and travel and are represented as a Fiscal Analyst 2.

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	306,000	306,000	612,000	0	0
Total \$			306,000	306,000	612,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.3	2.3	2.3		
A-Salaries and Wages	161,500	161,500	323,000		
B-Employee Benefits	53,500	53,500	107,000		
C-Professional Service Contracts					
E-Goods and Other Services	19,700	19,700	39,400		
G-Travel	2,000	2,000	4,000		
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	69,300	69,300	138,600		
9-					
Total \$	306,000	306,000	612,000	0	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 2024	FY 2025	2023-25	2025-27	2027-29
Environmental Planner 4	89,292	1.3	1.3	1.3		
Fiscal Analyst 2	55,872	0.5	0.5	0.5		
Policy Advisor	10,000	0.5	0.5	0.5		
Total FTEs		2.3	2.3	2.3		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

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.

DNR would not be required to adopt new administrative rules. The proposed rule changes may have indirect costs as a result from the amended requirements within this bill. Costs to utilize DNR mapping or data services including geologic hazard maps, small forest landowner's portal, or additional DNR resources to support local jurisdictions in meeting the proposed rule changes.

This bill requires rule making activities, amending chapter 365-196 WAC.

Sections 1-4: New guidance for counties and cities to update the requirements to comprehensive elements and to develop guidance for applicability of the new requirements, and develop general guidance for updates to the GMA.

Section 5: Additional guidelines that specify the proportionate reductions of GHG and VMT. The department assumes these will be guidelines adopted by new rule and subsequently amended every five years.

Section 6: Development of the process requiring the department to approve GHG emission reduction model elements. A corresponding new rule to adopt new procedures would be required to establish parameters of department approval.

Section 7: New guidance for the requirements in the new climate change and resiliency element to the comprehensive plan.

Section 8: Development of a new model climate change and resiliency element by rule for local governments.

Section 14: New guidance for an amendment to GMA definitions.

Section 15: Additional guidance for the periodic update and first implementation progress report.