

Multiple Agency Fiscal Note Summary

Bill Number: 5245 SB	Title: Biosolids
-----------------------------	-------------------------

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
Department of Ecology	0	0	802,635	0	0	1,047,834	0	0	521,859
Total \$	0	0	802,635	0	0	1,047,834	0	0	521,859

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	Non-zero but indeterminate cost and/or savings. Please see discussion.					
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 Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Ecology	2.9	0	0	802,635	3.7	0	0	1,047,834	1.9	0	0	521,859
Department of Ecology	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Total \$	2.9	0	0	802,635	3.7	0	0	1,047,834	1.9	0	0	521,859

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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
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 Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

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

Estimated Capital Budget Breakout

--

Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Revised
---	---------------------------------	-----------------------------------

Individual State Agency Fiscal Note

Bill Number: 5245 SB	Title: Biosolids	Agency: 100-Office of Attorney General
-----------------------------	-------------------------	---

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: Greg Vogel	Phone: 360-786-7413	Date: 01/10/2023
Agency Preparation: Allyson Bazan	Phone: 360-586-3589	Date: 01/26/2023
Agency Approval: Merdan Bazarov	Phone: 360-586-9346	Date: 01/26/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 01/26/2023

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 Attorney General's Office (AGO) Ecology Division has reviewed this bill and determined it will not significantly increase or decrease the division's workload. The Department of Ecology (Ecology) will require legal advice for the development and adoption of rules to establish pollutant limits for Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) in biosolids, along with sampling and testing methods. Rulemaking would occur October 1, 2023 through June 30, 2025.

The amount of legal advice required by Ecology in connection with the rulemaking will be affected by some issues inherent in the bill as currently drafted. The PFAS standards established in the rule are required to be based on the United States Environmental Protection Agency (EPA)'s risk assessment, which has not yet been published. According to EPA's webpage on the risk assessment, it won't be published until December 2024. Consequently, in order to meet the deadline in the bill, Ecology may need to start the rulemaking process before knowing the results of EPA's assessment. Rulemaking will impact a minimum of 180 currently active, permitted facilities. Both the potential cost of testing and the ability or inability to meet new PFAS standards have the potential to make the rulemaking controversial. The transportation manifest requirement included in the bill will also need to be fleshed out in rule, but should be less complex, and likely not controversial.

Following rule adoption, enforcement advice specific to PFAS limits will likely be negligible based on our experience with respect to Ecology's legal support needs for enforcing sampling requirements and concentration restrictions already applicable to biosolids for nine metals and pathogens in biosolids. New legal services are nominal and costs are not included in this request.

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: 5245 SB	Title: Biosolids	Agency: 303-Department of Health
-----------------------------	-------------------------	---

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: Greg Vogel	Phone: 360-786-7413	Date: 01/10/2023
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 02/03/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 02/03/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/05/2023

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.

Department of Health (DOH) is not identified in bill 5245, therefore, there is no 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.

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.

None

Individual State Agency Fiscal Note

Bill Number: 5245 SB	Title: Biosolids	Agency: 461-Department of Ecology
-----------------------------	-------------------------	--

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Biosolids Permit Account-State 199-1	300,090	502,545	802,635	1,047,834	521,859
Total \$	300,090	502,545	802,635	1,047,834	521,859

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.2	3.7	2.9	3.8	1.9
Account					
Biosolids Permit Account-State 199-1	300,090	502,545	802,635	1,047,834	521,859
Total \$	300,090	502,545	802,635	1,047,834	521,859

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Greg Vogel	Phone: 360-786-7413	Date: 01/10/2023
Agency Preparation: Lori Peterson	Phone: 360-280-4075	Date: 01/25/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 01/25/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/25/2023

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.

Under current law, Chapter 70A.226 RCW and Chapter 173-308 WAC, the Department of Ecology (Ecology) issues and administers permits for biosolids management to maximize beneficial use in a manner that minimizes risk to public health and the environment.

This bill would modify biosolid permitting and handling requirements in Chapter 70A.226 RCW.

Section 4 would require the following adjustments to biosolids rules:

Section 4 (3) would require biosolids rules to require written notice be provided to property owners adjacent to land application sites before the land application of bulk biosolids is approved.

Section 4 (4) would require transporters of bulk biosolids to carry a manifest or similar document specifying that they are transporting biosolids regulated under Chapter 70A.226 RCW, and what is in the biosolids.

Section 4 (6) would require Ecology, by July 1, 2025, to establish pollutant limits for per- and polyfluoroalkyl substances (PFAS) in biosolids, based on United States Environmental Protection Agency's (EPA's) risk analysis for PFAS.

Section 4 (7) would require Ecology to ensure biosolids are tested for PFAS chemicals relative to the pollutant limit established in rule under section 4, record test results, and make results available to the public. This section would prohibit land application of biosolids exceeding established PFAS pollutant limits.

Section 5 would require Ecology to publish and maintain a publicly accessible online map or list of the locations of parcels where bulk biosolids have been approved for land application and would authorize local health departments (LHDs) to maintain a map or list of parcels within their jurisdictions if Ecology and the LHD agree.

Section 6 would add testing and mapping to the list of costs Ecology may recover through biosolids permit fees.

Section 7 would require Ecology to consult with an advisory committee of experts, interested parties, and others prior to adopting or amending any rules relating to biosolids pollutant limits for PFAS chemicals to ensure appropriate input is received.

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.

The cash receipts impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year (FY) 2024 and ongoing for fee revenue based on estimated costs for sections 4, 5, and 7.

Under RCW 70A.226.030, Ecology recovers costs to administer the biosolids permit program through biosolids permit fees, which are deposited in the Biosolids Permit Account.

Ecology assumes the costs to implement the bill are fee-eligible, and fee adjustments would be made to recover the additional costs. The estimated increase to fee revenue is based on estimated costs by fiscal year.

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 in Fiscal Year (FY) 2024 and ongoing each fiscal year thereafter to implement the requirements of sections 4, 5, and 7.

All costs to implement the requirements of sections 4, 5, and 7 are estimated in the Biosolids Permit Account.

Note regarding timeline of sections 4(6), 4(7), 4(8) and 7: Based on the Environmental Protection Agency's timeline to complete the PFAS Risk Assessment, which is expected to be December 2024, Ecology assumes rulemaking to adopt PFAS limits in biosolids could not be completed in accordance with the Administrative Procedures Act, Chapter 34.05 RCW, by July 1, 2025. Based on this assumption, cost estimates for rulemaking, lab accreditation, and technical assistance to implement the requirements of subsections 4 (6) through 4 (8) and section 7 are described based on EPA's planned completion date for the risk assessment, and the timeline required to complete this rulemaking process, which Ecology estimates could be completed by June 30, 2027.

Rulemaking - Notification and Transport Documentation Requirements (Section 4(3) and 4(4))

Ecology assumes modification of Chapter 173-308 WAC to require written notice be provided to property owners adjacent to land application sites before the land application of bulk biosolids is approved, and to require transporters of bulk biosolids to carry a manifest or similar document specifying that they are transporting biosolids would be required.

Ecology estimates rulemaking would require eighteen months, with a three-month active lead time to coordinate the rulemaking schedule with the agency rulemaking unit, prepare a website, and prepare the CR-101 for filing.

Rulemaking would begin October 1, 2023, with the filing of the CR-101, and end with rule adoption on March 30, 2025. This type of rulemaking would include two preproposal meetings to gather input from interested parties, and two public hearings to accept comments on the rule proposal.

Rulemaking Administrative Coordinator: A Regulatory Analyst 3 (RA-3) would oversee the rulemaking process to comply with the Administrative Procedures Act; coordinate with the rulemaking lead to prepare the rule development and communication plan; coordinate with the agency regulatory staff on the economic and regulatory impact analysis, and support filing the CR-101, CR-102, and the CR-103 for adoption. This would require an estimated workload of 0.08 FTE each year in FY 2024 and FY 2025.

Rulemaking Lead: An Environmental Planner 4 (EP-4) would provide policy expertise, lead the rulemaking effort, prepare, and revise rule language, lead public meetings and hearings, and work with other program staff as needed to execute the rule development plan, with an estimated workload of 0.38 FTE each year in FY 2024 and FY 2025.

Technical Support: An Environmental Specialist 5 (ES-5) would collect data, support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts, and coordinate with communications staff to provide technical support for public outreach, including regional support. This would require 0.19 FTE each year in FY 2024 and FY 2025.

Communications and outreach support is included to ensure adequate public engagement in the rulemaking process. The following positions would support public engagement:

Communications Lead: A Communications Consultant 5 (CC-5) would coordinate an outreach strategy and media engagement. This would require 0.04 FTE each year in FY 2024 and FY 2025.

Website Developer: A Communications Consultant 3 (CC-3) would coordinate with the rulemaking lead on a public website for the rulemaking process. This would require 0.04 FTE each year in FY 2024 and FY 2025.

Outreach Coordinator: A Community Outreach and Environmental Education Specialist 3 (COEES-3) would facilitate the pre-proposal and other meetings, manage the rule comments platform, and help with e-mail, website, and public engagement. The estimated workload is 0.08 FTE each year in FY 2024 and FY 2025.

Technical support staff would conduct targeted outreach to overburdened communities and vulnerable populations across the state throughout the rulemaking process. This is estimated to require 0.10 FTE EP-3 each year in FY 2024 and FY 2025.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.20 FTE in FY 2025; Regulatory Analyst 2, 0.05 FTE in FY 2025.

Ecology would hold two meetings in FY 2024, and two hearings in FY 2025. Goods and services estimates include facility rental costs estimated at \$1,000 per meeting.

Based on an assumption that legal considerations for the rulemaking should be minimal, our Assistant Attorney General (AAG) has estimated that the minimal staff time at the Attorney General's Office (ATGO) would be needed to provide legal support for rulemaking, and no additional costs are estimated for AAG assistance.

Notification Requirements (Section 4 (3))

During the second fiscal year of rulemaking, Ecology would create a form through an existing portal for those who are seeking approval for bulk land application to submit their attestation and documentation that they have provided written notification to owners of adjacent properties. This would be associated with a database to track and store the information provided in these submissions. The form and database would be available for use when the rule is adopted.

An ES-5 would coordinate with Information Technology staff on form design and data requirements for the database, considering data needs for the map or list of parcels required in section 5, and would train other regional staff in the form and data use. The estimated time required is 0.37 FTE ES-5 in FY 2025.

An IT Business Analyst – Journey (ITBA-Journey) would coordinate with the subject matter expert lead to gather requirements to frame system needs, develop, and oversee user testing, develop user system guidance, and assist with system design. The estimated time required is 0.15 FTE ITBA-Journey in FY 2025 for user form submission and application database development and refinement.

An IT Application Developer – Journey (ITAP-Journey) would develop the user form and database interface for those who are seeking approval for bulk land application, in consultation with the subject matter expert and ITBA-Journey. The estimated time required is 0.30 FTE ITAP-Journey in FY 2025 for application portal and database development, and 0.05 FTE ITAP-Journey in FY 2026 and ongoing each fiscal year thereafter for ongoing system and database.

Once the system is established, regional biosolids coordinators would provide outreach and technical assistance to permittees and businesses applying bulk biosolids and ensure compliance with notification requirements. The estimated workload is 0.17 FTE ES-5 in FY 2026, reducing to 0.05 FTE ES-5 in FY 2027 and ongoing each fiscal year thereafter.

Transport Documentation Requirements (Section 4 (5))

Ecology would require transporters of bulk biosolids to carry records indicating the materials they are transporting are subject to Chapter 70A.226 RCW. Regional staff would provide guidance to permittees for accessing and completing the required documentation after the rule is adopted. Ecology estimates 0.17 FTE ES-5 in FY 2026, reducing to 0.05 FTE ES-5

in FY 2027 and ongoing each fiscal year thereafter to provide technical assistance to bulk biosolids transporters.

Map for Bulk Biosolid Land Application Parcels (Section 5)

For an online map or list of the locations of parcels where bulk biosolids have been approved for land application, Ecology estimates the following staff needs.

An ES-5 geographic information systems (GIS) specialist would prepare available data collected to date on bulk biosolids land applications and coordinate with the GIS specialist below to prepare the data for incorporation into a publicly accessible map. The notification attestation form and associated database would collect data for future notifications in a format that would be easily incorporated into the map. The estimated staff time needed is 0.50 FTE ES-5 in FY 2024.

A Communications Consultant 3 (CC-3) would coordinate with the ES-5 to establish a public website for the map. This would require 0.08 FTE CC-3 in FY 2024.

A GIS specialist An IT Data Management – Journey (ITDM-Journey) would work with the ES-5 to clean up the data and prepare the map. The estimated staff needed is 0.17 FTE ITDM-Journey in FY 2024.

Ecology assumes the regional biosolids specialists (ES-5) would provide ongoing map updates as bulk biosolids land application approvals are made. Biosolids staff would require GIS training to maintain the map and update land application location data on an ongoing basis. Estimated training time is 0.27 FTE ES-5 in FY 2024. For ongoing map updates, Ecology assumes land applications would occur between March and October (8 months a year), and each specialist would need to dedicate two hours each week during this period to add new locations to the map. Total estimated time needed for updating the map on an ongoing basis is 0.22 FTE ES-5 each year, beginning in FY 2025.

Establishment of PFAS Limits for Biosolids (Sections 4 and 7)

Section 4 (6) would require Ecology to establish PFAS pollutant limits for biosolids by July 1, 2025, based on the results of EPA's risk assessment for PFAS chemicals in biosolids. EPA's risk assessment for two PFAS compounds (perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS)) in biosolids is scheduled for completion December 2024. Section 7 would require Ecology to consult with an advisory committee of experts and interested parties prior to adopting the rule required in section 4 (6).

Ecology assumes EPA's risk assessment would need to be completed before rulemaking could begin. The rulemaking process would be technically complex and may require additional data, depending on the level of detail provided in EPA's risk assessment. Assuming participation of the advisory committee in section 7 and high level of public interest, Ecology estimates the rulemaking process would require 2.5 years, starting January 1, 2025, and concluding with rule adoption on June 30, 2027.

Based on this timeline and the complex nature of this rule, rulemaking could not be completed in time to meet requirement for limits to be established by July 1, 2025, in section 4 (6). The cost estimates below for necessary workload and costs for rulemaking, lab accreditation, and technical assistance are based on Ecology's timeline to complete rulemaking to implement these new requirements.

Rulemaking for PFAS Limits

Rulemaking would begin with the filing of the CR-101 on January 1, 2025, and end with rule adoption on June 30, 2027. This type of rulemaking would include three preproposal meetings to gather input from interested parties, and three public hearings to accept comments on the rule proposal.

Rulemaking Administrative Coordinator: A Regulatory Analyst 3 (RA-3) would oversee the rulemaking process to comply with the Administrative Procedures Act; coordinate with the rulemaking lead to prepare the rule development and communication plan; coordinate with the agency regulatory staff on the economic and regulatory impact analysis, and support filing the CR-101, CR-102, and the CR-103 for adoption. This would require an estimated workload of 0.06 FTE in FY 2025, and 0.10 FTE each year in FY 2026 and FY 2027.

Rulemaking Lead: An Environmental Planner 4 (EP-4) would provide policy expertise and lead the rulemaking effort, assembling and coordinating with the advisory committee required in section 7 to draft and revise rule language. This position would lead public meetings and hearings, and work with other program staff as needed to execute the rule development plan, with an estimated workload of 0.37 FTE in FY 2025, and 0.75 FTE each year in FY 2026 and FY 2027.

Subject Matter Expertise: An Environmental Specialist 5 (ES-5) would advise on biosolids procedures related to testing and chemical thresholds, for an estimated workload of 0.37 FTE in FY 2025, and 0.75 FTE each year in FY 2026 and FY 2027.

Based on previous rulemaking experience and the magnitude of interested and affected parties, communications and outreach support is included to ensure robust public engagement in the rulemaking process. The following positions would support public engagement:

Communications Lead: A Communications Consultant 5 (CC-5) would coordinate an outreach strategy and media engagement. This would require 0.06 FTE in FY 2025, and 0.10 FTE each year in FY 2026 and FY 2027.

Website Developer: A Communications Consultant 3 (CC-3) would coordinate with the rulemaking lead on a public website for the rulemaking process. This would require 0.06 FTE in FY 2025, and 0.10 FTE each year in FY 2026 and FY 2027.

Outreach Coordinator: A Community Outreach and Environmental Education Specialist 3 (COEES-3) would facilitate the pre-proposal and advisory committee meetings, manage the rule comments platform, and help with e-mail, website, and public engagement. The estimated workload is 0.06 FTE in FY 2025, and 0.10 FTE each year in FY 2026 and FY 2027.

Technical support staff would conduct targeted outreach to overburdened communities and vulnerable populations across the state throughout the rulemaking process. This is estimated to require 0.19 FTE EP-3 each year in FY 2026 and FY 2027.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.25 FTE in FY 2027; Regulatory Analyst 2, 0.10 FTE in FY 2027.

Ecology would hold five meetings in FY 2026, and three hearings in FY 2027. Goods and services estimates include facility rental costs estimated at \$1,000 per meeting.

Because of the complexity (and/or anticipated strong public interest), Ecology would hire a facilitator for the meetings. Estimated costs in Professional Services Contracts are \$2,100 per meeting for a total estimate in Object C of \$10,500 in FY 2026, and \$6,300 in FY 2027.

Based on an assumption that legal considerations for the rulemaking should be minimal, our Assistant Attorney General (AAG) has estimated nominal staff time at the Attorney General's Office (ATGO) would be needed to provide legal support for rulemaking, and no additional costs are estimated for AAG assistance.

Indeterminate cost: The rulemaking estimates included in this fiscal note as detailed above assume EPA's risk assessment would provide data that is specific and comprehensive enough to adequately provide a basis for setting biosolids PFAS limits. If additional data were needed, Ecology would hire a contractor to collect and analyze data and provide PFAS limit recommendations for the advisory committee. In 2022, Ecology provided estimated costs to conduct PFAS sampling at Wastewater Treatment Plants to develop an analysis of the status of PFAS in Washington facilities. To conduct the analysis

using an ES-5 for technical support and laboratory testing support from EPA, this would be \$150,000, but would push back rule adoption by a year. To hire a contractor to perform similar work in a shorter time, the estimated cost would be \$350,000 and push back rule adoption by six months.

Accreditation for Lab Testing

Currently, only two labs operating in Washington are accredited to test for PFAS compounds using the draft EPA Method (Method 1633). This method is still undergoing validation, but EPA does not anticipate any changes before it is finalized. Ecology's Environmental Assessment Program would accredit additional laboratories to test biosolid samples for PFAS. Approximately 400 facilities produce biosolids in Washington. Approximately 180 of these facilities are active and would require sampling. Facilities are located throughout the state, but a higher proportion of the facilities are located west of the Cascade Mountain range. Ecology assumes 180 facilities would need to use an accredited laboratory for analysis in the same year that the PFAS limits are established, and 25 laboratories would seek PFAS biosolid testing accreditation to process samples.

Based on the rulemaking timeline described above, accreditation would begin July 1, 2026, to meet the PFAS testing requirements that would take effect July 1, 2027.

Ecology would need 1.0 FTE of an organic chemist (Chemist 4) in FY 2027 and FY 2028 to accredit laboratories and provide technical assistance for Method 1633 PFAS in biosolids.

Technical Assistance for Biosolids Permittees related to PFAS Limits

After establishment of PFAS limits, the statewide biosolids lead and regional coordinators would need to provide technical support to permittees, and review submitted data for compliance on an as-needed basis. Ecology estimates 120 facilities would need sampling and approvals at least quarterly; an additional 100 facilities would need sampling and approvals annually.

Based on these assumptions, Ecology estimates 0.25 FTE EP-4 each year in FY 2028 and FY 2029 to develop guidance for regional coordinators, conduct team training, and 0.09 FTE EP-4 in FY 2030 and ongoing each fiscal year thereafter to provide support to the regional coordinators and monitor PFAS-related research and federal regulations.

Regional coordinators (Environmental Specialists 5) would provide technical assistance and guidance to permittees. The estimated workload would be 0.50 FTE ES-5 statewide in FY 2028 and FY 2029, decreasing to 0.17 FTE in FY 2030 and ongoing each fiscal year thereafter.

SUMMARY: The expenditure impact to Ecology under this bill is described below.

Notification and Transport Documentation Requirements is estimated to require:

FY 2024: \$300,090 and 2.22 FTEs
FY 2025: \$351,958 and 2.53 FTEs
FY 2026: \$92,905 and 0.7 FTEs
FY 2027: \$57,011 and 0.43 FTEs
FY 2028: \$57,011 and 0.43 FTEs
FY 2029: \$57,011 and 0.43 FTEs

Establish and Implement PFAS Limits is estimated to require:

FY 2025: \$150,587 and 1.13 FTEs
FY 2026: \$336,731 and 2.4 FTEs
FY 2027: \$561,187 and 3.96 FTEs
FY 2028: \$292,012 and 2.01 FTEs

FY 2029: \$115,825 and 0.86 FTEs

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be

FY 2024: \$300,090 and 2.22 FTEs

FY 2025: \$502,545 and 3.66 FTEs

FY 2026: \$429,636 and 3.11 FTEs

FY 2027: \$618,198 and 4.38 FTEs

FY 2028: \$349,023 and 2.44 FTEs

FY 2029: \$172,836 and 1.29 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.

Professional Services Contracts includes facilitation services costs of \$10,500 in FY 2026 and \$6,300 in FY 2027.

Goods and Services are the agency average of \$5,224 per direct program FTE and includes rulemaking facilities costs of \$2,000 each year in FY 2024 and FY 2025, \$5,000 in FY 2026 and \$3,000 in FY2027.

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
199-1	Biosolids Permit Account	State	300,090	502,545	802,635	1,047,834	521,859
Total \$			300,090	502,545	802,635	1,047,834	521,859

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	2.2	3.7	2.9	3.8	1.9
A-Salaries and Wages	161,621	271,666	433,287	555,195	283,568
B-Employee Benefits	58,185	97,801	155,986	199,868	102,082
C-Professional Service Contracts				16,800	
E-Goods and Other Services	12,082	18,611	30,693	42,004	16,924
G-Travel	3,018	4,971	7,989	10,172	5,065
J-Capital Outlays	1,988	3,277	5,265	6,712	3,345
9-Agency Administrative Overhead	63,196	106,219	169,415	217,083	110,875
Total \$	300,090	502,545	802,635	1,047,834	521,859

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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
CHEMIST 4	96,156				0.5	0.5
COM OUTREACH & ENV ED SP 3	63,216	0.1	0.1	0.1	0.1	
COMM CONSULTANT 3	66,420	0.1	0.1	0.1	0.1	
COMM CONSULTANT 5	87,144	0.0	0.1	0.1	0.1	
ECONOMIC ANALYST 3	85,020		0.2	0.1	0.1	
ENVIRONMENTAL PLANNER 3	80,952	0.1	0.1	0.1	0.2	
ENVIRONMENTAL PLANNER 4	89,292	0.4	0.8	0.6	0.8	0.3
ENVIRONMENTAL SPEC 5	80,952	1.0	1.2	1.1	1.2	0.8
FISCAL ANALYST 2		0.2	0.3	0.3	0.3	0.2
IT APP DEVELOPMENT-JRNY	100,032		0.3	0.2	0.1	0.1
IT APP DEV-JOURNEY (Admin)		0.1	0.2	0.1	0.2	0.1
IT BUSINESS ANALYST-JRNY	100,032		0.2	0.1		
IT DATA MGMT-JOURNEY	105,060	0.2		0.1		
REGULATORY ANALYST 2	82,896		0.1	0.0	0.1	
REGULATORY ANALYST 3	93,840	0.1	0.1	0.1	0.1	
Total FTEs		2.2	3.7	3.0	3.8	1.9

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.

Section 4 would require rulemaking to modify Chapter 173-308 WAC. Ecology assumes rulemaking related to sections 4(3) and 4(4) would occur from October 1, 2023, to March 30, 2025. Ecology assumes rulemaking related to sections 4(6), 4(7), and 7, would occur from January 1, 2025, to June 30, 2027.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5245 SB

Title: Biosolids

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Minor costs to local health departments run by cities that choose to maintain maps or lists of parcels where bulk biosolids have been approved for land application.
- Counties: Minor costs to local health departments run by counties that choose to maintain maps or lists of parcels where bulk biosolids have been approved for land application.
- Special Districts: Minor costs to special purpose districts (local health districts) that choose to maintain maps or lists of parcels where bulk biosolids have been approved for land application.
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: This bill provides a local option for local health departments to maintain a map or list of location of parcels where bulk biosolids have been approved for land application.
- Key variables cannot be estimated with certainty at this time: It is unknown how many local health departments would choose to create and maintain a map of parcels where bulk biosolids have been approved for land application.

Estimated revenue impacts to:

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

Estimated expenditure impacts to:

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

Part III: Preparation and Approval

Fiscal Note Analyst: Chelsea Mickel	Phone: 518-727-3478	Date: 01/13/2023
Leg. Committee Contact: Greg Vogel	Phone: 360-786-7413	Date: 01/10/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/13/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/22/2023

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

This bill amends requirements at the state level regarding the transportation and permitting of municipal sewage sludge (biosolids), and provides a local option for health districts to maintain documentation of property parcels approved for bulk biosolids land application.

Section 4 requires Ecology to provide written notice to owners whose properties are adjacent to land application sites before land application of bulk biosolids may be approved. Ecology must establish pollutant limits for PFAS chemicals in biosolids, based on the results of the United States environmental protection agency's (EPA) risk assessment for PFAS chemicals in biosolids by July 1, 2025.

Section 5 provides a local option for local health departments to maintain a map or list of locations of parcels where bulk biosolids have been approved for land application.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

This bill provides a local option and would have de minimis indeterminate impacts on local government expenditures.

This bill states that local health departments may choose to maintain a map or list of locations of parcels where bulk biosolids have been approved for land application. There are 30 county health departments in Washington State, in addition to three multi-county health districts and two city-county health departments. A city-county, county, or special purpose district public health department that has a delegated authority agreement from the Department of Ecology would incur minor costs by maintaining the records, which they would offset by increasing fees for biosolid application sites. These tasks form part of existing staff's general workload should a jurisdiction choose the local option. It is unknown how many local health departments would choose to create and maintain these documents.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

This bill would have de minimis indeterminate impacts on local government revenues.

The Department of Ecology collects annual fees for issuing and administering biosolids permits, but this bill does not authorize local governments to collect fees to maintain records of parcels where bulk biosolids have been approved for land application. Only local health departments (LHD) that have a delegated authority agreement from the Department of Ecology would maintain a map and list. These LHDs charge fees to biosolid application sites. If staff had to increase workloads for related mapping, parcel identification, or ensuring proper public notification, they would raise local fees to offset the increased cost for the time needed to maintain this data. For LHDs without the delegated authority, they would most likely rely on Ecology to maintain records, and neither costs nor revenues would be impacted.

SOURCES

Municipal Research Services Center
Revised Code of Washington (RCW) 70A.226.010, 70A.205.015
Washington State Association of Counties
Washington State Association of Public Health Officials
Washington State Department of Health