

Multiple Agency Fiscal Note Summary

Bill Number: 5322 SB	Title: Public building materials
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Estimated Cash Receipts

NONE

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
Department of Commerce	3.6	2,186,123	2,186,123	2,186,123	2.4	835,335	835,335	835,335	1.2	461,980	461,980	461,980
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
University of Washington	.6	294,236	294,236	294,236	.6	289,952	289,952	289,952	.6	285,668	285,668	285,668
Washington State University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Eastern Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
Central Washington University	.0	0	0	0	.0	0	0	0	.0	0	0	0
The Evergreen State College	.0	0	0	0	.0	0	0	0	.0	0	0	0
Western Washington University	.2	46,840	46,840	46,840	.2	46,840	46,840	46,840	.2	46,840	46,840	46,840
Department of Transportation	.0	0	0	0	.0	0	0	0	.0	0	0	0
State Parks and Recreation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Fish and Wildlife	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Natural Resources	.0	0	0	0	.0	0	0	0	.0	0	0	0
Community and Technical College System	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	4.4	2,527,199	2,527,199	2,527,199	3.2	1,172,127	1,172,127	1,172,127	2.0	794,488	794,488	794,488

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	Non-zero but indeterminate cost and/or savings. Please see discussion.								
University of Washington	.0	0	0	.0	0	0	.0	0	0
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
The Evergreen State College	.0	0	0	.0	0	0	.0	0	0
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
State Parks and Recreation Commission	.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
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.
Community and Technical College System	Non-zero but indeterminate cost and/or savings. Please see discussion.
Department of Enterprise Services	Non-zero but indeterminate cost and/or savings. Please see discussion.
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Final 2/19/2023
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Individual State Agency Fiscal Note

Bill Number: 5322 SB	Title: Public building materials	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	3.6	3.6	3.6	2.4	1.2
Account					
General Fund-State 001-1	1,111,778	1,074,345	2,186,123	835,335	461,980
Total \$	1,111,778	1,074,345	2,186,123	835,335	461,980

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Marla Page	Phone: 360-725-3129	Date: 01/31/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 01/31/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	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.

This bill relates to improving environmental and social outcomes with the production of building materials.

Section 3(6) of this bill may require the development of a financial assistance program, subject to available funding. This would create a new funding program with administrative and workload impacts that would depend on the amount of funding provided.

Section 5 of this bill requires the Department of Commerce (department) to develop and maintain a publicly accessible database for covered projects to submit environmental and labor conditions data, by July 1, 2024. The bill also requires the department to further elaborate on covered product definitions, develop clear measurement and reporting standards, create model language for specifications and contracts, and to develop and educational brief. The department may consult with the University of Washington College of Built Environments and may contract for the use of nationally or internationally recognized databases of Environmental Product Declarations (EPDs).

Section 6 of this bill requires the department to convene a Buy Clean and Buy Fair work group by December 1, 2023. This work group is to include representatives from industry, manufacturers and manufacturing associations, environmental groups, labor unions, University of Washington College of Build Environments (UWCBE), and state agencies including Department of Enterprise of Services (DES), Washington State Department of Transportation (WSDOT), and Department of Ecology (Ecology). This will add to the workload of existing staff to schedule and conduct meetings, perform research, and compile recommendations.

Section 6(4) of this bill requires the department and the Buy Clean and Buy Fair work group to submit a report to the legislature and the Governor with a low carbon materials manufacturing plan that includes recommendations on policies to preserve and grow the in-state manufacturing of low carbon materials. This report must be completed and submitted by September 1, 2024.

Section 6(5) of this bill requires the department and the Buy Clean and Buy Fair work group to submit a report to the legislature and the Governor with recommendations considering policies to leverage public procurement to expand the use and production of low-carbon materials, to promote high labor standards in manufacturing, and to expand low-carbon materials manufacturing in Washington; for this report the work group must review and summarize data collected pursuant to section 3 of this bill. This report must be completed and submitted by September 1, 2025.

Effective date is assumed to be 90 days after adjournment of the session in which this bill is passed.

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.

General Assumptions:

Section 3—Financial assistance to small businesses for EPDs.

Costs are indeterminate and will depend on the level of funding provided.

Section 5 – Database Development and Supporting Tasks.

The department is required to develop and maintain a publicly accessible database for covered projects to submit environmental and labor conditions data, by July 1, 2024. In addition, the department must further elaborate on covered product definitions, develop clear measurement and reporting standards, create model language for specifications and contracts, and to develop an educational brief.

The department assumes development of a publicly available electronic database will require department staff who participate in the development of the system. After implementation, staff will provide technical assistance, be responsible for user management, system help desk, and be the subject matter expert working with IT staff for maintenance and enhancements.

To accomplish this work the department estimates:

0.10 FTE EMS 3 SEEP Director (208 hours) in FY24 to oversee development of the database and coordinate work with consultants, IT and SEEP Office Staff.

0.70 FTE Management Analyst 5 (1,400 hours) in FY24 and 0.50 FTE (1,044 hours) in FY25-FY29 to participate in the development of the database, provide input on user management, establish the system help desk and be the subject matter expert. This position will also elaborate on covered product definitions, develop clear measurement and reporting standards, create model language for specifications and contracts, and to work with communications staff to develop an educational brief. FY25-FY29 to provide technical assistance to state agencies and consultant teams, support user management, provide expertise, and work with IT on system maintenance and enhancements.

0.10 FTE Communications Consultant 3 (208 hours) in FY24, to support the development of communications materials including the required educational brief, to prepare guidance materials related to reporting standards, to edit materials and ensure that all communications materials meet department standards and guidelines including those related to accessibility.

Database Development:

To complete this work the department assumes the development of the database will require information technology staff to provide oversight on the development, project management, annual maintenance.

In addition to work done by the department, the department assumes that a consultant would be hired to develop the database. The consultant will provide a business analyst, applications developer, and project manager. For a 12-month project, the department estimates the cost of this professional services contract at \$540,000 (2,160 hours) in FY24 and \$470,000 (1,880 hours) in FY25. The department assumes a rate of \$250 per hour for the professional services contracts.

The database will also need to establish a connection and interoperability with the EC3 database operated by Building Transparency. To facilitate this, the department estimates annual costs of \$25,000 starting in FY 24.

To accomplish this work the department estimates:

0.20 FTE Information Technology Business Analyst 3 (416 hours) over 12 months in FY24-FY29 to provide project management and technical advice on development of the electronic database.

0.30 FTE Information Technology Application Developer 5 (550 hours) over 12 months in FY24-FY29 to assist with system development, perform data development, align system with state and agency standards, develop system updates to keep system updated to current business needs, and perform annual system maintenance.

Salaries and Benefits:

FY24: \$ 195,645

FY25-FY29: \$ 147,731 per fiscal year

Goods and Services:

FY24: \$ 13,497

FY25-29: \$ 9,656 per fiscal year

Professional Service Contracts:

Professional services contracts for database development, project management and maintenance costs, these costs include \$25,000 in annual costs to establish a connection and interoperability with the EC3 database.

FY24: \$ 565,000

FY25: \$ 495,000

FY26-FY29: \$ 25,000 per fiscal year

Intra-agency Reimbursement:

FY24: \$ 64,367

FY25-FY29: \$ 48,603

Section 6– Buy Clean and Buy Fair Work Group and Legislative Reports

The department is required to submit two legislative reports in consultation with the Buy Clean and Buy Fair work group.

The report required by Section 6(4) includes a low carbon materials manufacturing plan and must be submitted by September 1, 2024. The report required by Section 6(5) includes recommendations considering policies to leverage public procurement to expand the use and production of low-carbon materials, to promote high labor standards in manufacturing, and to expand low-carbon materials manufacturing in Washington; for this report the work group must review and summarize data collected pursuant to section 3 of this bill. This report must be completed and submitted by September 1, 2025.

These reports will add to the workload of existing staff to convene the work group, develop the low carbon materials manufacturing plan, review data, develop policy recommendations, and to prepare the reports for submittal to the legislature.

To accomplish this work the department estimates:

Meetings:

The Buy Clean and Buy Fair work group will be convened in December 2023. The department assumes this work group will meet for two hours once a month starting in FY 24 and continuing through FY 25 and part of FY 26. The department assumes meetings will be virtual but could transition to in-person or hybrid meetings.

0.80 FTE Management Analyst 4 (1,600 hours) in FY24-FY26 to convene work group participants, manage meeting logistics, assist with the development of a low carbon materials manufacturing plan and policy recommendations, conduct data analysis and research needed to support working group objectives related to procurement standards, low-carbon construction materials, growth of low-carbon manufacturing, and to analyze and present data collected pursuant to Buy Clean and Buy Fair requirements.

Legislative Report:

0.80 FTE Management Analyst 5 (1,600 hours) in FY24-FY26 to perform research, data analysis, and to complete and submit the report.

0.40 FTE EMS 2 (416 hours) in FY25-FY26 to provide expert policy level consultation on policy recommendations and report development.

Salaries and Benefits:

FY24: \$ 194,060

FY25-FY26: \$ 266,444 per fiscal year

Goods and Services:

FY24: \$ 15,363

FY25-FY26: \$ 19,251 per fiscal year

Intra-Agency Reimbursements

FY24: \$ 63,846

FY25-FY26: \$ 87,660 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. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

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Total Costs:

FY24: \$ 1,111,778

FY25: \$ 1,074,345

FY26: \$ 604,345

FY27-FY29: \$ 230,990 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	1,111,778	1,074,345	2,186,123	835,335	461,980
Total \$			1,111,778	1,074,345	2,186,123	835,335	461,980

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	3.6	3.6	3.6	2.4	1.2
A-Salaries and Wages	293,927	312,378	606,305	424,675	224,594
B-Employee Benefits	95,778	101,797	197,575	137,231	70,868
C-Professional Service Contracts	565,000	495,000	1,060,000	50,000	50,000
E-Goods and Other Services	28,860	28,907	57,767	38,563	19,312
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	128,213	136,263	264,476	184,866	97,206
9-					
Total \$	1,111,778	1,074,345	2,186,123	835,335	461,980

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
Administrative Services - Indirect	111,168	0.6	0.6	0.6	0.4	0.2
Communications Consultant 3	69,077	0.1		0.1		
EMS Band 2	122,841		0.4	0.2	0.2	
EMS Band 3	138,366	0.1		0.1		
IT ApP Development - Senior/Specialist	120,457	0.3	0.3	0.3	0.3	0.3
IT Business Analyst - Expert	126,485	0.2	0.2	0.2	0.2	0.2
Management Analyst 4	86,212	0.8	0.8	0.8	0.4	
Management Analyst 5	95,185	1.5	1.3	1.4	0.9	0.5
Total FTEs		3.6	3.6	3.6	2.4	1.2

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: 5322 SB	Title: Public building materials	Agency: 105-Office of Financial Management
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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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Keith Thunstedt	Phone: 360-810-1271	Date: 01/30/2023
Agency Approval: Kathy Cody	Phone: (360) 480-7237	Date: 01/30/2023
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.

Section 7 requires the Office of Financial Management to include in its Capital Budget Instructions, beginning with the instructions for the 2025-2027 biennium, information informing awarding authorities of the requirements of the bill, including the data and information requirements.

The Office of Financial Management updates the Capital Budget Instructions every biennium. The requirements of this bill, if it becomes law, would be incorporated into these updates as part of the agency's regular workflow.

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: 5322 SB	Title: Public building materials	Agency: 179-Department of Enterprise Services
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Becky Guyer	Phone: (360) 407-9254	Date: 01/26/2023
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 01/26/2023
OFM Review: Jennifer Masterson	Phone: (360) 810-0117	Date: 01/30/2023

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 3 of this bill requires contractors for new construction in excess of 100,000 GSF to submit health product declaration data for specified materials. The Department of Enterprise Services, as an awarding authority, must encourage reporting during the first year of implementation, then require it thereafter. The Department of Enterprise Services can update its contract language for this new data requirement through routine business processes. Therefore, there are no operating fiscal impacts from this section. There may be an indeterminate increase in capital costs from this bill as contractors increase their bid prices to account for increased costs for analysis, reporting, and materials on their projects.

Section 6 creates a buy clean and buy fair work group, to include a representative from the Department of Enterprise Services. Inclusion in this workgroup can be performed within current staffing and resources, therefore there is no fiscal impact from this section.

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

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

The fiscal impact to Department of Enterprise Services (DES) is indeterminate. DES assumes this would increase the cost of construction because contractors and suppliers will pass along additional costs associated with analysis, reporting, and materials. DES has no way to estimate what future costs from contractors and material suppliers will be to comply with this bill, therefore the fiscal impact is indeterminate.

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: 5322 SB	Title: Public building materials	Agency: 360-University of Washington
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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	0.6	0.6	0.6	0.6	0.6
Account					
General Fund-State 001-1	147,118	147,118	294,236	289,952	285,668
Total \$	147,118	147,118	294,236	289,952	285,668

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Charlotte Shannon	Phone: 2066858868	Date: 01/25/2023
Agency Approval: Charlotte Shannon	Phone: 2066858868	Date: 01/25/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	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.

SB 5322 requires by July 1, 2024, awarding authorities for covered projects as defined within the bill, to require from a project bidder a current environmental product declaration for each eligible material proposed to be used for the projects. Awarding authorities must submit copies to the Dept. of Commerce (DOC). DOC is also required to continue to maintain the publicly available database developed in coordination with the University of Washington (UW) College of Built Environments. In addition this bill requires the DOC to establish the Buy Clean Buy Fair workgroup, who are tasked with developing and submitting two reports to the legislature.

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 2(2) defines an awarding authority to include institutions of higher education.

- Per definitions in Section 2 of this act, the UW would be considered an awarding authority.

Section 2(4) defines a “covered project” as a construction project larger than 50,000 gross square feet or a building renovation project where the cost is greater than 50 percent of the assessed value and the project is larger than 50,000 square feet of occupied space.

Section 3(1) requires that beginning July 1, 2024, awarding authorities must require from the bidder a current environmental product declaration for each eligible material proposed to be used for eligible projects. Awarding authorities must submit copies to the DOC.

- Draft results from the pilot study indicated the added reporting effort for compliance with this section to be between 40 and 300 hours of oversight for a given project. However given these are draft pilot estimates and vary widely, the UW anticipates the fiscal impacts for compliance as an awarding authority to be indeterminant but non-zero, and are anticipated to be absorbed within existing resources.

Section 5 provides the DOC must continue to develop and maintain the publicly available database in conjunction with the UW College of Built Environment.

Given the database is anticipated to be fully realized in FY23, ongoing staff time, consulting services, and other goods and services are required by the UW College of Built Environment for continued maintenance and upkeep. This would include:

- 0.03 FTE Professor in FY 24 and ongoing (annual salary \$208,821, faculty benefits rate 24.1%)
- 0.03 FTE Manager of Program Operations in FY24 and ongoing (annual salary \$119,853, professional staff benefits rate 31.8%)
- 0.05 FTE Public Information Specialist in FY 24 and ongoing (annual salary \$92,925, benefits rate 31.8%)
- 0.2 FTE Research Scientist/Engineer 3 in FY 24 and ongoing (annual salary \$126,378, benefits rate 31.8%)
- 0.3 FTE Research Scientist/Engineer 2 in FY 24 and ongoing (annual salary \$98,092, benefits rate 31.8%)
- \$40,000 in professional service contracts for consulting with the eScience Institute in FY24 and ongoing

- \$12,096 in goods and services for software licensing, equipment, and supplies in FY24 and ongoing

Section 6 provides the DOC must convene a Buy Clean Buy Fair workgroup, including a representative from the UW College of Built Environments, and may contract with the UW College of Built Environments in convening the work group

- The lead agency assumptions provided by the DOC state The Buy Clean and Buy Fair work group will meet for two hours once a month for a total of 20 meetings starting in FY 24 and continuing through FY 26.
- If the scope of UW engagement is limited to the 20, two-hour meetings per year, and an additional hour of preparation per meeting, the UW anticipates the fiscal impacts for participation for an Assistant Dean (\$119,667 annual salary, 24.1% faculty benefits rate) to be approximately .029 FTE, or an additional \$3,452 salary, \$832 benefits in FY 24, 25, and 26.
- This legislation also states the DOC may contract with the UW College of Built Environments.
- If this were to occur there would be additional fiscal impacts, particularly if tasked with the development of the two required reports to the legislature. With more explicit guidance from the DOC on scope and the work required, the UW could provide more determinant estimates. However, given is not a requirement of this bill, these potential indeterminate impacts are noted in the narrative only.

TOTAL FISCAL IMPACTS OF SB 5322:

\$147,118 in FY24, FY25, and FY26, and \$142,834 in FY27 and ongoing.

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	147,118	147,118	294,236	289,952	285,668
Total \$			147,118	147,118	294,236	289,952	285,668

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.6	0.6	0.6	0.6	0.6
A-Salaries and Wages	72,663	72,663	145,326	141,874	138,422
B-Employee Benefits	22,359	22,359	44,718	43,886	43,054
C-Professional Service Contracts	40,000	40,000	80,000	80,000	80,000
E-Goods and Other Services	12,096	12,096	24,192	24,192	24,192
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	147,118	147,118	294,236	289,952	285,668

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 Dean	119,667	0.0	0.0	0.0	0.0	
Manager, Program Operations	119,853	0.0	0.0	0.0	0.0	0.0
Professor	208,821	0.0	0.0	0.0	0.0	0.0
Public Information Specialist	92,925	0.1	0.1	0.1	0.1	0.1
Research Scientist/Engineer 2	98,092	0.3	0.3	0.3	0.3	0.3
Research Scientist/Engineer 3	126,378	0.2	0.2	0.2	0.2	0.2
Total FTEs		0.6	0.6	0.6	0.6	0.6

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

Revised

Bill Number: 5322 SB	Title: Public building materials	Agency: 365-Washington State University
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Emily Green	Phone: 5093359681	Date: 01/31/2023
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 01/31/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 02/01/2023

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.

SB 5322 - Public Building Materials relates to environmental and labor reporting for public building construction and renovation material.

Section 3 (1)(a) of this bill would require firms that have successfully bid on construction projects to submit environmental product declarations by the following dates :

Beginning July 1, 2024, an awarding authority shall require the selected firm for a contract for a covered project to submit the data required by (a) of this subsection for each covered product used before substantial completion.

Beginning July 1, 2026, an awarding authority shall require the selected firm for a contract for a covered project to submit the data required by (a) of this subsection for each covered product used before the product is installed in the project.

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

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

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

Revised

Bill Number: 5322 SB	Title: Public building materials	Agency: 370-Eastern Washington University
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Keith Tyler	Phone: 509 359-2480	Date: 01/27/2023
Agency Approval: Keith Tyler	Phone: 509 359-2480	Date: 01/27/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2023

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.

Proposed SB 5322 adds new sections including section 3 which requires newly executed constructions contracts successful bidder and suppliers in buildings over 100,000 gross square feet to meet the listed requirements beginning July 1, 2024. For all buildings the requirements are phased in and beginning July 1, 2026. Section 4 – By July 1, 2024 specifications for a bid or proposal for a project contract may only include performance-based specification for concrete used as a structural material. The amendments to RCW 43.8.0301 place requirements on the office of financial management to communicate the new sections referenced in this section.

Based on lead agency assumptions, there would be an increase in the cost of construction because contractors and suppliers will pass along additional costs associated with analysis, reporting, and materials. EWU cannot estimate what future costs from contractors and material suppliers will be to comply with the requirements of this bill, therefore the fiscal impact is indeterminate.

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

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

Based on lead agency assumptions, there would be an increase in the cost of construction because contractors and suppliers will pass along additional costs associated with analysis, reporting, and materials. EWU cannot estimate what future costs from contractors and material suppliers will be to comply with the requirements of this bill, therefore the fiscal impact is indeterminate.

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

Revised

Bill Number: 5322 SB	Title: Public building materials	Agency: 375-Central Washington University
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Erin Sargent	Phone: 509-963-2395	Date: 01/30/2023
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 01/30/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/30/2023

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 3: New Section – (1)(a) Effective July 1, 2024 firms selected for a construction contract for a covered project larger than 100,000 gross sq ft must submit for each covered product the quantity, health environmental product declaration, health product declaration, manufacturer name and location, supplier code of conduct, and office of minority and women-owned business enterprises certification. (b) Beginning July 1, 2026, all covered projects without regard to size. (c) data will be provided for at least 90% of the cost of each covered product. (2) states that the information is required to be collected by the selected firm, but not to be verified.

(3) Requires selected firms to request from their supplies data for each covered product including names and locations of production facilities and working conditions beginning July 1, 2024, and then by July 1, 2026 these requirements apply to the successful bidder for a construction contract.

(4) not applicable in the event the requirements would cause significant delay in completion, or significant increase in cost.

(5) requires awarding authority to include these requirements in a specification for bids. (6) provides guidance as it relates to the financial assistance to small business by the department to offset the cost of the increase reporting. (7) the section is not cause to waive the apprenticeship utilization guidance.

CWU anticipates minimal implementation costs related to this bill and expects those costs to be allocated among existing resources.

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

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

It is assumed there would be an increase in the cost of construction because contractors and suppliers will pass along additional costs associated with analysis, reporting, and materials. There is no way to estimate what future costs from contractors and material suppliers will be to comply with the requirements of this bill, therefore the fiscal impact is indeterminate.

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: 5322 SB	Title: Public building materials	Agency: 376-The Evergreen State College
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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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Daniel Ralph	Phone: 360-867-6500	Date: 01/26/2023
Agency Approval: Dane Apalategui	Phone: 360-867-6517	Date: 01/26/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	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.

HB 1282 relates to environmental and labor reporting for public building construction and renovation material.

Section 2 provides definitions of “actual production facility,” “awarding authority,” “covered product,” “covered project,” “department,” “employee,” “environmental product declaration,” “supply chain specific,” “health product declaration,” “Scope 2 greenhouse gas emissions,” “supplier code of conduct” and “working conditions.”

Section 3 (1) states that beginning July 1, 2024, an awarding authority must require the submission of the following data from the contractor for a covered project larger than 100,000 gross square feet: Product quantity; a current environmental product declaration; health product declaration, if any; manufacturer name and location; supplier code of conduct, if any, and office of minority and women-owned business enterprises certification.

Section 3 (1) (b) states that beginning July 1, 2026, an awarding authority shall require in all newly executed construction contracts that the selected firm will submit the data listed in 3 (1) (a).

Section 4 states that by July 1, 2024, and to the extent possible, specifications for a bid or proposal may only include performance-based specifications for concrete used as a structural material. Awarding authorities may continue to use prescriptive specifications on structural elements to support special designs and emerging technology implementation.

Evergreen does not have any planned projects meeting the criteria in this bill. We estimate construction costs will increase as this requirement will create a scarcity of resources and, therefore, an increase in cost. But we do not have any projects affected by it at this time.

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: 5322 SB	Title: Public building materials	Agency: 380-Western Washington University
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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	0.2	0.2	0.2	0.2	0.2
Account					
General Fund-State 001-1	23,420	23,420	46,840	46,840	46,840
Total \$	23,420	23,420	46,840	46,840	46,840

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Gena Mikkelsen	Phone: 3606507412	Date: 01/26/2023
Agency Approval: Kimberley Ayre	Phone: 3606503377	Date: 01/26/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	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.

Because of the extensive list of requirements under Sec. 3 (1)(a) of this legislation, WWU anticipates additional work will be needed to ensure contractors are in compliance and a likely fiscal impact on qualifying capital projects due to the additional reporting requirements for contractors. This could result in slightly higher bids based on the additional reporting requirements (~1% of the total construction cost), although the additional costs to capital projects are indeterminate at this time.

WWU anticipates needing an additional .1 FTE for a Project Manager and .1 FTE for a Budget Analyst would be required in order to ensure the reporting and documentation component of this Bill is adhered to as described Section 3(a), 4, and 5.

New Requirements:

Section (3)a states beginning July 1, 2024, an awarding authority must require in all newly executed construction contracts that the selected firm for a construction contract for a covered project larger than 100,000 gross square feet to ask their suppliers to report for each covered product used before substantial completion:

- (i) Names and locations, including state or province and country, of the actual production facilities; and
 - (ii) Working conditions at the actual production facilities for all employees. In cases in which the supplier does not have this information, the selected firm for a contract for a covered project must ask suppliers to provide a report on steps taken to reasonably obtain the data and provide suppliers' self-reports to the awarding authority.
- (b) Beginning July 1, 2026, an awarding authority must require in all newly executed construction contracts that the successful bidder for a construction contract for a covered project to meet the requirements of
- (a) of this subsection for each covered product used before substantial completion.
 - (c) The selected firm is not required to verify the information reported by product suppliers pursuant to this subsection.
 - (d) The selected firm for a contract for a covered project shall meet the requirement in
 - (a) of this subsection for at least 90 percent of the cost of each of the covered products used in the project.

Sec. 4. By July 1, 2024, and to the extent practicable, specifications for a bid or proposal for a project contract by an awarding authority may only include performance-based specifications for concrete used as a structural material. Awarding authorities may continue to use prescriptive specifications on structural elements to support special designs and emerging technology implementation.

Sec. 5. (1) The department must continue to develop and maintain the publicly accessible database funded by the 2021-2023 omnibus operating appropriations act and created by the department in conjunction with the University of Washington college of built environments for selected firms for contracts for covered projects to submit the data required in section 3 of this act to the department and to promote transparency. The department may consult with the University of Washington college of built environments.

(2) The database maintained pursuant to subsection (1) of this section must publish global warming potential as reported in the environmental product declarations.

3) By July 1, 2024, the department must:

- (a) Further elaborate covered product definitions using applicable material industry standards;
- (b) Develop measurement and reporting standards to ensure that data is consistent and comparable, including standards for reporting product quantities;
- (c) Create model language for specifications, bid documents, and contracts to support the implementation of section 3 of this act.

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 additional FTEs (.1 Project Manager and .1 Budget Analyst) are required in order to ensure the reporting and documentation component of this Bill is adhered to Section 3(a) and Section 5. This includes reviewing the project specifications and contract documents to include these reporting provisions. Additionally, the submitted documentation would either be part of the pay app or project close-out, which is extensively reviewed by the Project Manager and Budget Analyst.

The estimated costs for the Project Manager was based on an annual salary of \$102,384 and the Budget Analyst was estimated for a \$76,401 annual salary with benefits estimated at 31%.

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	23,420	23,420	46,840	46,840	46,840
Total \$			23,420	23,420	46,840	46,840	46,840

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	0.2
A-Salaries and Wages	17,878	17,878	35,756	35,756	35,756
B-Employee Benefits	5,542	5,542	11,084	11,084	11,084
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	23,420	23,420	46,840	46,840	46,840

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
Budget Analyst	78,401	0.1	0.1	0.1	0.1	0.1
Project Manager	102,384	0.1	0.1	0.1	0.1	0.1
Total FTEs		0.2	0.2	0.2	0.2	0.2

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

We envision minor budget implications based on the additional reporting requirements for contractors that could result in slightly higher bids based on the additional reporting requirements (~1% of the total construction cost).

Note: This is only for projects greater than 100,000 square feet and possibly includes renovations, but that is not specifically mentioned in the bill. Based on this, the number of projects will be small on our campus, but the fiscal impacts are indeterminate at this time.

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: 5322 SB	Title: Public building materials	Agency: 405-Department of Transportation
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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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Stephanie Hardin	Phone: 360-705-7545	Date: 01/27/2023
Agency Approval: Amber Coulson	Phone: 360-705-7525	Date: 01/27/2023
OFM Review: Maria Thomas	Phone: (360) 229-4717	Date: 01/27/2023

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 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

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: SB5322	Title: Public Building Materials	Agency: 405-Department of Transportation
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Part I: Estimates

Check applicable boxes and follow corresponding instructions, use the fiscal template table provided to show fiscal impact by account, object, and program (if necessary), **add rows if needed**. If no fiscal impact, check the box below, skip fiscal template table, and go to Part II to explain briefly, why the program believes there will be no fiscal impact to the department.

- No Fiscal Impact (Explain in section II. A)
If a fiscal note is assigned to our agency, someone believes there might be, and we need to address that, showing why there is no impact to the department.
- Indeterminate Cash Receipts Impact (Explain in section II. B)
- Indeterminate Expenditure Impact (Explain in section II. C)

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

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

Agency Assumptions

N/A

Agency Contacts:

Preparer: Misun Peck	Phone: 360-705-7892	Date: 1/18/2023
Approval: Mark Smith	Phone: 360-705-7890	Date: 1/18/2023
Budget Manager: Stephanie Hardin	Phone: 360-705-7545	Date: 1/27/2023

Part II: Narrative Explanation

II. A - Brief description of what the measure does that has fiscal impact

Briefly describe by section number (sections that will change WSDOT costs or revenue), the significant provisions of the bill, and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency.

Overall, Proposed Senate Bill 5322 establishes reporting requirements for contractors selected by the state to construct large, covered buildings, and creates a work group related to the environmental and labor attributes of materials used to construct these buildings. It requires appointing authorities (agencies including the Washington State Department of Transportation) to request certain information from contractors selected for their building projects. The Department of

Individual State Agency Fiscal Note

Commerce (COM) must keep this information in a publicly accessible database to increase transparency around the labor and environmental practices associated with building materials.

Section 2

This section creates definitions for reporting on the environmental and global warming attributes of materials for construction project larger than 50,000 gross square feet and building renovations project where the cost is greater than 50% of the assessed value and the project is larger than 50,000 gross square feet of occupied or conditioned space as defined in the Washington state building code.

Covered materials are defined and include:

- Structural concrete products, specifically ready mix, shotcrete, precast, and concrete masonry units.
- Reinforcing steel products, specifically rebar and posttensioning tendons.
- Structural steel products specifically hot rolled sections, hollow section, and plate.
- Engineered wood products, specifically cross-laminated timber, glulam beams, laminated veneer lumber, and parallel strand lumber.

Covered projects are defined and include:

- A construction project larger than 50,000 gross square feet.
- A building renovation project where the cost is greater than 50 percent of the assessed value and the project is larger than 50,000 gross square feet of occupied or conditioned space.

Section 3 (a)

Beginning July 1, 2024, an awarding authority must require in all newly executed construction contracts that the selected firm for a construction contract for a covered project larger than 100,000 gross square feet to submit data for each covered product used before substantial completion.

Section 3(b)

Beginning July 1, 2026, an awarding authority shall require in all newly executed construction contracts that the selected firm for a construction contract for a covered project to submit that data required for each covered product used before substantial completion.

Section 4

By July 1, 2024, and to the extent practicable, specifications for a bid or proposal for a project contract by an awarding authority may only include performance-based specifications for concrete used as a structural material.

Section 6

By December 1, 2023, directs COM to form a “Buy Clean and Buy Fair” work group, including the Washington State Department of Transportation (WSDOT), to address the environmental and labor research and advisory objectives identified in the bill.

By September 1, 2024, directs COM to report the work group’s research and recommendations, including agency request legislation, to the Legislature.

By September 1, 2025, the buy clean and buy fair work group must submit report on policy recommendations.

II. B – Cash Receipts Impact

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.

N/A

Individual State Agency Fiscal Note

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.

Proposed SB 5322 has an indeterminate fiscal impact to the department in the long-term. There is no fiscal impact in the current biennium. The proposed bill means that there are minor requirements for the department in the near term, and the bill applies to a few WSDOT buildings.

Participating in the work group begins December 1, 2023, two hours, once per month for a total of 20 meetings. This participation will be done by the WSDOT Capital Facilities Office. The department expects it can accommodate this work with existing staff unless there are multiple new requirements for state facilities created prior to fiscal year 2024, either through other legislation or executive order. (If that is the case, more staff resources to address the multiple items would be needed.)

The fiscal impact of this bill in the long-term is unknown, although no impacts are anticipated within the timeframe of the fiscal note. Beginning July 1, 2024, the department will encourage firms selected for covered materials and projects to report on environmental attributes and labor practices. Firms will report this information to Department of Commerce. The bill does not apply to most WSDOT capital projects, which are for other types of facilities, not covered buildings. Currently, the department has no covered building projects of this type planned, based on the 2023-25 enacted transportation budget and related ten-year project list.

Note that potential future covered building projects that would meet the requirements of this bill may have higher costs under this bill than they otherwise would have. The proposed changes will require contractors and material suppliers to demonstrate compliance, which will be additional work and cost that they will bear and may pass on to the department. The magnitude of this cost increase is dependent on the business impacts to contractors, and what level of that impact they will pass along to customers.

Part III: Expenditure Detail

II. B – Cash Receipts Impact

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.

N/A

III. A - Expenditures by Object or Purpose

See above, there is no fiscal impact to the department for the 2023-25, the fiscal impact in future biennia is indeterminate.

Part IV: Capital Budget Impact

N/A

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.

N/A

Individual State Agency Fiscal Note

Individual State Agency Fiscal Note

Bill Number: 5322 SB	Title: Public building materials	Agency: 465-State Parks and Recreation Commission
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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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Dennis Tate	Phone: (360) 902-8540	Date: 01/26/2023
Agency Approval: Van Church	Phone: (360) 902-8542	Date: 01/26/2023
OFM Review: Jennifer Masterson	Phone: (360) 810-0117	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 proposed legislation adds a new chapter to RCW 39 related to environmental and labor reporting for public building construction and renovation materials for state funded projects.

Section 2(4)(a) defines a covered project when a construction project is larger than 50,000 gross square feet as defined in the Washington state building code (WAC 51-50).

Section 2(4)(b) defines a covered project when a building renovation project where the cost is greater than 50 percent of the assessed value and the project is larger than 50,000 gross square feet of occupied or conditioned space as defined in the Washington state building code (WAC 51-50).

The proposed legislation would have no fiscal impact to State Parks. State Parks has no projects in its 10-year capital plan or currently funded projects that are in excess of 50,000 square feet.

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

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: 5322 SB	Title: Public building materials	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:

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: David Hoeveler	Phone: 3609701638	Date: 01/30/2023
Agency Approval: David Hoeveler	Phone: 3609701638	Date: 01/30/2023
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 01/30/2023

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 2 states eligible projects are construction projects larger than 50,000 gross square feet as defined in the Washington state building code, chapter 51-50 WAC; or (b) A building renovation project where the cost is greater than 50 percent of the assessed value and the project is larger than 50,000 gross square feet of occupied or conditioned space as defined in the Washington state building code, chapter 51-50 WAC.

Department of Fish and Wildlife does not currently have any plans to construct any facilities larger than 25,000 gross square feet. This bill does not have a fiscal impact on the Department.

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: 5322 SB	Title: Public building materials	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:

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Nicole Dixon	Phone: 360-902-1155	Date: 01/25/2023
Agency Approval: Nicole Dixon	Phone: 360-902-1155	Date: 01/25/2023
OFM Review: Jennifer Masterson	Phone: (360) 810-0117	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.

This bill is relating to environmental and labor reporting for public building construction and renovation material. Buildings over 50,000 square feet will require contractors to submit extra documentation for the materials provided. Construction or renovations of buildings over 50,000 square feet will require contractors to submit environmental and health product declarations. DNR is not planning any construction of that size in the next six years.

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: 5322 SB	Title: Public building materials	Agency: 699-Community and Technica College System
-----------------------------	---	--

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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: Angela Kleis	Phone: 360-786-7469	Date: 01/25/2023
Agency Preparation: Brian Myhre	Phone: 360-704-4413	Date: 01/25/2023
Agency Approval: Cherie Berthon	Phone: 360-704-1023	Date: 01/25/2023
OFM Review: Kelsey Rote	Phone: (360) 000-0000	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.

This bill seeks to reduce embodied carbon in the built environment by tracking climate and other types of pollution impacts into the procurement process for certain construction materials and projects.

Awarding authorities are directed to ask for information on certain construction materials from the selected bidder for a contract.

Section 2

Includes definitions for:

- “Awarding Authorities” – including the Department of Enterprise Services (DES) and Institutions of Higher Education
- “Covered Product” – including structural concrete products, reinforcing and structural steel products and engineered wood products.
- “Covered Project” – construction projects larger than 50,000 gross square feet and building renovation larger than 50,000 gross square feet and the project costs are greater than 50% of assessed value

Section 3

Beginning July 1, 2024, awarding authorities must require the selected bidder for a contract to submit a current environment product declaration (EPD) and other information for covered projects larger than 100,000 gross square feet, used before substantial completion.

Beginning July 1, 2026, awarding authorities must require the selected bidder for a contract to submit a current environment product declaration (EPD) and other information for covered products, used before substantial completion.

Section 5

The bill requires the Department of Commerce to continue to develop and maintain a public database of environmental product declarations.

Section 6

The bill requires the Department of Commerce to convene a buy clean and buy fair workgroup and report to develop policy recommendations to advance the goals of buy clean buy fair, high labor standards, and expanding low carbon material manufacturing in Washington.

Section 7

Beginning with the Capital Budget Instructions for the 2023-25 biennium, the Office of Financial Management must include information informing awarding authorities of the requirements of 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.

No cash receipts impact.

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.

No expenditure impact.

Section 3

Selected bidders for the type of construction projects listed in the bill would be required to submit certain information to the “awarding authority”. The Department of Enterprise Services (DES), is the “awarding authority” for the type of community college and technical college construction projects specified in the bill and it is expected that any increased staffing cost related to working with bidders and for completing the required reports would be incurred by DES and not the college system.

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

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

Indeterminate capital budget impact.

It is assumed there would be an increase in the cost of construction because contractors and suppliers will pass along additional costs associated with analysis, reporting, and materials. There is no way to estimate what future costs from contractors and material suppliers will be to comply with the requirements of this bill, therefore the fiscal impact is indeterminate.

Part V: New Rule Making Required

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