

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1391 S HB	<b>Title:</b> Energy in buildings
-------------------------------	-----------------------------------

## 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	6.4	3,279,800	3,279,800	3,279,800	6.4	2,036,138	2,036,138	2,036,138	6.4	2,043,338	2,043,338	2,043,338
Office of Minority and Women's Business Enterprises	.1	24,398	24,398	24,398	.1	24,398	24,398	24,398	.1	24,398	24,398	24,398
Washington State University	.7	225,000	225,000	225,000	.6	200,000	200,000	200,000	.6	200,000	200,000	200,000
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	7.2	3,529,198	3,529,198	3,529,198	7.1	2,260,536	2,260,536	2,260,536	7.1	2,267,736	2,267,736	2,267,736

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Commerce	6.4	3,279,800	3,279,800	6.4	2,036,138	2,036,138	6.4	2,043,338	2,043,338
Office of Minority and Women's Business Enterprises	.1	24,398	24,398	.1	24,398	24,398	.1	24,398	24,398
Washington State University	.7	225,000	225,000	.6	200,000	200,000	.6	200,000	200,000
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total \$	7.2	3,529,198	3,529,198	7.1	2,260,536	2,260,536	7.1	2,267,736	2,267,736

## 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 Minority and Women's Business Enterprises	.0	0	0	.0	0	0	.0	0	0
Washington State University	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

## Estimated Capital Budget Breakout

NONE

**Prepared by:** Gwen Stamey, OFM

**Phone:**  
(360) 790-1166

**Date Published:**  
Final 2/21/2023

# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 1391 S HB	<b>Title:</b> Energy in buildings	<b>Agency:</b> 103-Department of Commerce
-------------------------------	-----------------------------------	---

## 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	6.3	6.4	6.4	6.4	6.4
<b>Account</b>					
General Fund-State 001-1	1,631,731	1,648,069	3,279,800	2,036,138	2,043,338
<b>Total \$</b>	1,631,731	1,648,069	3,279,800	2,036,138	2,043,338

### 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: Megan McPhaden	Phone: 360-786-7114	Date: 02/10/2023
Agency Preparation: Marla Page	Phone: 360-725-3129	Date: 02/21/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/21/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/21/2023

## Part II: Narrative Explanation

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

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

Differences between SHB 1391 and the original bill:

Section 3(6) requires the administrator to convene labor representatives, participating contractors, and other stakeholders, to evaluate whether and how a workforce agreement could streamline project implementation where multiple funding sources have various program reporting requirements. Replacing Section 3(6)(a-d) in the previous version which required the administrator to be funded to develop community workforce agreements and funded to conduct workforce development.

Summary of SHB 1391:

This bill would authorize the Department of Commerce (department) to establish an energy efficiency navigator, administered by a third party, to create a "one-stop shop" approach to rebates, grants, and technical assistance.

The bill directs the department to contract with one or more administrators to establish a Statewide Building Energy Upgrade Navigator Program (Navigator Program) by March 1, 2024. Requires the administrator(s) of the Navigator Program to provide outreach and deliver energy services to residences, commercial buildings under 20,000 square feet, and multifamily buildings, and to develop community workforce agreements. The bill would also require the department, by December 2023, to convene a technical advisory group to provide ongoing guidance to the Navigator Program, and to report to the legislature.

Section 2 amends RCW 70A.50.010 to add definitions.

Section (2)(1) adds and defines "Administration" as an entity including, but not limited to, a nonprofit corporation or community-based organization.

Section (2)(3) adds and defines the "Department" to mean the Department of Commerce.

Sec. 3 (1)(a) authorizes the department to establish and oversee a statewide energy funding navigator website.

Section 3(2)(a)(b) is a new section added to chapter 70A.50 RCW that requires the department to contract with an administrator or administrators by March 1, 2024, to implement the navigator program on behalf of the state. The administrator or administrators must be selected through a competitive process, and contracts may not exceed five years in duration. The administrator contracts may be funded with any eligible funds for such purpose, including state and federal dollars.

Section 3(3)(a-g) states the administrator must align this program with programs and funding authorized under the federal inflation reduction act. The required activities of the administrator(s) are listed in Sec. 3(3)(a-g), but major activities with fiscal impact include: providing customer outreach and delivering energy efficiency services (includes performing energy audits and making recommendations).

Section 3(6) requires the administrator to assist the technical advisory group established in section 4. The administrator must convene labor representatives, participating contractors, and other stakeholders, to evaluate whether and how a workforce agreement could streamline project implementation where multiple funding sources have various program reporting requirements.

Section 3(9) states the administrator may develop a database portal to identify and track: geographic location of services

provided; customer interactions; and performance for work completed.

Section 3(10) requires the department to complete a report on the implementation of the statewide building energy upgrade navigator program to the legislature every other year by September 1st of even-numbered years.

Section 4(1) is a new section added to chapter 70A.50 RCW that requires the department to convene a technical advisory group by December 2023.

Section 4(2-4) requires technical advisory group in consultation with the evaluation in section (3)(6) to make recommendations to ensure projects supported by the navigator program comply with program requirements.

New Section 4(5) requires the department to strive to appoint technical advisory members representing the geographical diversity of the state.

New Section 4(6) requires technical advisory group to report to the legislature December 1st of every year.

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**

The bill authorizes, if funded, the department to create and oversee a statewide energy funding navigator website and will contract the administration of this work out through a third-party administrator. The bill also requires the department to convene a technical advisory group. The technical advisory group must report to the legislature annually. The department assumes the technical advisory group will continue to convene in the future and report annually.

The department must submit a report to the legislature every other year by September 1st of even-numbered years on recommendations for additional energy efficiency, electrification, and distributed energy programs for customers to maximize deployment of energy efficiency services; achieve higher rates of penetration and economies of scale related to implementing multiple measures simultaneously.

The bill also requires the administrator to be funded to convene labor representatives, participating contractors, and other stakeholders, to evaluate whether and how a workforce agreement could streamline project implementation where multiple funding sources have various program reporting requirements. The department assume this would contract out to a third party for this work.

Assumption: the actual incentive/grants administered by this third party will leverage funds and programs already in place or in funding requests elsewhere. This fiscal note includes no funding for actual incentives.

The administrator must be funded to develop a database. The department assumes the department will develop the database and retain ownership – based on the LIHEAP model.

To accomplish this work the department estimates:

0.20 FTE EMS2 Senior Energy Policy Specialist (416 hours) in FY24-FY29 to oversee development of the database and coordinate with consultants.

1.60 FTE Commerce Specialist 3 (2,844 hours) in FY24-FY29 for contract management, advisory work and legislative report.

0.50 FTE Commerce Specialist 4 (1,044 hours) in FY24-FY29 to provide ongoing technical assistance and quality assurance oversight.

0.50 FTE Administrative Assistant 3 (1,044 hours) in FY24-FY29 to provide administrative support and supporting execution of contracts.

#### Database Development:

Assumptions for database development, GIS services, testing, project management, maintenance costs and software licensing is included.

1.0 FTE Information Technology Business Analyst Expert 3 (2,088 hours) in FY24-FY29 to provide project management, business requirements, system design, data analysis, and technical advice on development of the navigator.

1.0 FTE Information Technology Application Developer Senior 5 (2,088 hours) in FY24-FY29 to provide system development, GIS development, perform data development, and align system.

0.50 FTE Information Technology Application Developer Senior 5 (1,044 hours) in FY24-FY29 for GIS analysis from start through ongoing.

#### Salaries and Benefits:

FY24: \$704,071

FY25-FY29: \$727,621 per fiscal year

#### Professional Service Contracts:

Two professional services contracts at the rate of \$200/hr – one for \$500,000 in FY24-FY25 for database development, GIS services, licenses, scorecard development, testing, project management and maintenance costs, and one for \$100,000 in FY24-FY25 for project quality assurance.

The department also assumes to contract out to a third party for the administrator to be funded to convene labor representatives, participating contractors, and other stakeholders, to evaluate whether and how a workforce agreement could streamline project implementation where multiple funding sources have various program reporting requirements and assume the rate of \$250/hr – \$30,000 in FY24-FY25.

FY24-FY25: \$630,000

#### Goods and Services:

FY24: \$51,021

FY25-FY29: \$51,061 per fiscal year

#### Equipment:

The department assumes the purchase of one standard workstations for new staff in FY24 and the purchase of replacement laptop/tablet in FY28 based on the department's replacement cycle.

FY24: \$15,000

FY28: \$7,200

Intra-agency Reimbursement:

FY24: \$231,639

FY25-FY29: \$239,387 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.

=====  
Total Costs

FY24: \$ 1,631,731

FY25: \$ 1,648,069

FY26-FY27: \$1,018,069 per fiscal year

FY28: \$1,025,269

FY29: \$1,018,069

### 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	1,631,731	1,648,069	3,279,800	2,036,138	2,043,338
<b>Total \$</b>			1,631,731	1,648,069	3,279,800	2,036,138	2,043,338

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	6.3	6.4	6.4	6.4	6.4
A-Salaries and Wages	532,443	548,415	1,080,858	1,096,830	1,096,830
B-Employee Benefits	171,628	179,206	350,834	358,412	358,412
C-Professional Service Contracts	630,000	630,000	1,260,000		
E-Goods and Other Services	51,021	51,061	102,082	102,122	102,122
G-Travel					
J-Capital Outlays	15,000		15,000		7,200
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	231,639	239,387	471,026	478,774	478,774
9-					
<b>Total \$</b>	1,631,731	1,648,069	3,279,800	2,036,138	2,043,338

#### 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 Assistant 3	52,616	0.5	0.5	0.5	0.5	0.5
Administrative Services - Indirect	111,168	1.0	1.1	1.1	1.1	1.1
Commerce Specialist 3	82,056	1.6	1.6	1.6	1.6	1.6
Commerce Specialist 4	86,212	0.5	0.5	0.5	0.5	0.5
EMS Band 2	122,841	0.2	0.2	0.2	0.2	0.2
IT APP	120,457	1.5	1.5	1.5	1.5	1.5
Development-Senior/Specialist						
IT Business Analyst-Expert	126,485	1.0	1.0	1.0	1.0	1.0
<b>Total FTEs</b>		6.3	6.4	6.4	6.4	6.4

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

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

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

NONE

**IV. C - Capital Budget Breakout**

*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

<b>Bill Number:</b> 1391 S HB	<b>Title:</b> Energy in buildings	<b>Agency:</b> 147-Office of Minority and Women's Business Enterprises
-------------------------------	-----------------------------------	--

## 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	0.1	0.1	0.1	0.1	0.1
<b>Account</b>					
General Fund-State      001-1	12,199	12,199	24,398	24,398	24,398
<b>Total \$</b>	12,199	12,199	24,398	24,398	24,398

### 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: Megan McPhaden	Phone: 360-786-7114	Date: 02/10/2023
Agency Preparation: Paul Bitar	Phone: 360-407-8129	Date: 02/15/2023
Agency Approval: Paul Bitar	Phone: 360-407-8129	Date: 02/15/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/16/2023

## Part II: Narrative Explanation

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

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

This bill would require OMWBE to coordinate with the administrator to ensure that the energy contractor network would consist of diversity contractors. OMWBE estimates that this coordination work would consume 10% of one Management Analyst 5's 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.

10% of One (1) Management Analyst 5 - Dedicated to coordinating with the administrator to ensure that the contractor network would consist of diversity contractors.

Salary (Object A): \$91,524/year x 10% = \$9,152/year

Benefits (Object B): \$30,468/year x 10% = \$3,047/year

Total = \$12,199/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	12,199	12,199	24,398	24,398	24,398
<b>Total \$</b>			12,199	12,199	24,398	24,398	24,398

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.1	0.1	0.1	0.1	0.1
A-Salaries and Wages	9,152	9,152	18,304	18,304	18,304
B-Employee Benefits	3,047	3,047	6,094	6,094	6,094
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-					
<b>Total \$</b>	12,199	12,199	24,398	24,398	24,398

### 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
Management Analyst 5	91,524	0.1	0.1	0.1	0.1	0.1
<b>Total FTEs</b>		0.1	0.1	0.1	0.1	0.1

**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

<b>Bill Number:</b> 1391 S HB	<b>Title:</b> Energy in buildings	<b>Agency:</b> 365-Washington State University
-------------------------------	-----------------------------------	--

## 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	0.7	0.6	0.7	0.6	0.6
<b>Account</b>					
General Fund-State 001-1	125,000	100,000	225,000	200,000	200,000
<b>Total \$</b>	125,000	100,000	225,000	200,000	200,000

### Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Megan McPhaden	Phone: 360-786-7114	Date: 02/10/2023
Agency Preparation: Brittney Gamez	Phone: 509-335-5406	Date: 02/16/2023
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 02/16/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 02/17/2023

## 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.*

1391 S HB requires the Department of Commerce to coordinate and collaborate with the WSU Energy Program on the design, administration, and implementation of the statewide building energy upgrade navigator program.

### II. B - Cash receipts Impact

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

### II. C - Expenditures

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

This coordination and collaboration effort would require focused time from WSU Energy Program programmatic, administrative, and technical experts to engage in a meaningful and productive manner with the Department of Commerce to help deliver the new statewide navigator program articulated in this bill. The first year would require more WSU Energy Program staff commitment and effort to help design and move toward initial implementation of the new statewide navigator program. Then, the years following would require continuing engagement from WSU Energy Program staff members on administration activities.

In addition, in Section 4 of 1391 SHB, the Department of Commerce must convene a technical advisory group by December 1, 2023 to provide ongoing guidance to the statewide navigator program established in Section 3 of the bill. The technical advisory group's guidance must include recommendations on how to continuously improve and grow the program, address any gaps in program design and implementation, address split incentives, and how to incorporate the department of health's environmental health disparities mapping tool into the work of the navigator program. Every year, the technical advisory group must provide a progress report on the implementation of the statewide navigator program to the legislature. The WSU Energy Program must be a member/participant of this new advisory group. Participating as a key member of this advisory group would require focused time from WSU Energy Program staff to participate in meetings and deliver appropriate work products.

## 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	125,000	100,000	225,000	200,000	200,000
<b>Total \$</b>			125,000	100,000	225,000	200,000	200,000

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.7	0.6	0.7	0.6	0.6
A-Salaries and Wages	58,105	45,913	104,018	91,826	91,826
B-Employee Benefits	37,652	29,752	67,404	59,504	59,504
C-Professional Service Contracts					
E-Goods and Other Services	28,243	23,335	51,578	46,670	46,670
G-Travel	1,000	1,000	2,000	2,000	2,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	125,000	100,000	225,000	200,000	200,000

**III. C - Operating FTE Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Director	111,686	0.0	0.0	0.0	0.0	0.0
Energy Engineer	104,142	0.1	0.1	0.1	0.1	0.1
Energy Project Analyst	59,962	0.3	0.3	0.3	0.3	0.3
Energy Project Coordinator	87,637	0.2	0.2	0.2	0.2	0.2
<b>Total FTEs</b>		0.7	0.6	0.7	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

<b>Bill Number:</b> 1391 S HB	<b>Title:</b> Energy in buildings	<b>Agency:</b> 461-Department of Ecology
-------------------------------	-----------------------------------	--

## 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: Megan McPhaden	Phone: 360-786-7114	Date: 02/10/2023
Agency Preparation: Pete Siefer	Phone: 360-485-7648	Date: 02/15/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/15/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/16/2023

## 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.*

Compared to HB 1391, SHB 1391 makes the following changes.

- Section 1 intent language is modified.
- Section 2 definitions are modified.
- Section 3 requirements of the statewide building energy upgrade navigator program are modified.
- Section 4 expands duties and changes the membership of the technical advisory group.

This bill would amend chapter 70A.50 RCW (Energy Efficiency Improvements).

Section 3 would authorize the Department of Commerce (Commerce) to establish and oversee a statewide building energy upgrade navigator program. The purpose of the program would be to provide a statewide resource to assist building owners with accessing electrification services and energy efficiency services, funding, and any other assistance that would result in the reduction of greenhouse gas emissions, job creation, business opportunities, and workforce development in the building sector. Commerce may consult with other entities as needed to design and implement the program.

Section 4 would require Commerce to convene a technical advisory group by December 1, 2023, to provide ongoing guidance to the statewide building energy upgrade navigator program established in section 3. The advisory group members must include: Seven members representing low-income and overburdened communities; three members representing labor and workforce; three members representing industry; two members representing utilities; and three members representing the environment. Of the three members representing the environment, two must have a depth of experience in greenhouse gas emissions reductions and climate resiliency. By December 1st of each year, the technical advisory group would need to provide a progress report on the implementation of the program to the legislature.

The Department of Ecology (Ecology) assumes no fiscal impact for this bill. Based on lead agency assumptions from Commerce, Ecology does not assume at this time that the advisory group members representing the environment specified in section 4(5)(e) would include Ecology staff. A representative from Ecology may be invited to serve as a member of the group, but the bill does not require it.

### 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.*