

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5057 P S SB	<b>Title:</b> Energy standards/commercial
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## Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	1.2	366,556	366,556	366,556	1.4	387,298	387,298	387,298	2.1	591,070	591,070	591,070
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Corrections	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	Fiscal note not available											
University of Washington	Fiscal note not available											
Washington State University	Fiscal note not available											
Eastern Washington University	Fiscal note not available											
Central Washington University	Fiscal note not available											
The Evergreen State College	Fiscal note not available											
Western Washington University	Fiscal note not available											
Community and Technical College System	Fiscal note not available											
<b>Total \$</b>	<b>1.2</b>	<b>366,556</b>	<b>366,556</b>	<b>366,556</b>	<b>1.4</b>	<b>387,298</b>	<b>387,298</b>	<b>387,298</b>	<b>2.1</b>	<b>591,070</b>	<b>591,070</b>	<b>591,070</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

### 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
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	Fiscal note not available								
University of Washington	Fiscal note not available								
Washington State University	Fiscal note not available								
Eastern Washington University	Fiscal note not available								
Central Washington University	Fiscal note not available								
The Evergreen State College	Fiscal note not available								
Western Washington University	Fiscal note not available								
Community and Technical College System	Fiscal note not available								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

### Estimated Capital Budget Breakout

NONE

**Prepared by:** Gwen Stamey, OFM

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

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

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5057 P S SB	<b>Title:</b> Energy standards/commercial	<b>Agency:</b> 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	1.2	1.2	1.2	1.4	2.1
<b>Account</b>					
General Fund-State      001-1	203,241	163,315	366,556	387,298	591,070
<b>Total \$</b>	203,241	163,315	366,556	387,298	591,070

### 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:	Phone:	Date: 02/16/2023
Agency Preparation: Dan Nguyen	Phone: (206) 454-2207	Date: 02/20/2023
Agency Approval: Jason Davidson	Phone: 360-725-5080	Date: 02/20/2023
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 P SSB 5057 and the original Bill:

Section 1 is new adding the intent of the bill and renumbering section 1 to section 2.

Section 2(7)(vi)(F) added "Starting July 1, 2023, a building owner may apply for a financial hardship exemption three years in advance of each compliance requirement."

Section 2(8) is changed to only reflect the reporting on which covered commercial building owners must comply with the energy benchmarking, operations and maintenance program, and energy management planning established under this section.

Section 2(9) is added to establish a one-year delay of meeting the site-based energy use intensity targets (EUI<sub>t</sub>) under the building performance standard for Tier 1 buildings. Buildings with more than 220,000 gross square feet must meet their EUI<sub>t</sub> by June 1, 2027. Buildings 90,001-220,000 gross square feet must meet their EUI<sub>t</sub> by June 1, 2028. Buildings 50,001-90,000 gross square feet must meet their EUI<sub>t</sub> by June 1, 2029.

Section 3 replaces Washington State University extension energy program with Department of Commerce (department) to convene the work group.

Section 3(2) adds the workgroup membership must include, but is not limited to, one representative of healthcare and one representative of local government.

Summary of P SSB 5057:

The bill relates to delaying the state building performance standard for covered commercial building and creating a work group to evaluate the costs of the standard; amends RCW 19.27A.210 and 19.27A.250; creates a new section; and provides an expiration date.

Under the Clean Buildings Act (HB 1257, 2019) and its expansion (SB 5722, 2022) large non-residential and multifamily buildings must complete a series of efficiency activities and include: energy management planning; operations and maintenance; and energy use benchmarking.

This bill would delay timeline for Tier 1 energy use intensity target (EUI<sub>t</sub>) compliance by one year.

The bill would also create a workgroup to report on financial impacts and provide recommendations to the legislature.

Section 2 amends RCW 19.27A.210 to delay energy metric compliance for the department by one year for buildings more than 220,000 gross square feet from July 1, 2026, to 2027; buildings more than 90,000 gross square feet but less than 220,001 gross square feet from June 1, 2027, to 2028; and buildings more than 50,000 gross square feet but less than 90,001 square feet, from June 1, 2028, to 2029.

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.*

Sections 2 and 3 – Delay Compliance and Convene Workgroup:

### General Assumptions

Under the Clean Buildings Act (HB 1257, 2019) and its expansion (SB 5722, 2022) large non-residential and multifamily buildings must complete a series of efficiency activities and include: energy management planning; operations and maintenance; and energy use benchmarking.

This bill would delay by one year a series of efficiency activities and include: energy management planning; operations and maintenance; and energy use benchmarking by the Building Unit within the department. This delay would have a significant financial and administrative impact. Existing materials and processes would need to be extensively re-designed, resulting in significant costs and staff time. This delay would require continued database work, with an additional year of Tier 1 initial notifications before going into the regular 3-year Tier 1 refresh cycle once the compliance period has started. There will be system changes to support that out-of-cycle notification round, data research, as well as continued maintenance and support of the system since the timeframe is pushed out.

This bill delays the state building performance standard, there are no cost savings for the department in delaying work. Some costs will be pushed into future fiscal years (ex. Tier 2 rulemaking would not need to be completed in the near-term). Any near-term activity savings will be offset from the increase in customer assistance the department will need to provide. For example, when the first-round letters were sent out, the department received around 1,000 customer support tickets and anticipates the same or greater response with re-notification. The delay of compliance dates will impact the industry and market and increase the number of customer support and technical assistance requests the department receives.

The department assumes that buildings will need to be notified of this delay and will require one time printing services for building owner notifications through Department of Enterprise Services (DES) of \$20,000.

The department will convene the workgroup.

The bill does not require rulemaking.

To accomplish this work the department estimates:

0.30 FTE Commerce Specialist 3 (625 hours) in FY24-FY25 and 0.50 FTE (1,044 hours) in FY27-FY29 and ongoing thru FY31, for convening of the work group and report on financial impacts and evaluate costs of the state energy performance standard for covered commercial buildings. FY27-FY29 to assist and support compliance verification requirements and provide customer support and technical assistance.

0.20 FTE Administrative Assistant 3 (418 hours) in FY24-FY25 to provide administrative support for workgroup and meetings.

0.50 FTE Management Analyst 5 (1,044 hours) in FY24-FY29 and ongoing thru FY31, to lead a database refresh prompted by delaying Tier 1 and Tier 2 building compliance dates by two years. This position would lead the work to re-identify

buildings statewide.

0.30 FTE Commerce Specialist 4 (625 hours) in FY27-FY29 and ongoing thru FY31, to support compliance verification reporting schedule requirements to meet energy use intensity targets, and provide customer support and technical assistance.

0.50 FTE Commerce Specialist 2 (1,044 hours) in FY27-FY29 and ongoing thru FY31, to assist and provide program support for compliance verification requirements including customer support and review of reporting requirements.

#### Database Development:

This bill would delay by 2 years a series of efficiency activities and include: energy management planning; operations and maintenance; and energy use benchmarking by the Building Unit within the department. This delay would have a significant financial and administrative impact.

Existing materials and processes would need to be extensively re-designed, resulting in significant costs and staff time. This delay would require continued database work, with an additional two years of Tier 1 initial notifications before going into the regular 3-year Tier 1 refresh cycle once the compliance period has started. There will be system changes to support out-of-cycle notification round, data research, as well as continued maintenance and support of the system since the timeframe is pushed out. The department assumes a contractor would be hired for continued database support for changes/updates and any modifications that would be needed for the clean buildings system - estimated cost \$25,000 in FY24.

#### Salaries and Benefits:

FY24: \$111,858

FY25: \$115,671

FY26: \$65,427

FY27-FY29: \$209,385 per fiscal year

#### Goods and Services:

Good and Services includes a one-time printing service for building owner re-notifications through DES \$20,000 FY24.

FY24: \$29,582

FY25: \$9,588

FY26: \$4,811

FY27-FY29: \$17,262 per fiscal year

#### Professional Service Contract:

One professional services contract, \$25,000 in FY24 for continued database support for changes/updates and any modifications database.

FY24: \$25,000

#### Intra-agency Reimbursement

FY24: \$36,801

FY25: \$38,056

FY26: \$21,525

FY27-FY29: \$68,888 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: \$203,241

FY25: \$163,315

FY26: \$91,763

FY27-FY29: \$295,535 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	203,241	163,315	366,556	387,298	591,070
<b>Total \$</b>			203,241	163,315	366,556	387,298	591,070

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	1.2	1.2	1.2	1.4	2.1
A-Salaries and Wages	82,733	85,214	167,947	203,400	308,760
B-Employee Benefits	29,125	30,457	59,582	71,412	110,010
C-Professional Service Contracts	25,000		25,000		
E-Goods and Other Services	29,582	9,588	39,170	22,073	34,524
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	36,801	38,056	74,857	90,413	137,776
9-					
<b>Total \$</b>	203,241	163,315	366,556	387,298	591,070

#### 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	0.2	0.2	0.2		
Administrative Services - Indirect	111,168	0.2	0.2	0.2	0.2	0.3
Commerce Specialist 2	70,799				0.3	0.5
Commerce Specialist 3	82,056	0.3	0.3	0.3	0.3	0.5
Commerce Specialist 4	86,212				0.2	0.3
Management Analyst 5	95,185	0.5	0.5	0.5	0.5	0.5
<b>Total FTEs</b>		1.2	1.2	1.2	1.4	2.1

#### 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> 5057 P S SB	<b>Title:</b> Energy standards/commercial	<b>Agency:</b> 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:**

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:	Phone:	Date: 02/16/2023
Agency Preparation: Becky Guyer	Phone: (360) 407-9254	Date: 02/21/2023
Agency Approval: Ashley Howard	Phone: (360) 407-8159	Date: 02/21/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	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.*

This bill establishes a work group to determine the costs associated with the Clean Buildings Act.

Section 1 is a new section of intent language. No impact to the Department of Enterprise Services (DES).

Section 2 amends RCW 19.27A.210 and 2021 c 65 s 19 as follows:

Section 2 (7) (c) adds language that compliance exemptions will be granted for a five-year increment.

Section 2 (7) (c) (iii) adds language to allow building owners to apply for a financial hardship extension three years prior to the compliance date beginning July 1, 2023.

Section 2 (8) adds language requiring building owners with an exemption to still provide benchmarking, energy management plans, and operation and maintenance plans.

Section 2 (9) extends compliance deadlines for Tier 1 buildings by one year. This has no fiscal impact to DES.

Section 3 is a new section that directs the Department of Commerce to convene a workgroup that includes one representative from DES. DES participation in the workgroup can be completed within the routine business process. Therefore, no fiscal impact.

### II. B - Cash receipts Impact

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

### 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

<b>Bill Number:</b> 5057 P S SB	<b>Title:</b> Energy standards/commercial	<b>Agency:</b> 300-Department of Social and Health 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:**

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:	Phone:	Date: 02/16/2023
Agency Preparation: Bill Jordan	Phone: 360-902-8183	Date: 02/16/2023
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 02/16/2023
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 02/20/2023

## 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 of this bill directs the Department of Commerce to convene a work group to evaluate the costs of the state energy performance standard for commercial buildings. The original Senate Bill 5057 required Washington State University to convene the work group.

The Department of Social and Health (DSHS) is directed to be one representative of the workgroup. The fiscal impact is expected to be minimal and will be supported by DSHS with existing resources. Therefore, there is no fiscal impact for DSHS for 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.*

### 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

<b>Bill Number:</b> 5057 P S SB	<b>Title:</b> Energy standards/commercial	<b>Agency:</b> 310-Department of Corrections
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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:	Phone:	Date: 02/16/2023
Agency Preparation: Eric Johnson	Phone: (360) 725-8428	Date: 02/19/2023
Agency Approval: Ronell Witt	Phone: (360) 725-8428	Date: 02/19/2023
OFM Review: Cynthia Hollimon	Phone: (360) 810-1979	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.*

Proposed Substitute SB 5057 amends section 2 RCW 19.27A.250 by extending all compliance deadlines an additional two years for all tier 1 and tier 2 buildings.

New section 3(1) states the Department of Commerce will convene a work group to report the financial impacts to any state-owned buildings that are required to comply with the state energy performance standards under RCW 19.27A3210 (14), and to make recommendations to the legislature regarding energy efficiency in the buildings.

Section 3(2) requires the newly created work group to consist of multiple members from various agencies including one representative from the Department of Corrections.

Section 3(3) states the Department of Commerce must submit to the appropriate legislative committees the financial impacts to state-owned buildings by December 15, 2023, and a final report with recommendations is required by September 1, 2024.

Section (4) This section expires January 1, 2025.

### 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.*

The DOC will provide a representative within current resources.

We assume this bill will have no fiscal impact to DOC.

## 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.*

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

**Bill Number:** 5057 P S SB

**Title:** Energy standards/commercial

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

## Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only: .
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

### Estimated revenue impacts to:

None

### Estimated expenditure impacts to:

None

## Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 02/17/2023
Leg. Committee Contact:	Phone:	Date: 02/16/2023
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/17/2023
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/17/2023

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

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

This legislation creates a work group to evaluate and report to the Legislature on the compliance costs of the State Energy Performance Standard (Standard). The bill would delay certain compliance reporting requirements by five years.

Sec.2 amends 19.27A.210 RCW to provide covered commercial buildings (Tier 1) an exemption from meeting the Standard for the five-year compliance period if certain criteria are met. Beginning July 1, 2023, building owners may apply for a financial hardship exemption as outlined in this section. Sec.2 is further amended to include a compliance reporting schedule based on a building's gross square footage.

Sec.3 adds a new section which requires the department of commerce to convene a work group, subject to amounts appropriated, to evaluate the financial impacts on certain state and public buildings to comply with the Standard. The work group will also provide recommendations to the legislature to increase energy efficiency in the building sector.

Sec.3 (2) lists the membership affiliations required for the work group.

Sec.3 (3) requires the department to submit a financial impact report to the appropriate legislative committee by December 15, 2023, with a final report including recommendations, submitted by September 1, 2024.

Sec.3 (4) provides an expiration date of January 1, 2025, for this section.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

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

This legislation is not expected to impact local government expenditures. County assessors will need to provide data to the Department of Licensing during the extended compliance reporting period. The Washington Association of County Officials has stated this will be a very minor impact for county assessor offices.

### **C. SUMMARY OF REVENUE IMPACTS**

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

This legislation is not expected to impact local government revenue.

#### **SOURCES**

Washington Association of County Officials (WACO).