

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1921 HB	<b>Title:</b> Food/certain substances	<b>Agency:</b> 495-Department of Agriculture
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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
<b>Account</b>					
General Fund-State 001-1	0	1,260	1,260	0	0
<b>Total \$</b>	0	1,260	1,260	0	0

### Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Rebecca Lewis	Phone: 360-786-7339	Date: 01/10/2024
Agency Preparation: Wil Satak	Phone: 360-951-5086	Date: 01/11/2024
Agency Approval: Lori Peterson	Phone: 360-974-9767	Date: 01/11/2024
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 01/11/2024

## Part II: Narrative Explanation

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

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

Under current law (Chapter 15.130 Revised Code of Washington), Washington State Department of Agriculture enforces food safety regulations for Washington State.

Section 1 would prohibit manufacture, sale, delivery, distribution, holding, or offer for sale in commerce food for human consumption containing the following four substances:

- 1) Brominated vegetable oil
- 2) Potassium Bromate
- 3) Propylparaben
- 4) Red Dye 3

### 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.*

Under current law, violations of Chapter 15.130 RCW may be subject to a civil penalty. WSDA assumes compliance with the proposed prohibitions in Section 1, and therefore assumes 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.*

Chapter 15.130 RCW requires WSDA to adopt rules to implement the provisions of the chapter. WSDA administers Chapter 16-167 Washington Administrative Code (WAC) regarding Intrastate Commerce in Foods, to reference federal regulations prescribing safe food additives adopted in Washington State. Because the four substances that would be prohibited in the proposed legislation are currently approved for use in food by the Food and Drug Administration (FDA), the prohibition in section 1 would require WSDA to update WAC 16-167-030 to reference the new restrictions. WSDA assumes an effective date of July 1, 2024, after which the agency would implement expedited rule-making to amend WAC 16-167. This would require 5 hours work from a Regulatory Analyst 3, and 5 hours work from a Management Analyst 5 to adopt the rule amendments, plus \$500 estimated goods and services costs for miscellaneous supplies and potential legal services.

WSDA assumes businesses would stop shipping affected products into the state if violations were found.

The total estimated fiscal impact of the proposed legislation is \$1,260 in fiscal year 2025. Costs are assumed to be in the state general fund, which is the fund source used under current law for food safety regulation at WSDA.

Summary of cost assumptions by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are calculated based on current standard statewide benefit rates.

Goods and Services are the agency average of \$8,600 per direct program FTE. Goods and Services also include building lease costs, estimated at \$3,800 per FTE per year, professional development costs estimated at \$500 per FTE per year, and personnel services charges, estimated to be 0.347% of salaries. \$500 is estimated in fiscal year 2025 for incidental costs to support rulemaking.

Agency Administrative Overhead is calculated based on a rate of 24.6% of direct program salaries and benefits.

## 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	0	1,260	1,260	0	0
<b>Total \$</b>			0	1,260	1,260	0	0

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
A-Salaries and Wages		480	480		
B-Employee Benefits		80	80		
C-Professional Service Contracts					
E-Goods and Other Services		560	560		
G-Travel					
J-Capital Outlays					
N-Grants, Benefits & Client Services					
9-Agency Administrative Overhead		140	140		
<b>Total \$</b>	0	1,260	1,260	0	0

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
MANAGEMENT ANALYST 5	98,040					
REGULATORY ANALYST 3	100,524					
<b>Total FTEs</b>						0.0

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

NONE

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

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

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

NONE

### IV. C - Capital Budget Breakout

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

NONE

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

NONE

## **Part V: New Rule Making Required**

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

Because the four substances that would be prohibited in section 1 are currently approved for use in food by FDA, and WSDA uses Chapter 16-167 WAC to adopt the federal regulations for food additives, WAC 16-167 would need to be amended to exclude these substances from the regulation.