

Multiple Agency Fiscal Note Summary

Bill Number: 1368 S HB	Title: Requiring and funding the purchase of zero emission school buses.
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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	Fiscal note not available					
Local Gov. Other						
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
Superintendent of Public Instruction	Fiscal note not available											
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Superintendent of Public Instruction	Fiscal note not available								
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI	Fiscal note not available								
Local Gov. Other									
Local Gov. Total									

Estimated Capital Budget Breakout

Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.
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Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Preliminary 1/14/2024
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Individual State Agency Fiscal Note

Bill Number: 1368 S HB	Title: Requiring and funding the purchase of zero emission school buses.	Agency: 461-Department of Ecology
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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: James Mackison	Phone: 360-786-7104	Date: 01/03/2024
Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 01/11/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 01/11/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/14/2024

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.

This bill would transition school districts, charter schools, and state-tribal education compact schools to using only zero emission school buses and establish a zero emission school bus grant program.

Section 3 would amend the clean air act, chapter 70A.15 RCW, to establish a zero emission school bus grant program administered by Ecology. Grants would be subject to appropriation and awarded on a competitive basis. Ecology may use up to 10 percent of funding for costs to administer the 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.

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 expenditure impact to Ecology under this bill is indeterminate to implement the requirements of section 3.

Currently, Ecology has an existing clean diesel zero emission school bus grant program funded through the capital budget. Ecology assumes funding to implement and administer the new grant program required under section 3 would be appropriated out of the capital budget, similar to how Ecology's existing program is funded.

Ecology assumes we would administer the grant program using the existing process for Ecology's clean diesel zero emission school bus program, and that rulemaking would not be required.

The fiscal impact to administer the grant program under section 3 is indeterminate since the appropriation level for the amount of grant funding is not provided in this legislation.

Ecology's costs to administer the program depend on the size of the grant program. Ecology assumes the program can be implemented effectively with up to 10% administrative costs, based on how Ecology administers the clean diesel grant program.

As a scenario for reference, if the biennial appropriation was \$30 million, Ecology estimates we would require positions for grant administration, budget and contracts grants specialist, and Ecology's grant and loan system for the first year and ongoing, as follows:

2.0 FTE Environmental Specialist 4 – This position would provide grant support, contract management support, and reporting requirements through the duration of the program.

1.0 FTE Environmental Specialist 3 – This position would provide grant development support, grant management support, and reviews through the duration of the program.

Costs to establish and maintain a grant program in Ecology's Administration of Grants and Loans (EAGL) system would be \$36,000 in the first year and \$7,500 each year after.

Ecology assumes we would conduct an Environmental Justice Assessment in FY 2025 for the new grant program as required under the HEAL Act, Chapter 70A.02 RCW.

Total estimated costs to administer a grant program of \$30 million would therefore be approximately \$476,000 per year for 3 years, for a total of \$1.43 million from FY 2025 to FY 2027. Ecology assumes an additional 3.0 FTEs for each \$30 million added to the grant program.

Part V: New Rule Making Required

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