

Individual State Agency Fiscal Note

Bill Number: 2082 S HB	Title: Electrical transmission	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	0.0	0.8	0.4	0.2	0.0
Account					
General Fund-State 001-1	0	275,166	275,166	196,569	0
Total \$	0	275,166	275,166	196,569	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.

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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 the house bill and the substitute bill:

There are no differences between the house bill and the proposed substitute house bill that affect the fiscal impact to the Department of Commerce (department).

Summary of the proposed substitute house bill:

The bill requires the Department of Commerce (department) to conduct a study to assess the employment and workforce education needs of the electrical transmission industry and convene an industry workgroup to advise and make recommendations to support the needs of the electrical transmission workforce to meet the state's climate goals.

The purpose of the work completed under this bill is to determine labor shortages; identify challenges in recruiting, hiring, and retaining workers in the identified trades; evaluate workforce succession planning in the industry; and assess short-term and long-term training and workforce needs.

New Section 1 revises or adds the following to the report the department must submit to the legislature:

(1)(e)(i) Estimates of electrical transmission industry jobs needed should cover, at minimum, the time periods required for the planning, including the construction, reconstruction, or enlargement, of new or existing electrical transmission facilities under RCW 19.28.010, 80.50.060, 25 80.50.045, and the state environmental policy act

(1)(e)(ii) An inventory of existing apprenticeship programs and anticipated need for expansion of existing apprenticeships or supplemental training programs to meet current and future workforce needs

(1)(e)(iv) Demographic data of the workforce, including age, gender, race, ethnicity, and where possible, other categories of identity

(1)(e)(x) Recommendations for the training, recruitment, and retention of the current and anticipated electrical transmission workforce that supplement, enhance, or exceed current training requirements, including recommendations to attract and retain a more diverse workforce, such as members of federally recognized Indian tribes and individuals from overburdened communities as defined in RCW 16 70A.02.010. Identification of barriers to entrance into the electrical transmission workforce must also be included.

Additionally, Section 1 addressed the following administrative elements of the workgroup and the bill:

(2)(a) amends that the group will meet twice yearly, which aligns with assumption made in original fiscal note.

(2)(c) The work group shall select a chair and vice chair from among its membership.

(2)(c)(ii) Periodically review the status of the workforce issues in coordination with the clean energy technology workforce advisory committee established in RCW 28C.18.210, and provide ongoing input and recommendations to the legislature, state and local agencies, labor, and utilities regarding the needs and challenges of the electrical transmission industry

(3) All requirements in this section are subject to the availability of amounts appropriated for the specific purposes described.

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 bill establishes an electrical transmission industry workgroup that the department would manage. The bill also requires the department to conduct a study and complete a preliminary report to the appropriate committees of the legislature December 1, 2024 and a final report November 1, 2025. The department assumes that it would hire a consultant and provide consultation and coordinate with the contractor to manage and facilitate the workgroup, conduct the study, and complete the preliminary and final reports.

To complete this work the department estimates FY25-FY26:

Meetings

The department assumes that the workgroup will meet twice per year, starting no later than November 1, 2024 and continuing until the final report is completed. The department assumes all meetings will be virtual has not calculated travel.

Preliminary Report

The department assumes the preliminary report will be co-drafted by the consultant and the department. The report will be reviewed and approved by the workgroup and the department and submitted to the legislature by December 1, 2024.

The preliminary report must include the methodology that will be used to conduct the study and any demographic data or other information gathered regarding the electrical transmission industry workforce in preparation for the study.

Final Report

The department assumes the final report will be co-drafted by the consultant and the department. The report will be reviewed and approved by the workgroup and the department and submitted to the legislature by November 1, 2025.

The final report must include: estimates of electrical transmission industry jobs needed to expand electrical transmission capacity to meet the state's clean energy and climate goals inclusive of the workforce needed to maintain existing infrastructure; an inventory of existing training programs and anticipated need for expansion of existing or additional training programs to meet current and future workforce needs; the numbers of apprentices in the identified trades; demographic data, such as age, of the workforce; identification of gaps and barriers to a full electrical transmission workforce pool including, but not limited to, the loss of workers to retirement in the next five, 10, and 15 years, and other current and anticipated retention issues; a comparison of wages between different jurisdictions in the state and between Washington and other neighboring states, including any incentives offered by other states; any data on the number of workers in identified trades that completed training in the state and left the state to work in a different state; data on the number of out-of-state workers who enter Washington to meet workforce needs on large scale electrical transmission projects in Washington; key challenges that could emerge in the foreseeable future based on factors such as growth in demand for electricity and changes in energy production and availability; and recommendations for the training, recruitment, and retention of the current and anticipated electrical transmission workforce.

To accomplish this work the department estimates:

0.30 FTE Senior Energy Policy Specialist (EMS2) (625 hours) in FY25 to provide expert consultation and assist in the development of the preliminary and final reports. This position would work with the contractor to identify challenges and opportunities. The department assumes 0.10 FTE in FY26 (208 hours) for continued consultant support.

Anticipated responsibilities also include:

- Co-lead workgroup meetings, coordinate with Clean Energy Technology Workforce Advisory Council, workgroup members, and other stakeholders
- Oversee the consultant to assist in the development for the preliminary and final report
- Participate in all workgroup meetings
- Provide general policy guidance

0.30 FTE Commerce Specialist 3 (208 hours) in FY25 to provide or build capacity around solicitation, origination, management, and the monitoring of project contract. Compliance may include site visits and corresponding compliance reports. The department estimates .10 FTE Com3 (208 hours) in FY26 to continue to provide project management support and monitoring.

0.10 FTE Administrative Assistant 3 (208 hours) in FY25-FY26 to provide administrative support for meetings, materials, and stakeholder coordination.

0.10 FTE IT Data Management – Journey, ITDM-2 (208 hours) in FY25-FY26 for overall program and data coordination and management. Oversee and establish data security and access protocols, manage data sharing agreement tasks, working with agency contracts office.

Salaries and Benefits:

FY25: \$107,198

FY26: \$50,959

Professional Service Contract:

Professional Services Contract for consultant to manage and facilitate the workgroup, conduct the study, and complete the preliminary and final reports – costs \$125,000 each in FY25-FY26.

FY25: \$125,000

FY26: \$125,000

Goods and Services, Equipment and Travel:

FY25: \$7,700

FY26: \$3,844

Intra-Agency Reimbursements:

FY25: \$35,268

FY26: \$16,766

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

FY25: \$275,166

FY26: \$196,569

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	275,166	275,166	196,569	0
Total \$			0	275,166	275,166	196,569	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.8	0.4	0.2	
A-Salaries and Wages		79,988	79,988	37,779	
B-Employee Benefits		27,210	27,210	13,180	
C-Professional Service Contracts		125,000	125,000	125,000	
E-Goods and Other Services		7,700	7,700	3,844	
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		35,268	35,268	16,766	
9-					
Total \$	0	275,166	275,166	196,569	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
Administrative Assistant 3	54,199		0.1	0.1	0.1	
Commerce Specialist 3	84,518		0.3	0.2	0.1	
EMS2	126,529		0.3	0.2	0.1	
IT Data Management - Journey	112,538		0.1	0.1	0.1	
Total FTEs			0.8	0.4	0.2	0.0

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

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.

None.