

Multiple Agency Fiscal Note Summary

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| Bill Number: 2022 HB | Title: Construction crane safety |
|-----------------------------|---|

Estimated Cash Receipts

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|------------------------------------|--|-------------|-------|----------|-------------|-------|----------|-------------|-------|
| | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total |
| Department of Labor and Industries | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Total \$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Agency Name | 2023-25 | | 2025-27 | | 2027-29 | |
|---------------------|------------------|-------|-----------|-------|-----------|-------|
| | GF- State | Total | GF- State | Total | GF- State | Total |
| Local Gov. Courts | No fiscal impact | | | | | |
| Loc School dist-SPI | | | | | | |
| 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 |
| Administrative Office of the Courts | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Caseload Forecast Council | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Department of Labor and Industries | 5.4 | 0 | 0 | 2,227,000 | 10.7 | 0 | 0 | 3,218,000 | 10.7 | 0 | 0 | 3,208,000 |
| Total \$ | 5.4 | 0 | 0 | 2,227,000 | 10.7 | 0 | 0 | 3,218,000 | 10.7 | 0 | 0 | 3,208,000 |

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | No fiscal impact | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Expenditures

| Agency Name | 2023-25 | | | 2025-27 | | | 2027-29 | | |
|-------------------------------------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Administrative Office of the Courts | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Caseload Forecast Council | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Labor and Industries | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| 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 | No fiscal impact | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Breakout

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|-------------------------------------|---------------------------------|---|
| Prepared by: Anna Minor, OFM | Phone: (360) 790-2951 | Date Published: Preliminary 2/ 1/2024 |
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Judicial Impact Fiscal Note

| | | |
|-----------------------------|---|--|
| Bill Number: 2022 HB | Title: Construction crane safety | Agency: 055-Administrative Office of the Courts |
|-----------------------------|---|--|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

| | | |
|---|-----------------------|------------------|
| Legislative Contact: Trudes Tango | Phone: 360-786-7384 | Date: 01/02/2024 |
| Agency Preparation: Jackie Bailey-Johnson | Phone: 360-704-5545 | Date: 01/12/2024 |
| Agency Approval: Chris Stanley | Phone: 360-357-2406 | Date: 01/12/2024 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 01/12/2024 |

190,022.00

Request # 014-1

Form FN (Rev 1/00)

1

Bill # 2022 HB

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

This bill would create a new gross misdemeanor for an employer who allows or permits improper assembly, disassembly, or reconfiguration of a tower crane.

II. B - Cash Receipts Impact

None

II. C - Expenditures

No fiscal impact as written.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

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

NONE

None

190,022.00

Form FN (Rev 1/00)

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Request # 014-1

Bill # 2022 HB

Individual State Agency Fiscal Note

| | | |
|-----------------------------|---|--|
| Bill Number: 2022 HB | Title: Construction crane safety | Agency: 101-Caseload Forecast Council |
|-----------------------------|---|--|

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: Trudes Tango | Phone: 360-786-7384 | Date: 01/02/2024 |
| Agency Preparation: Clela Steelhammer | Phone: 360-664-9381 | Date: 01/13/2024 |
| Agency Approval: Clela Steelhammer | Phone: 360-664-9381 | Date: 01/13/2024 |
| OFM Review: Danya Clevenger | Phone: (360) 688-6413 | Date: 01/16/2024 |

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.

See attached.

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.

See attached.

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.

HB 2022
CONSTRUCTION CRANE SAFETY
101 – Caseload Forecast Council
January 11, 2024

SUMMARY

A brief description of what the measure does that has fiscal impact.

Section 5 Adds a new section to chapter 49.17 RCW establishing a new a misdemeanor when an employer allows any person to assemble, disassemble, or reconfigure a tower crane without direct supervision by an assembly/disassembly director or allows a person to act as an assembly/disassembly director who fails to meet qualifications, or does not follow manufacture operations instructions and guidelines or written procedures from a registered structural engineer.

EXPENDITURES

Assumptions.

None.

Impact on the Caseload Forecast Council.

None.

Impacts on beds and supervision.

This bill:

- Establishes a new misdemeanor offense.

The Caseload Forecast Council has no information concerning how many incidents of the newly established misdemeanor may occur, nor any information concerning how such offenses would be sentenced. As such, the Caseload Forecast Council cannot reliably estimate bed impacts resulting from these provisions of the bill.

Impact on prison and jail beds.

However, as a misdemeanor offense, the newly established offense would be punishable by a term of confinement of 0-90 days in jail for individuals sentenced as adults. Therefore, any impact would be on jail beds only.

Impact on local detention and Juvenile Rehabilitation beds.

None, as an employer is assumed to be over the age of 18.

Individual State Agency Fiscal Note

| | | |
|-----------------------------|---|---|
| Bill Number: 2022 HB | Title: Construction crane safety | Agency: 235-Department of Labor and Industries |
|-----------------------------|---|---|

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|---------------------------------|---------|-----------|-----------|-----------|-----------|
| FTE Staff Years | 0.0 | 10.7 | 5.4 | 10.7 | 10.7 |
| Account | | | | | |
| Accident Account-State 608-1 | 0 | 1,933,000 | 1,933,000 | 2,735,000 | 2,726,000 |
| Medical Aid Account-State 609-1 | 0 | 294,000 | 294,000 | 483,000 | 482,000 |
| Total \$ | 0 | 2,227,000 | 2,227,000 | 3,218,000 | 3,208,000 |

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: Trudes Tango | Phone: 360-786-7384 | Date: 01/02/2024 |
| Agency Preparation: Allison Kaech | Phone: 360-902-4530 | Date: 01/31/2024 |
| Agency Approval: Trent Howard | Phone: 360-902-6698 | Date: 01/31/2024 |
| OFM Review: Anna Minor | Phone: (360) 790-2951 | Date: 02/01/2024 |

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.

See attached.

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.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|-----------------|---------------------|-------|---------|-----------|-----------|-----------|-----------|
| 608-1 | Accident Account | State | 0 | 1,933,000 | 1,933,000 | 2,735,000 | 2,726,000 |
| 609-1 | Medical Aid Account | State | 0 | 294,000 | 294,000 | 483,000 | 482,000 |
| Total \$ | | | 0 | 2,227,000 | 2,227,000 | 3,218,000 | 3,208,000 |

III. B - Expenditures by Object Or Purpose

| | FY 2024 | FY 2025 | 2023-25 | 2025-27 | 2027-29 |
|--------------------------------------|---------|-----------|-----------|-----------|-----------|
| FTE Staff Years | | 10.7 | 5.4 | 10.7 | 10.7 |
| A-Salaries and Wages | | 1,038,000 | 1,038,000 | 2,076,000 | 2,076,000 |
| B-Employee Benefits | | 340,000 | 340,000 | 680,000 | 680,000 |
| C-Professional Service Contracts | | 255,000 | 255,000 | | |
| E-Goods and Other Services | | 477,000 | 477,000 | 428,000 | 418,000 |
| G-Travel | | 17,000 | 17,000 | 34,000 | 34,000 |
| J-Capital Outlays | | 100,000 | 100,000 | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | | | | |
| 9- | | | | | |
| Total \$ | 0 | 2,227,000 | 2,227,000 | 3,218,000 | 3,208,000 |

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 |
|--|---------|---------|---------|---------|---------|---------|
| Comp Industrial Safety & Health Invest 3 | 100,008 | | 3.0 | 1.5 | 3.0 | 3.0 |
| Comp Industrial Safety & Health Invest 4 | 105,616 | | 2.0 | 1.0 | 2.0 | 2.0 |
| Comp Industrial Safety & Health Invest 5 | 107,712 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Comp Industrial Safety & Health Invest 6 | 124,932 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Fiscal Analyst 5 | 74,376 | | 0.7 | 0.4 | 0.7 | 0.7 |
| Program Specialist 3 | 72,552 | | 2.0 | 1.0 | 2.0 | 2.0 |
| Program Specialist 5 | 86,208 | | 1.0 | 0.5 | 1.0 | 1.0 |
| Total FTEs | | | 10.7 | 5.4 | 10.7 | 10.7 |

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.

Part II: Explanation

This bill relates to construction crane safety, amends RCW 49.17.400, 49.17.420 and 49.17.440, and adds a new section to chapter 49.17 RCW to improve worker and public safety in the assembly, disassembly and reconfiguration of tower cranes.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 4 adds a new section to chapter 49.17 RCW that requires:

- Prime contractors to obtain a permit from Labor & Industries (L&I) prior to performing any work involving the operation, assembly, disassembly or reconfiguration of a tower crane.
- L&I to complete safety permit conferences prior to issuing a permit.
- As part of the permit process, L&I may inspect permitted activities any time, and once a crane is assembled or reconfigured.

Section 7 amends RCW 49.17.440 requiring L&I to adopt rules necessary to implement this bill. L&I will set fees to be charged for permits sufficient to cover the costs for administering this bill.

II. B – Cash Receipt Impact

This bill allows L&I to use permit fees to fund the crane permit program. At this time, determining the number of construction cranes that will be put in service each year is not known and making cash receipts and cost per permit indeterminate.

For fiscal not purposes, this grid allows a range for cash receipts and permit costs under the following assumptions:

- There are 124 tower construction cranes (not including self-erectors) in Washington State.
 - There will be one permit required for each assemble, reconfiguration, disassembly.
- Below are some assumptions of potential revenue depending on number of construction cranes put into service:

| | FY25 | FY26 | FY27 | FY28 | FY29 |
|-----------------------|-------------|-----------|-----------|-----------|-----------|
| Fiscal Note Costs | 2,227,000 | 1,604,000 | 1,614,000 | 1,604,000 | 1,604,000 |
| | | | | | |
| Cranes put in service | Permit Cost | | | | |
| | FY25 | FY26 | FY27 | FY28 | FY29 |
| 25 | 89,080 | 64,160 | 64,560 | 64,160 | 64,160 |
| 50 | 44,540 | 32,080 | 32,280 | 32,080 | 32,080 |
| 75 | 29,693 | 21,387 | 21,520 | 21,387 | 21,387 |
| 100 | 22,270 | 16,040 | 16,140 | 16,040 | 16,040 |
| 124 | 17,960 | 12,935 | 13,016 | 12,935 | 12,935 |

II. C – Expenditures

Appropriated – Operating Costs

This bill directs L&I to create a tower construction crane permit program. At this time, the department is assuming the process to be as follows:

- L&I will conduct research to validate if a permit is approved or denied by the following:
 - Prior safety violations of the permit applicant and all entities required in the operation, assembly, disassembly, and reconfiguration of the tower crane
 - Written accident prevention programs
 - Safety standards for tower cranes under the WISHA and applicable rules
 - Written job plan
 - Written self-attestation of each crane operator's experience and qualifications, including a copy of the crane operator's license
 - Other application materials
- L&I, prior to a permit being issued, would convene a pre-permit safety permit conference. L&I would be required to include:
 - Permit applicant
 - Assembly/Disassembly director
 - Safety representative for the tower crane distributor or manufacturer
 - Representatives of the employees assembling, disassembling or reconfiguring the tower crane

- On public works projects – a representative of the governmental entity overseeing the project.
- L&I will deny permit if:
 - The application fails to include all required elements
 - The safety conference is not held in compliance with the requirements or
 - The permit applicant has a record of safety and health violations that indicate the applicant may not be maintaining a safe worksite or operation.

Once the permit is approved, L&I will conduct a safety conference prior to any reconfiguration or disassembly needed. L&I will conduct an inspection of permitted activities once assembled and after each reconfiguration.

In addition, L&I has the authority to suspend or revoke the permit if there is failure to:

- Comply with any requirements or OSHA standards involving tower cranes;
- Notify the department in advance as required;
- Ensure that a safety representative was present during assembly, disassembly, or reconfiguration;
- Immediately correct deficiencies directly affecting the structural integrity of the tower crane, or fails to correct deficiencies directly affecting the safe operation of the tower crane; or
- Refuses L&I entry to a worksite that contains activity for which a permit is required.

This bill increases expenditures to the Accident Account, fund 608 and the Medical Aid Account, fund 609. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

- 1.0 FTE, Compliance Industrial Safety & Health Investigator 5 (CISHI5), permanent, effective July 1, 2024. Duties include supervising one CISHI 6 and three CISHI 3 positions. This position is responsible for training, mentoring and supervising CISHIs at lower levels, typically with 2-5 assigned in each workgroup. In some regions, the position may supervise one or more staff at the CISHI-6 level. This expert level position provides

assistance to staff in completing highly complex investigations, and investigations of unusual complexity or that pose unusual problems.

- 1.0 FTE, Compliance Industrial Safety & Health Investigator 6 (CISHI6), permanent, effective July 1, 2024. Positions at this level are registered as a professional engineer in Washington State in accordance with RCW 18.43. This position would provide a higher-level expertise to ensure assembly, disassembly, or reconfiguration of tower cranes comply with industry standards and the manufacturer's instructions. This position would review and interpret engineering diagrams and published recognized and accepted good engineering practices for all permits for assembly, disassembly, and reconfiguration. This position would be the subject matter expert on nationally recognized crane standards to evaluate complex crane operations prior to permitting and throughout the assembly, disassembly, and reconfiguration process.
- 3.0 FTE, Compliance Industrial Safety & Health Investigator 3s (CISHI3), permanent, effective July 1, 2024. These positions will have enforcement authority over non-federal land/tribal worksites and all employers in the state of Washington.
 - Prior to the department issuing a permit, this position is required to conduct a safety permit conference each time an assembly, reconfiguration, or disassembly takes place.
 - Preparation for each conference will take approximately one to two weeks. L&I is expecting the first preparation for a construction crane business safety conference will take longer, up to two weeks, and will reduce over time. L&I will coordinate this pre-permit work with the construction timeline. The CISHI 3 must evaluate and research the following information in order to be in compliance: The previous history of safety and health violations, including those violations under other business identities during the previous seven-year period for the permit applicant and all entities required in the operation and assembly of the tower crane. The potential risks of the procedures, including those addressed in the crane operating manual as well as specific measures to be taken, the permit applicant and all entities required in the operation of assembly. The written accident prevention programs of the permit applicant and all entities involved in the operation of the tower crane. The permit applicant's written job plan as

required under RCW 49.17.440. A written self-attestation of each crane operator's experience and qualifications in either the assembly, disassembly, and reconfiguration of the tower crane being assembled, disassembled, or reconfigured, including an attached copy of the crane operator's license. Other material in the application.

- This position is required to perform an inspection of each crane prior to operating once assembled, reconfigured, and disassembled.
- 1.0 FTE, Program Specialist 5 (PS5), permanent, effective July 1, 2024. This position will manage the Statewide Crane Certification Program processing permits to assemble, disassemble, or reconfigure. This position will also supervise two Program Specialist 3 positions.
- 2.0 FTE, Program Specialist 3s, permanent, effective July 1, 2024. These positions will assist higher-level staff by coordinating all aspects of program services, providing technical assistance and specialized consultation to program participants, staff and outside entities and recommending resolution for complex problems and issues related to the program. Staff will review certification and permit requests for eligibility and issue approved permits.
- 2.0 FTE, Compliance Industrial Safety & Health Investigator (CISHI) 4s, permanent, effective July 1, 2024. The CISHI4s or Regional Hearings Officers (RHO) schedule and conduct informal conferences to hear appeals and negotiate settlement agreements. The proposed legislation allows a denial, suspension, or revocation of a permit to be appealed to L&I. The RHOs will be required to hold a hearing within two working days of the revoked permit holder's appeal.

Information Technology

The expenditure calculations in this fiscal note include changes to the hourly rates for contract technology based on an annual analysis completed by L&I. These changes include rates based on expert skill level and an inflationary factor in all categories. All expenditures in this section are for the 2023-25 biennium.

Contract developers will develop a new IT system to issue and track inspection permits, accept payments, track and manage inspections via an online portal, and track certifications. Software is also required for this effort.

A total of \$605,107 is needed in the 2023-25 biennium for information technology changes. This includes:

- Contractor costs – \$255,107 is needed for 1,613 contractor hours
- Software – \$350,000

Rule making

\$5,000 is needed for two rule making hearings to occur during fiscal year 2025. The average cost of one rule making hearing is \$2,500 (Two hearings X \$2,500 each = \$5,000).

Indirect Costs

The amount included in this fiscal note for indirect is:

| Fund Name | | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
|-----------|-------------|---------|----------|----------|----------|----------|----------|
| 608 | Accident | 0 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| 609 | Medical Aid | 0 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| | Total: | \$0 | \$65,000 | \$65,000 | \$65,000 | \$65,000 | \$65,000 |

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries’ indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes, the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 59, Step G).

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

This legislation would result in rule changes to:

- WAC 296-155 Part L – Cranes rigging, and personnel lifting

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 2022 HB

Title: Construction crane safety

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

Legislation Impacts:

Cities: Indeterminate expenditure impact as a result of change in demand for jail beds, law enforcement and prosecutor time as a result of new misdemeanor offense; indeterminate expenditure impact as a result of changing municipal permitting processes

Counties: Indeterminate expenditure impact as a result of change in demand for jail beds, law enforcement and prosecutor time as a result of new misdemeanor offense

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: Number of incidents of new misdemeanor offense that may occur; time required across different jurisdictions to update municipal permitting processes

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

| | | |
|--------------------------------------|-----------------------|------------------|
| Fiscal Note Analyst: James Vogl | Phone: 360-480-9429 | Date: 01/10/2024 |
| Leg. Committee Contact: Trudes Tango | Phone: 360-786-7384 | Date: 01/02/2024 |
| Agency Approval: Alice Zillah | Phone: 360-725-5035 | Date: 01/10/2024 |
| OFM Review: Anna Minor | Phone: (360) 790-2951 | Date: 01/11/2024 |

Part IV: Analysis

A. SUMMARY OF BILL

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

Section 5 of the proposed legislation would add a new section to chapter 49.17 RCW specifying that an employer would be guilty of a misdemeanor if the employer commits certain violations related to the assembly, disassembly or reconfiguration of a tower crane.

Section 9 of the proposed legislation would add a new section to chapter 36.70B RCW, requiring that municipalities perform certain actions before tower cranes over 36 feet are assembled, disassembled or reconfigured. These actions include aligning permit issuance for street closures with the definition of assembly/disassembly work zone, and requiring permit holders to give notice to residents of buildings within the assembly/disassembly work zone.

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.

The proposed legislation would have an indeterminate expenditure impact on local governments.

Section 5 would create a new misdemeanor, which could impact local government expenditures on jails and prosecutors. Employers would be assumed not to require public defenders. It is unknown, however, how many cases may result from the creation of the new misdemeanor, or how many people may be sentenced to a term of confinement in jail as a result, so the associated local government expenditure impact is indeterminate.

Misdemeanors are punishable by a term of confinement of no more than 90 days in jail. The 2024 Local Government Fiscal Note Program Criminal Justice Cost Model estimates that the average daily cost to occupy a jail bed is \$145, and the average law enforcement and prosecution costs to process a misdemeanor offense are \$1,367.

The Association of Washington Cities indicates that municipalities would incur costs to bring their street closure permitting processes into compliance with the requirements of section 9 of the proposed legislation, however these costs would vary by jurisdiction. Accordingly, the magnitude of this impact is indeterminate.

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.

The proposed legislation would have no impact on local government revenues.

SOURCES:

Association of Washington Cities

Local Government Fiscal Note Program Criminal Justice Cost Model, 2024



Multiple Agency Ten-Year Analysis Summary

| | |
|-------------------------------|---|
| Bill Number 2022 HB | Title Construction crane safety |
|-------------------------------|---|

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

| Administrative Office of the Courts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Caseload Forecast Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Department of Labor and Industries Indeterminate Impact | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



Ten-Year Analysis

| | | |
|-------------------------------|---|--|
| Bill Number 2022 HB | Title Construction crane safety | Agency 055 Administrative Office of the Courts |
|-------------------------------|---|--|

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

| | | | | | | | | | | | | | |
|---------------------------|------------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Name of Tax or Fee | Acct Code | | | | | | | | | | | | |
|---------------------------|------------------|--|--|--|--|--|--|--|--|--|--|--|--|

| | | |
|---|---------------------|----------------------------|
| Agency Preparation: Jackie Bailey-Johnson | Phone: 360-704-5545 | Date: 1/12/2024 1:12:26 pm |
| Agency Approval: Chris Stanley | Phone: 360-357-2406 | Date: 1/12/2024 1:12:26 pm |
| OFM Review: | Phone: | Date: |



Ten-Year Analysis

| | | |
|-------------------------------|---|--|
| Bill Number 2022 HB | Title Construction crane safety | Agency 101 Caseload Forecast Council |
|-------------------------------|---|--|

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

| | | | | | | | | | | | | | |
|---------------------------|------------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Name of Tax or Fee | Acct Code | | | | | | | | | | | | |
|---------------------------|------------------|--|--|--|--|--|--|--|--|--|--|--|--|

| | | |
|---------------------------------------|---------------------|-----------------------------|
| Agency Preparation: Clela Steelhammer | Phone: 360-664-9381 | Date: 1/13/2024 12:47:45 pm |
| Agency Approval: Clela Steelhammer | Phone: 360-664-9381 | Date: 1/13/2024 12:47:45 pm |
| OFM Review: | Phone: | Date: |



Ten-Year Analysis

| | | |
|-------------------------------|---|---|
| Bill Number 2022 HB | Title Construction crane safety | Agency 235 Department of Labor and Industries |
|-------------------------------|---|---|

This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

| Name of Tax or Fee | Acct Code | | | | | | | | | | | |
|--------------------|-----------|--|--|--|--|--|--|--|--|--|--|--|
| Total | | | | | | | | | | | | |

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

This bill allows L&I to use permit fees to fund the crane permit program. At this time, determining the number of construction cranes that will be put in service each year is not known and making cash receipts and cost per permit indeterminate.

| | | |
|-----------------------------------|---------------------|----------------------------|
| Agency Preparation: Allison Kaech | Phone: 360-902-4530 | Date: 1/31/2024 2:46:56 pm |
| Agency Approval: Trent Howard | Phone: 360-902-6698 | Date: 1/31/2024 2:46:56 pm |
| OFM Review: | Phone: | Date: |