

Multiple Agency Fiscal Note Summary

Bill Number: 6121 S SB	Title: Biochar production
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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
Office of Attorney General	0	0	5,000	0	0	20,000	0	0	30,000
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Natural Resources	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	5,000	0	0	20,000	0	0	30,000

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

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
Office of Attorney General	.1	0	0	5,000	.3	0	0	20,000	.3	0	0	30,000
Department of Ecology	.4	0	0	145,398	1.1	0	0	393,093	.0	0	0	29,000
Department of Ecology	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Natural Resources	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Agriculture	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.5	0	0	150,398	1.4	0	0	413,093	0.3	0	0	59,000

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
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Department of Agriculture	.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									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

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Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Final 2/ 6/2024
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Individual State Agency Fiscal Note

Bill Number: 6121 S SB	Title: Biochar production	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1		5,000	5,000	20,000	30,000
Total \$		5,000	5,000	20,000	30,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.2	0.1	0.3	0.3
Account					
Legal Services Revolving Account-State 405-1	0	5,000	5,000	20,000	30,000
Total \$	0	5,000	5,000	20,000	30,000

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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 01/31/2024
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/05/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/05/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/06/2024

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.

Section 1 - New section. Findings and intent.

Section 2 - Amends RCW 70A.15.1030 to change the definition for “Silvicultural burning” and adds definition for “flame cap kiln”.

Section 3 - Amends RCW 70A.15.5090 to expand definition of agricultural burning.

Section 4 - Amends RCW 70A.15.5120 to include combustion of natural vegetation from silvicultural activities in portable flame cap kilns as in permit fee assessments.

Section 5 - Amends RCW 70A.15.5140 to add use of portable flame cap kilns in the list of priorities the Department of Natural Resources (DNR) must consider in encouraging landowners to develop and use alternative acceptable disposal methods.

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.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department of Ecology (Ecology). The Attorney General’s Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO’s authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agencies’ fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

Ecology will be billed for non-King County rates:

FY 2025 and FY 2026: \$5,000 for 0.1 FTE Assistant Attorney General (AAG) and 0.1 FTE Paralegal 1 (PL1) FTE

FY 2027 and each year thereafter: \$15,000 for 0.1 AAG and 0.1 PL1

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.

Attorney General’s Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2024 legislative session.

Location of staffing is assumed to be in a non-King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Ecology Division (ECY) Legal Services for the Department of Ecology (Ecology):

The AGO will bill the Ecology for legal services based on the enactment of this bill. Section 3 amends RCW 70A.15.5090, which prohibits setting fires “in the course of agricultural activities” without a permit issued by Ecology or a local air agency. Section 3(1) authorizes Ecology and local air agencies to issue permits for “the combustion of natural vegetation from agricultural activities in portable flame cap kilns,” and Section 3(5) limits the amount of fees that can be assessed for the issuance of such a permit to one dollar per ton of material burned. The ECY assumes that Ecology will need to amend Chapter 173-430 WAC (Agricultural Burning) in order to incorporate the statutory definition of “flame cap kiln” as well as the new fee limit. An Environmental Justice Assessment will also be required for this rulemaking under the Healthy Environment for All ACT (HEAL).

ECY assumes that Ecology will begin receiving permit applications for portable flame cap kilns upon adoption of a revised Chapter 173-430 WAC. ECY also assumes legal advice will be needed to support Ecology’s issuance of these permits to ensure they comply with the provisions of the Washington Clean Air Act and Chapter 173-430 WAC. In addition, such permitting decisions will be appealable to the Pollution Control Hearings Board (PCHB) under RCW 43.21B.110(1)(c).

ECY assumes that Ecology will begin providing technical assistance and initiating enforcement actions upon adoption of a revised Chapter 173-430. ECY also assumes legal advice will be needed to support Ecology’s development of notices of violation, enforcement orders, and civil penalties for permit violations, and for operating flame cap kiln without a proper permit. In addition, such enforcement actions would be appealable to the PCHB under RCW 43.21B.110(1)(a)(b).

In FY 2025 and FY 2026, an AAG will be required to provide legal advice and guidance to support the rulemaking process, beginning in July 2024 and ending in June 2026. In FY 2027 and subsequent years, an AAG will be required to provide legal advice and guidance to support Ecology’s permitting and enforcement efforts, legal services to support anticipated appeals of Ecology’s permitting decisions, and enforcement actions.

ECY: Total non-King County workload impact:
 FY 2025 and FY 2026: \$5,000 for 0.1 AAG and 0.1 PL1
 FY 2027 and in each FY thereafter: \$15,000 for 0.1 AAG and 0.1 PL1

2. The AGO Public Lands & Conservation Division (PLC) has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the Department of Natural Resources (DNR). DNR has assumed its present permitting scheme is sufficient to address the bill’s changes in Section 2(21), 4(3), and 5(2)(a) without amending DNR’s existing rules, and without changing DNR’s need for legal services. If these assumptions are correct, PLC concurs that DNR’s legal service needs will not be impacted by the substitute bill. Therefore, no costs are included in this request.

3. The AGO Agriculture and Health Division (AHD) has reviewed this bill and determined it will not increase or decrease the division’s workload. New legal services are nominal, and costs are not included in this request. Therefore, no costs are included in this request.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
405-1	Legal Services	State	0	5,000	5,000	20,000	30,000
	Revolving Account						
	Total \$		0	5,000	5,000	20,000	30,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.2	0.1	0.3	0.3
A-Salaries and Wages		3,000	3,000	13,000	20,000
B-Employee Benefits		1,000	1,000	4,000	6,000
E-Goods and Other Services		1,000	1,000	3,000	4,000
Total \$	0	5,000	5,000	20,000	30,000

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
Assistant Attorney General	129,100		0.1	0.1	0.1	0.1
Management Analyst 5	95,184				0.1	0.1
Paralegal 1	69,072		0.1	0.1	0.1	0.1
Total FTEs			0.2	0.1	0.3	0.3

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Ecology Division (ECY)		5,000	5,000	20,000	30,000
Total \$		5,000	5,000	20,000	30,000

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

Bill Number: 6121 S SB	Title: Biochar production	Agency: 461-Department of Ecology
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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	0.9	0.4	1.1	0.0
Account					
Air Pollution Control Account-State 216-1	0	145,398	145,398	393,093	29,000
Total \$	0	145,398	145,398	393,093	29,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 01/31/2024
Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 02/01/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/01/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	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.

Compared to SB 6121, SSB 6121 has the following changes:

- The term Biochar is replaced with Flame Cap Kilns as defined in section 2.
- Section 3 would amend RCW 70A.15.5090 to state that agricultural burning includes the combustion of natural vegetation from agricultural activities in portable flame cap kilns, provided that the biomass does not contain any prohibited materials as defined in RCW 70A.15.5010(1).
- Section 3(5) removes the previous reference to a new fee created for biochar production fees.

These changes result in a change to the fiscal impact for Ecology.

Currently, under the Washington Clean Air Act, chapter 70A.15 RCW, Ecology and local clean air agencies have authority to establish, implement, and enforce standards to control and prevent air pollution to protect public health and safety.

This bill would provide the Department of Natural Resources (DNR) authority to permit and assess permit fees for the combustion of natural vegetation from agricultural activities in portable flame cap kilns from the burning of natural vegetation from silvicultural activities. Ecology, local air agencies or a local entity with delegated authority would be authorized to charge fees for portable flame cap kilns for agricultural burning.

Section 2 would amend RCW 70A.15.1030 to add definitions Flame Cap Kiln and Silvicultural burning.

Section 3 would amend RCW 70A.15.5090 to specify that agricultural burning includes the combustion of natural vegetation from agricultural activities in portable flame cap kilns. This provision would authorize permit fees to be charged by Ecology, local air agencies, or a local entity with delegated permitting authority pursuant to RCW 70A.15.5100 at the time the permit is issued to assess and collect permit fees for burning under this section. Fees collected would be deposited in the Air Pollution Control Account except for that portion of the fee necessary to cover local costs of administering a permit issued with section 3. Fees would be set by rule by the permitting agency at the level determined by the agricultural burning practices and research task force.

Section 4 would amend RCW 70A.15.5120 to allow DNR to issue and regulate burn permits for combustion of natural vegetation from silvicultural activities in portable flame cap kilns.

Section 5 would amend RCW 70A.15.5140 to amend the list of alternative acceptable disposal methods that DNR should encourage to reduce the need for burning that includes use of portable flame cap kilns. Ecology assumes that we would continue to issue Notice of Construction and Air Operating Permits for portable flame cap kilns where required under federal rules.

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.

The cash receipts impact to Ecology under this bill is indeterminate for section 3.

Section 3(5) would allow Ecology, the appropriate local air authority, or a local entity with delegated permitting authority pursuant to RCW 70A.15.5100 to assess and collect permit fees for the combustion of natural vegetation from agricultural activities in portable flame cap kilns from agricultural waste as set by rule by the permitting agency at the level determined by the agricultural burning practices and research task force up to \$3.75 per acre to be burned, or, in the case of pile burning, up to \$1.00 per ton of material burned. Revenue would be deposited in the Air Pollution Control Account (APCA)

Revenue from fees assessed for the combustion of natural vegetation from agricultural activities in portable flame cap kilns is indeterminate. Fees would need to be set by rule by the permitting agency at the level determined by the task force up to \$3.75 per acre to be burned, or, in the case of pile burning, up to \$1.00 per ton of material burned. In addition, Ecology assumes that more information is required to assess the expected permit applications for the combustion of natural vegetation from agricultural activities in portable flame cap kilns upon adoption of a revised rule.

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 expenditure impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year (FY) 2025 and ongoing to implement the requirements of section 3. Costs to administer the permit program under section 3 are indeterminate.

Fund Source: Currently, Ecology has an existing agricultural burn permit program funded through the fees and penalties received through the program that are deposited into APCA. Ecology assumes funding to implement and administer the new permit program required under section 3 would be funded using APCA, similar to how Ecology's existing program is funded.

Section 3 – Rulemaking

Section 3(1) authorizes Ecology and local air agencies to issue permits for the combustion of natural vegetation from agricultural activities in portable flame cap kilns. We assume that Ecology would need to amend Chapter 173-430 WAC (Agricultural Burning) in order to incorporate the statutory definition of "flame cap kiln".

Ecology assumes that rulemaking would be moderately complex with a normal level of public interest and controversy. It would require 18 months, from July 2025 to January 2026. The rule would need to amend Chapter 173-430 WAC (Agricultural Burning) in order to incorporate the statutory definition of "flame cap kiln". This type of rulemaking would require one preproposal meetings to gather input from stakeholders. An Environmental Justice Assessment would also be required under the HEAL Act.

The following positions would be required for rulemaking:

0.5 FTE Environmental Planner 3 in FY 2025 and 0.25 FTE in FY 2026 – this position would be the rulemaking lead, coordinating the rulemaking effort.

0.25 FTE Environmental Engineer 6 in FY 2025 and 0.13 FTE in FY 2026 – this position would be the technical lead, advising on rule language and driving the overall policy change of the program.

The following positions would complete an economic and regulatory analysis of the rule: 0.2 FTE Economic Analyst 3 in FY 2026; 0.05 FTE Regulatory Analyst 2 in FY 2026

Ecology would hold at least one public hearing in FY 2025 for rulemaking. Goods and services estimates include facility rental costs estimated at \$1,000 per hearing.

The Attorney General's Office estimates 0.02 FTE Assistant Attorney General at a cost of \$5,800 in FY 2025 and 0.02 FTE at a cost of \$5,800 in FY 2026, and 0.05 FTE at a cost of \$14,500 ongoing to advise Ecology on supporting permitting and enforcement of the program. Expenditures are shown in goods and services.

Section 3 - Program Implementation

The fiscal impact to administer the permit program under section 3 is indeterminate. Ecology assumes that more information is required to assess the expected permit applications for the combustion of natural vegetation from agricultural activities in portable flame cap kilns upon adoption of a revised Chapter 173-430 WAC. Ecology assumes a requirement of resources to support issuance of permits to ensure they comply with federal requirements and the new general permit criteria under Chapter 173-430 WAC.

Ecology assumes resources would be required to support the enforcement of the revised rule, including the need to support Ecology's development of notices of violation, enforcement orders, and civil penalties for permit violations and for operating flame cap kilns without a proper permit that would need to be included in program implementation.

For the purposes of the fiscal note, Ecology assumes additional IT costs related to implementation requirements noted in section 3. Ecology estimates that we would have to add functionality to the Burn Permit Application (BPA) and the Air Quality Burn Permit System (AQBPS) for calculating permit fees. It would result in a new IT project beginning in FY 2026, estimated as follows:

0.1 FTE IT Manager – The program would require the assistance and management of a IT Manager to provide supervision, support, and outreach for the program through the duration of the IT project.

0.15 FTE IT Business Analyst - Journey in FY 2026 to update the existing BPA & AQBPS IT applications to align with the updated requirements.

0.2 FTE IT Application Developer - Senior in FY 2026 to update the existing BPA & AQBPS IT applications to align with the updated requirements.

0.5 FTE IT Application Developer – Journey in FY 2026 to update the existing BPA & AQBPS IT applications to align with the updated requirements.

0.1 FTE IT System Admin - Journey in FY 2026 to update the existing BPA & AQBPS IT applications to align with the updated requirements.

0.2 FTE IT Project Manager – Journey in FY 2026 to update the existing BPA & AQBPS IT applications to align with the updated requirements.

SUMMARY: The expenditure impact to Ecology under this bill is:

Section 3 Rulemaking is estimated to require:

FY 2025: \$145,398 and 0.86 FTEs

FY 2026: \$119,669 and 0.72 FTEs

Section 3 IT Implementation is estimated to require:

FY 2026: \$258,924 and 1.44 FTEs

Section 3 Program Implementation:

FY 2027 and ongoing: AGO costs of \$14,500 per year; all other costs indeterminate

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be:

FY 2025: \$145,398 and 0.86 FTEs

FY 2026: \$378,593 and 2.16 FTEs

FY 2027 and ongoing: Indeterminate

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 34.1% of salaries.

Goods and Services are the agency average of \$6,048 per direct program FTE. Also included are AGO costs of \$5,800 in FY 2025, \$5,800 in FY 2026, and \$14,500 in FY 2027 and ongoing.

Travel is the agency average of \$2,205 per direct program FTE.

Equipment is the agency average of \$1,286 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.8% of direct program salaries and benefits and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
216-1	Air Pollution Control Account	State	0	145,398	145,398	393,093	29,000
Total \$			0	145,398	145,398	393,093	29,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.9	0.4	1.1	
A-Salaries and Wages		75,515	75,515	203,867	
B-Employee Benefits		25,751	25,751	69,520	
E-Goods and Other Services		11,336	11,336	31,671	29,000
G-Travel		1,654	1,654	4,147	
J-Capital Outlays		965	965	2,418	
9-Agency Administrative Overhead		30,177	30,177	81,470	
Total \$	0	145,398	145,398	393,093	29,000

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

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
ECONOMIC ANALYST 3	95,627				0.1	
ENVIRONMENTAL ENGINEER 6	128,628		0.3	0.1	0.1	
ENVIRONMENTAL PLANNER 3	86,716		0.5	0.3	0.1	
FISCAL ANALYST 2			0.1	0.0	0.1	
IT APP DEVELOPMENT-JOURNEY	107,154				0.3	
IT APP DEVELOPMENT-SR/SPEC	124,071				0.1	
IT APP DEV-JOURNEY			0.0	0.0	0.1	
IT BUSINESS ANALYST-JOURNEY	107,154				0.1	
IT PROJECT MGMT-JOURNEY	112,540				0.1	
IT PROJECT MGMT-MANAGER	136,745				0.1	
IT SYSTEM ADMIN-JOURNEY	112,540				0.1	
REGULATORY ANALYST 2	88,798				0.0	
Total FTEs			0.9	0.4	1.1	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

Part V: New Rule Making Required

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

Ecology assumes we would need to amend Chapter 173-430 WAC (Agricultural Burning) for the requirements under section 3 to establish the permit program requirements by rule.

Individual State Agency Fiscal Note

Bill Number: 6121 S SB	Title: Biochar production	Agency: 490-Department of Natural Resources
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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:

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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 01/31/2024
Agency Preparation: Zoe Catron	Phone: 360-902-1121	Date: 02/02/2024
Agency Approval: Brian Considine	Phone: 3604863469	Date: 02/02/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/02/2024

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 substitute bill replaces the term 'Biochar production units' with 'flame cap kilns'.

Section (1) of this bill proposes the development of distributed portable flame cap kilns to generate local place-based sources of biochar from natural vegetation as a necessary component of an integrated land management strategy that: (1) Reduces greenhouse gas emissions; (2) Produces durable biogenic carbon storage, either in situ or for distribution elsewhere; and (3) Minimizes air quality impacts from open burning.

Any updates to the burn permitting system, if necessary, would be part of the maintenance agreement already established with the vendor, so no new cost would be incurred. Any work necessary to implement this bill will be supported with existing staff capacity.

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.

Section (4): DNR does not expect there to be a significant increase in burn permits due to the agency's need to consider the air quality particulate matter threshold for any requested burning within DNR's jurisdiction. Any potential revenues would go to Fund 216 (Air Pollution Control Account) which is administered by the Department of Ecology.

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

Bill Number: 6121 S SB	Title: Biochar production	Agency: 495-Department of Agriculture
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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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 01/31/2024
Agency Preparation: Dani Gelardi	Phone: 360-791-3903	Date: 02/05/2024
Agency Approval: Lori Peterson	Phone: 360-974-9767	Date: 02/05/2024
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/05/2024

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.

Compared to SB 6121, SSB 6121 replaces references to biochar units with references to portable flame cap kilns. These changes would not modify Washington State Department of Agriculture's (WSDA's) fiscal impact.

Under current law, agricultural burning permits are issued by the Department of Ecology and local air pollution control authorities, and forest burning permits are issued by the Department of Natural Resources. The proposed legislation would amend the permitting requirements for controlled agricultural burns to include permits for small-scale biochar production, modify definitions, and establish permit fees. WSDA does not review, issue, or enforce the terms of these burn permits. Because the proposed legislation would not modify WSDA's statutory requirements or delegate any new authority to WSDA, there would be no fiscal impact to WSDA.

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.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 6121 S SB

Title: Biochar production

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: 02/02/2024
Leg. Committee Contact: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 01/31/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/02/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/02/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

This note is on 6121 S SB and compares it to 6121 SB.

CHANGES BETWEEN THIS VERSION AND THE PREVIOUS VERSION:

This substitute version of the bill replaces “biochar production units for forestry and agricultural waste management of clean cellulosic biomass” with “portable flame cap kilns for silvicultural and agricultural management of natural vegetation.” A definition of flame cap kilns is provided to reference the burning of natural vegetation from agricultural or silvicultural activities. These changes include:

Sec. 2 is amended to revise the definition of “silvicultural burning” to mean the burning of wood fiber on forestland or combustion of natural vegetation from silvicultural activities. The definition of “biochar,” “biochar micro unit,” “biochar mini unit,” and “clean cellulosic biomass” are removed. A definition of “flame cap kiln” is added.

Sec. 3 is amended to clarify the definition of agricultural burning does not include any prohibited materials such as garbage, dead animals, petroleum products, or other specified substances.

These changes do not affect the fiscal impacts discussed below.

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 bill would not impact local government expenditures.

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 bill would not impact local government revenues.

The costs to administrate permits is indeterminate. However, any increase or decrease in permit revenues for local governments would likely be equal to the expenditure impact.

SOURCES

Washington Association of Conservation Districts (WACD)

Washington Fire Commissioners Association



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
6121 S SB	Biochar production

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

Estimated Cash Receipts

Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Ecology Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Natural Resources	0	0	0	0	0	0	0	0	0	0	0
Department of Agriculture	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 6121 S SB	Title Biochar production	Agency 100 Office of Attorney General
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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												
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Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 2/5/2024 3:08:24 pm
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 2/5/2024 3:08:24 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6121 S SB	Title Biochar production	Agency 461 Department of Ecology
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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)

Section 3 – Fees for implementation

The revenue impact to Ecology under this bill indeterminate to implement the requirements of section 3.

Ecology assumes that there more information is required to assess the expected permit applications for the combustion of natural vegetation from agricultural activities in portable flame cap kilns upon adoption of a revised Chapter 173-430 WAC. Ecology assumes a requirement of resources to support issuance of the flame cap kilns perm to ensure they comply with federal requirements and the new general permit criteria under Chapter 173-430 WAC.

Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 2/1/2024 2:46:16 pm
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 2/1/2024 2:46:16 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6121 S SB	Title Biochar production	Agency 490 Department of Natural Resources
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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												
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Agency Preparation: Zoe Catron	Phone: 360-902-1121	Date: 2/2/2024 3:53:20 pm
Agency Approval: Brian Considine	Phone: 3604863469	Date: 2/2/2024 3:53:20 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 6121 S SB	Title Biochar production	Agency 495 Department of Agriculture
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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												
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Agency Preparation: Dani Gelardi	Phone: 360-791-3903	Date: 2/5/2024 5:30:45 pm
Agency Approval: Lori Peterson	Phone: 360-974-9767	Date: 2/5/2024 5:30:45 pm
OFM Review:	Phone:	Date: