

Multiple Agency Fiscal Note Summary

Bill Number: 2301 S HB	Title: Waste material management
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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	108,000	0	0	132,000	0	0	117,000
Total \$	0	0	108,000	0	0	132,000	0	0	117,000

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

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	.4	0	0	108,000	.5	0	0	132,000	.5	0	0	117,000
Department of Commerce	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Superintendent of Public Instruction	.0	9,000	9,000	9,000	.0	2,000	2,000	2,000	.0	0	0	0
Department of Ecology	4.9	0	0	2,412,896	5.5	0	0	2,230,211	2.3	0	0	1,243,553
Department of Ecology	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Agriculture	1.6	445,502	445,502	674,747	3.9	1,082,536	1,082,536	1,348,367	3.5	1,082,536	1,082,536	1,239,130
Total \$	6.9	454,502	454,502	3,204,643	9.9	1,084,536	1,084,536	3,712,578	6.3	1,082,536	1,082,536	2,599,683

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			125,460			250,920			250,920
Local Gov. Other	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Local Gov. Total			125,460			250,920			250,920

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 Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Superintendent of Public Instruction	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

Prepared by: Matthew Hunter, OFM	Phone: (360) 529-7078	Date Published: Final 2/13/2024
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Individual State Agency Fiscal Note

Bill Number: 2301 S HB	Title: Waste material management	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		108,000	108,000	132,000	117,000
Total \$		108,000	108,000	132,000	117,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.8	0.4	0.5	0.5
Account					
Legal Services Revolving Account-State 405-1	0	108,000	108,000	132,000	117,000
Total \$	0	108,000	108,000	132,000	117,000

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:	Phone:	Date: 02/02/2024
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/07/2024
Agency Approval: Edd Giger	Phone: 360-586-2104	Date: 02/07/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 02/07/2024

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 101 - New section. Legislative findings.

Section 201 - New section. Adding to RCW 70A.207. Authorizing the Department of Ecology (Ecology) to create grant programs to support activities that reduce emissions from landfills and waste-to-energy facilities through the diversion of organic materials and food waste prevention, rescue, and recovery.

Section 202 - New section. Adding to RCW 70A.207. Authorizing Ecology to create grant programs to support the implementation of RCW 70A.205.540 and RCW 70A.205.545, relating to organize waste collection.

Section 203 - Technical amendments to RCW 70A.207.020.

Section 204 - New section. Adding to RCW 43.32. Requiring the Department of Agriculture (AGR) to implement the Washington State commodities donation grant program.

Section 205 - Amending RCW 70A.214.100. Allocating \$1 million per biennium to the Waste Not Washington State awards program.

Section 301 - Amending 70A.205.540. Miscellaneous amendments to the organic solid waste collections services provisions. Sets out dates when certain collection services must start and what the collection services must include. This section does not impact pest and noxious weed control.

Section 302 - New section. Adding to RCW 70A.205. Requiring Ecology to amend its rules to require that composter and anaerobic digester facility operator managers and supervisors complete, annually, at least 10 hours of organic materials management training.

Section 303 - Technical amendments to 70A.205.545.

Section 304 - New section. Adding to RCW 70A.205. Requiring color containers for certain recyclable and organic materials. Authorizing Ecology to make rules regarding such containers.

Section 305 - New section. Adding to RCW 70A.205. Making certain requirements relating to organic materials contaminated with clopyralid, aminopyralid, or other similar herbicides.

Section 401 - New section. Ecology in consultation with AGR must carry out a study and submit a report the legislature by September 1, 2025 addressing the status of produce sticker technologies.

Section 501 - Technical amendments to RCW 70A.455.02.

Section 502 - Technical amendments to RCW 70A.455.040.

Section 503 - Technical amendments to RCW 70A.455.070.

Section 504 - New section. Adding to RCW 70A.455. Creating requirements as to home compostable labeling.

Section 505 - Amending RCW 70A.455.090. Requiring cities or counties seeking to enforce the chapter to notify AGR, with a letter of intent that includes certain specified information.

Section 601 - Technical amendments to RCW 15.04.420.

Section 602 - Technical amendments to RCW 43.19A.150.

Section 701 - New section. Adding to RCW 19.27. Authorizing the governing body of each county or city to amend building codes applicable to providing storage for solid waste as applied to multifamily residential buildings.

Section 702 - New section. Requiring Ecology's Center of Sustainable Food Management to convene a work group to address mechanisms to mandate or otherwise improve the rescue of food waste. Requiring Ecology to submit a report to the legislature by September 1, 2025. Describing the requirements of the composition of the workgroup.

Section 703 - New section. Severability clause.

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

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 agencies are the Department of Agriculture (AGR) and 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:

AGR will be billed for non-King County rates:

FY 2025: \$88,000 for 0.3 Assistant Attorney General FTE (AAG) and 0.2 Paralegal 1 FTE (PL1)

FY 2026 and in each even FY thereafter: \$68,000 for 0.3 AAG and 0.2 PL1

FY 2027 and in each odd FY thereafter: \$49,000 for 0.2 AAG and 0.1 PL1

Ecology will be billed for non-King County rates:

FY 2025: \$20,000 for 0.1 AAG and 0.1 PL1

FY 2026: \$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 Agriculture and Health Division’s (AHD) Legal Services for the Department of Agriculture (AGR):

AGO will bill AGR for legal services based on the enactment of this bill. Section 204 would require AGR to establish a \$25 million Center for Sustainable Food Management Grants program. AHD estimates this work would require new legal services for rulemaking and advice on implementation 520 hours in FY 2025. Ongoing advice would be required on program administration. Grant agreements will likely coincide with the biennial cycle, assuming more legal services will be needed in the first biennial years, estimated at 416 hours per FY. The second biennial years will require slightly less legal advice, estimated at 312 hours per year. Section 601 would require AGR to make changes to the Compost Reimbursement Program, which would require 12 hours of legal services in FY 2025.

AHD: Total non-King County workload impact:
 FY 2025: \$88,000 for 0.3 AAG and 0.1 PL1
 FY 2026 and in each even FY thereafter: \$68,000 for 0.3 AAG and 0.2 PL1
 FY 2027 and in each odd FY thereafter: \$49,000 for 0.2 AAG and 0.1 PL1

2. Assumptions for the AGO Ecology Division’s (ECY) Legal Services for the Department of Ecology (Ecology):

AGO will bill Ecology for legal services based on the enactment of this bill. ECY will provide advice on rulemaking to add five new grant programs under Ecology’s Center for Sustainable Food Management, and advice on rulemaking to amend WAC 173-350 to add compost facility and anaerobic digester operator training. ECY will provide additional advice on rulemaking for standards by which local jurisdictions may exempt individuals from only using curbside collection services to discard organic materials by January 1, 2026.

ECY: Total non-King County workload impact:
 FY 2025: \$20,000 for 0.1 AAG and 0.1 PL1
 FY 2026: \$15,000 for 0.1 AAG and 0.1 PL1

3. AHD has reviewed this bill and determined it will not increase or decrease the division’s workload in representing the Department of Commerce (Commerce) or Department of Health (DOH). Neither Commerce or DOH have new responsibilities or authorities under the bill. Therefore, no costs are included in this request.

Total AGO non-King County workload impact:
 FY 2025: \$108,000 for 0.4 AAG and 0.2 PL1
 FY 2026: \$83,000 for 0.3 AAG and 0.2 PL1
 FY 2027 and in each odd FY thereafter: \$49,000 for 0.2 AAG and 0.1 PL1
 FY 2028 and in each even FY thereafter: \$68,000 for 0.3 AAG and 0.2 PL1

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	108,000	108,000	132,000	117,000
	Revolving Account						
Total \$			0	108,000	108,000	132,000	117,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.8	0.4	0.5	0.5
A-Salaries and Wages		74,000	74,000	91,000	81,000
B-Employee Benefits		22,000	22,000	27,000	24,000
E-Goods and Other Services		11,000	11,000	14,000	12,000
G-Travel		1,000	1,000		
Total \$	0	108,000	108,000	132,000	117,000

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		0.4	0.2	0.3	0.3
Management Analyst 5	95,184		0.2	0.1	0.1	0.1
Paralegal 1	69,072		0.2	0.1	0.2	0.2
Total FTEs			0.8	0.4	0.5	0.5

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Agriculture & Health Division (AHD)		88,000	88,000	117,000	117,000
Ecology Division (ECY)		20,000	20,000	15,000	
Total \$		108,000	108,000	132,000	117,000

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: 2301 S HB	Title: Waste material management	Agency: 103-Department of Commerce
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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:	Phone:	Date: 02/02/2024
Agency Preparation: Chad Johnson	360-725-5028	Date: 02/13/2024
Agency Approval: Chad Johnson	360-725-5028	Date: 02/13/2024
OFM Review: Cheri Keller	(360) 584-2207	Date: 02/13/2024

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.

Substitute House Bill 2301 removes the reference to any changes in Sec. 403 (4) (5). This bill no longer effects the Department of Commerce and has no fiscal impact to the Agency.

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.

This bill removes reference to the Department. No fiscal impact.

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: 2301 S HB	Title: Waste material management	Agency: 179-Department of Enterprise Services
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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:	Phone:	Date: 02/02/2024
Agency Preparation: Michael Diaz	Phone: (360) 407-8131	Date: 02/05/2024
Agency Approval: Jessica Goodwin	Phone: (360) 819-3719	Date: 02/05/2024
OFM Review: Val Terre	Phone: (360) 280-3973	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.

Section 701 is a new section added to chapter 19.27 RCW allowing the governing body of each county or city to amend requirements in the state building code, as it applies within the jurisdiction of the county or city, that apply to providing for the storage of solid waste in multifamily residential buildings.

The Department of Enterprise Services (DES) manages all statewide contracts. The work associated with updating statewide contracts impacted by this bill can be done within existing resources. Section 701 does not require the State Building Code Council to develop any new codes, therefore any work needed to implement this section can be done within existing resources.

There is no fiscal impact to the Department of Enterprise Services.

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.

Individual State Agency Fiscal Note

Bill Number: 2301 S HB	Title: Waste material management	Agency: 303-Department of Health
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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:	Phone:	Date: 02/02/2024
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 02/06/2024
Agency Approval: Amy Burkel	Phone: 3602363000	Date: 02/06/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/07/2024

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.

The fiscal impact to the Department of Health (the Department) has not changed from the previous fiscal note on S HB 2301.

Part 2, Section 201 (2)(c) directs the Department to provide consultation for the development of grant programs to support the establishment of and expansion of wasted food reduction programs to benefit vulnerable communities.

Part 4, Section 402 (1) directs Ecology and WSDA to study the options for compostable produce stickers/labels. Previous language concerning the department consulting on pull dates has been removed.

Part 7, Section 702 (3)(k) directs the Department to participate in a work group to make recommendations using consensus-based decision making that will be submitted to the Legislature by September 1st, 2025.

The department estimates the staff costs to meet the requirements to be minimal and will be absorbed by existing staff and resources. No fiscal impact to the department.

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.

None

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

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: 2301 S HB	Title: Waste material management	Agency: 350-Superintendent of Public Instruction
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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	0.1	0.0	0.0	0.0
Account					
General Fund-State 001-1	0	9,000	9,000	2,000	0
Total \$	0	9,000	9,000	2,000	0

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact:	Phone:	Date: 02/02/2024
Agency Preparation: Tisha Kuhn	Phone: 360 725-6424	Date: 02/04/2024
Agency Approval: Amy Kollar	Phone: 360 725-6420	Date: 02/04/2024
OFM Review: Brian Fechter	Phone: (360) 688-4225	Date: 02/04/2024

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.

Changes compared to HB 2301

Section 702(1): Modifies the items that the work group must consider when addressing ways to improve the rescue of edible food waste from commercial generators.

Section 702(3): Expands the committee membership to include additional organizational representation.

Summary of SHB 2301

Section 205 (Amended)

Section 205(2):

- Language revised informing that participating schools in the waste reduction and recycling program may receive an award no more than \$10,000. Strikes previous amount of five thousand dollars.
- Language revised indicating that a single award of not less than \$10,000 may be presented to the school having the best waste reduction program as determined by the Office of Waste Management. Strikes previous amount of five thousand dollars.
- Language added informing that it is the intent of the legislature to consistently and sustainably allocate at least \$1,000,000 per biennium, continuing over multiple biennia, to the awards program established in this section.

Section 702 (New Section)

Section 702(1):

- Requires the Department of Ecology's center for sustainable food management to create a workgroup to address mechanisms to mandate or otherwise improve the rescue of edible food waste from commercial generators, including food service, retail establishments, and processors that generate excess supply of edible food.
- Requires the workgroup to consider the following:
 - o Logistics to phase in edible food donation programs, including incentives;
 - o The food recovery network systems necessary to support increased donation of edible food by commercial generators;
 - o Assess asset gaps and food infrastructure development needs.
 - o Facilitate the creation of networks and partnerships to address gaps and needs and develop innovative partnerships and models where appropriate;
 - o Actions taken, costs, and lessons learned by other jurisdictions in the United States that have enacted policies focused on reducing edible commercially generated food waste and from voluntary pilot projects carried out by commercial generators of food waste.

Section 702(2):

- Requires the Department of Ecology to submit a report to the legislature by September 1, 2025, containing the recommendations of the workgroup.
- Requires the report to include recommendations where general stakeholder consensus has been achieved and note varied opinions where stakeholder consensus has not been achieved.

Section 702(3):

Requires the Department of Ecology to select at least one member of the work group from various cities, counties, organizations, state agencies, to include the Office of Superintendent of Public Instruction.

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.

No cash receipts impact anticipated.

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.

Section 205 is a grant program through the Office of Waste Reduction, in consultation with OSPI, to award schools participating in a waste reduction and recycling program. The amount of the awards has been revised from \$5,000 to \$10,000.

There is no fiscal impact to OSPI for this section. There is no new work identified for OSPI.

Section 702 requires the Department of Ecology’s center for sustainable food management to create a workgroup and select at least one member from various cities, counties, associations, organizations, and state agencies, to address mechanisms to mandate or otherwise improve the rescue of edible food waste from commercial generators, including food service, retail establishments, and processors that generate excess supply of edible food. OSPI is identified as a required member of the workgroup.

To accomplish this work, OSPI assumes the following staffing:

- In FY25, a .05 FTE of a Program Supervisor’s time would be required to attend meetings. collaborate with external stakeholders and/or workgroup members, assist with the creation of networks and partnerships to address gaps and needs to develop innovative partnership and models, assess asset gaps and food infrastructure development needs, examine actions taken, costs, and lessons learned by other jurisdictions in the United States, and contribute to the report to the legislature.
- In FY26, a .01 FTE of a Program Supervisor’s time would be required to assist in finalizing the report by the September 1, 2025 submission deadline.

The cost for this staffing is estimated at \$9,000 in FY25 and \$2,000 in FY26.

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	9,000	9,000	2,000	0
Total \$			0	9,000	9,000	2,000	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.1	0.0	0.0	
A-Salaries and Wages		4,708	4,708	942	
B-Employee Benefits		3,052	3,052	922	
C-Professional Service Contracts					
E-Goods and Other Services		338	338	68	
G-Travel		338	338	68	
J-Capital Outlays		564	564		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	9,000	9,000	2,000	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
Program Supervisor	94,165		0.1	0.0	0.0	
Total FTEs			0.1	0.0	0.0	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

No capital budget impact anticipated.

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: 2301 S HB	Title: Waste material management	Agency: 461-Department of Ecology
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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	9.9	5.0	5.5	2.3
Account					
Model Toxics Control Operating Account-State 23P-1	0	2,412,896	2,412,896	2,230,211	1,243,553
Total \$	0	2,412,896	2,412,896	2,230,211	1,243,553

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:	Phone:	Date: 02/02/2024
Agency Preparation: My-Hanh Mai	Phone: 360-742-6931	Date: 02/05/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/05/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/07/2024

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 HB 2301, SHB 2301 has the following substantive changes:

- Section 301 requires Ecology to adopt standards for persons to be exempt from organic material disposal service requirements when using alternative mechanisms that provide equal or better environmental outcomes by January 1, 2026.
- Section 301 changes the requirement that source-separated organic collection must be provided weekly in certain jurisdictions to being provided year-round service unless granted a waiver by Ecology. Section 301 specifies that a customer may receive an exemption from a local jurisdiction from the 2030 requirement to use non-elective organic material management collection services for on-site management or self-hauling.
- Section 401 requires Ecology, in consultation with Washington State Department of Agriculture (WSDA), to study sticker technology compostability, performance, printability, and cost and submit a report to the Legislature by September 1, 2025.
- Eliminates prohibitions on plastic produce stickers and date labeling requirements related to food (section 502 in the original bill). These changes result in a change to the fiscal impact for Ecology.
- Section 501 authorizes products to be labeled as compostable if they meet the ASTM standard D8410 for cellulosic fiber packaging materials or otherwise require fiber-based products labeled as compostable to be 99 percent fiber rather than 98 percent fiber.
- Section 601 requires permit-exempt solid waste facilities that generate compost to accept food waste to be eligible for WSDA's compost reimbursement program.

The changes in this bill would change the fiscal impact to Ecology.

Under current law, Ecology implements the Organics Management Law, which establishes the Washington Center for Sustainable Food Management (Food Center) within Ecology and requires diversion of organic materials from landfill disposal to food rescue programs and organics management facilities.

The bill would:

- Establish five new grant programs under the Food Center to support food waste reduction, food rescue, and other organic material management system improvements.
- Increase the award thresholds for the Waste Not Washington School Awards from \$5,000 to \$10,000 and establish the intent to allocate a minimum of \$1,000,000 per biennium.
- Mandate year-round source-separated collection of organic materials for jurisdictions that implement local solid waste plans beginning April 1, 2027. This would require jurisdictions to provide collection on a nonelective basis for both food and yard waste by 2030.
- Specify that facilities must have year-round capacity and are willing to accept increased volumes of organic materials to be included in Business Organic Management Area, mandate annual training for compost facility managers and supervisors, and every other year for anaerobic digester facility managers and operators, and ban organic materials treated with certain pesticides as compost feedstocks.
- Standardize trash, recycling, and organics collection bin colors, and add criteria to label products as home compostable.
- Require Ecology, in consultation with the Washington State Department of Agriculture, to study sticker technology compostability, performance, printability, and cost and submit a report to the Legislature by September 1, 2025.
- Require Ecology to convene a workgroup to improve edible food rescue in Washington and prepare a legislative report with the outcomes from the workgroup by September 1, 2025.

PART 2 – FUNDING FOR SUSTAINABLE FOOD MANAGEMENT PRIORITIES

Section 201 would require Ecology to develop and administer four grant programs through the Center for Sustainable Food Management (Food Center). These grant programs would support activities that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials and food waste prevention, rescue, and recovery. Ecology would be required to design these grant programs in consultation with the Washington State Department of Agriculture (WSDA), Department of Health (DOH), and other stakeholders.

Section 202 would require Ecology to develop and administer the Sustainable Food Management Policy Implementation Grants to support implementation of organics management laws, with priority given to grants that implement RCW 70A.205.540 and 70A.205.545.

Section 203 would amend the Washington Center for Sustainable Food Management law, RCW 70A.207.020, to include the grant programs in sections 201 and 202 and other pertinent agency costs to implement this bill.

Section 204 would establish the Washington Commodities Donation Grant Program within the Washington State Department of Agriculture (WSDA).

Section 205 would amend the Waste Not Washington Awards, RCW 70A.214.100, to increase the maximum award amounts from \$5,000 to \$10,000 and establish the intent of the Legislature to allocate a minimum of \$1,000,000 per biennium.

PART 3 – AMENDMENTS TO SOLID WASTE LAWS

Section 301 would amend RCW 70A.205.540 to mandate source-separated collection of organic materials for jurisdictions that implement local solid waste plans. Beginning April 1, 2027, jurisdictions would be required to provide year-round collection for source-separated organic solid waste services. By April 1, 2030, jurisdictions would be required to provide collection on a nonelective basis for both food and yard waste, and organics management facilities would be required to accept food waste. Ecology would be authorized to grant waivers for jurisdictions to reduce collection frequency for the collection of dehydrated food waste or to address food waste managed through other technologies that reduce volume or odors. Ecology may adopt rules to amend jurisdictional organics management requirements if 2030 organic material diversion rates are not met. Ecology would identify which jurisdictions would need to comply with the requirements and create and maintain a map of those jurisdictions. Ecology would develop resources, provide outreach to notify jurisdictions of the requirements and support with technical assistance needed to comply. Ecology may grant 5-year renewable waivers for jurisdictions to exclude them organics collection requirements. Ecology would be required to adopt standards which local jurisdictions may use to exempt persons from this requirement if organic materials will be managed through an alternative mechanism that provides equal or better environmental outcomes.

Section 302 would require Ecology to amend its rules to establish annual training requirements for compost facility managers and supervisors and every-other-year training requirements for anaerobic digester facility managers and operators, to complete at least 10 hours of organic materials management training from organizations or training providers other than the facility operator. The training may be offered in a virtual format.

Section 303 would amend RCW 70A.205.545 to specify that facilities must have year-round capacity and be willing to accept increased volumes of organic materials. The bill would require local governments to request exclusions from business organic management areas and provide supporting evidence for their request. Ecology would be required to confirm the supporting evidence to grant an exclusion. The bill would adjust the 2026 threshold for mandatory collection from businesses from four cubic yards of solid waste to 96 gallons of organic waste.

Section 304 would standardize the colors of collection containers. Ecology would be authorized to determine, by rule, appropriate container or containers to be used for materials that could conceivably be placed in multiple containers. Ecology would be authorized to adopt rules to prohibit additional waste stream contaminants from being placed in the wrong containers.

Section 305 would ban agricultural waste, yard waste, and other organic material waste known or likely to be contaminated with clopyralid, aminopyralid, or other herbicides in the picolinic acid family, as identified by Ecology by rule, from organic materials management facilities.

PART 4 – STATUS ASSESSMENT OF PRODUCE STICKER TECHNOLOGIES

Section 401 would require Ecology, in consultation with WSDA, to carry out a study addressing produce sticker technologies including options that do not include plastic stickers or adhesives or that otherwise meet compostability standards. A report is due to the legislature by September 1, 2025.

PART 5 – PRODUCT DEGRADABILITY RESTRICTIONS

Section 501 would amend RCW 70A.455.020 to include amending the definition for “Producer.” It would also amend the definition of standard specification to include ASTM D8410 for cellulosic fiber-based packaging.

Section 502 would amend definitions in RCW 70A.455.040 and clarify the definition of “compostable” products including adding the ASTM standard D8410 or include a fiber-based substrate that is 99% fiber with no plastic or polymer additives or coatings.

Section 503 would define “tinting” and would allow previously prohibited color schemes on non-compostable products to be used in lettering or logos to identify a brand.

Section 504 would define “home compostable,” and “home compostable,” labeling requirements. Ecology would need to develop resources and technical assistance tools to communicate the new definitions.

Section 505 would amend RCW 70A.455.090 to include city and county enforcement reporting requirements. Cities or counties issuing labeling requirement enforcement would be required to notify Ecology with a letter of intent including details of enforcement activities, geographic boundaries within the enforcement, and details of technical assistance or support requested of Ecology.

PART 6 – COMPOST PURCHASES

Section 601 would amend RCW 15.04.420 to specify compost reimbursement program eligibility requirements. The amendment would remove solid waste terminology and add reimbursement eligibility for compost containing vegetative waste feedstocks or food waste feedstocks. This compost would be required to meet the applicable requirements for compost established by Ecology under chapter 70A.205 RCW.

Section 602 would change reporting for the compost procurement ordinances to occur annually instead of every other year.

PART 7 - MISCELLANEOUS

Section 701 would authorize county and city governments to amend requirements in the state building code. The amended building code for multifamily residential buildings solid waste requirements include providing adequate space for the colocation of organic material waste and recycling collection containers with garbage containers, signage for organics and recycling container locations, and the distribution of educational and outreach materials.

Section 702 would establish a food rescue workgroup housed under the Food Center and task Ecology to develop a report to the Legislature by September 1, 2025. The workgroup would address mechanisms to mandate or otherwise improve the rescue of edible food waste from commercial generators and would be required to consider the following:

- Logistics to phase in edible food donation programs, including incentives

- The food recovery network systems necessary to support increased donations of edible food from commercial generators.
- Assess gaps and food infrastructure development needs.
- Actions taken, costs, and lessons learned by other jurisdictions in the US that have enacted food waste reduction and food rescue policies.

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.

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 sections 201, 202, 301-305, 401-403, 505, and 702. Expenditures for grant administration in sections 201 and 202 are indeterminate.

Ecology's costs to implement this bill are assumed to be funded with MTCA-Operating, the same fund source that supports the implementation of the Organics Management Law.

Food Center Grant Programs (Section 201)

Section 201 would require Ecology to develop and administer grant programs through the Center for Sustainable Food Management (Food Center). These grant programs would support activities that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials and food waste prevention, rescue, and recovery. Ecology would be required to design these grant programs in consultation with the WSDA, DOH, and other various stakeholders.

Ecology assumes four grant programs would be developed under this section with different eligibility criteria, applicants, and uses of funds. Ecology assumes rulemaking would be required to establish the grant programs and program development would be concurrent with rulemaking. Program development concurrent with rulemaking would include conducting the agency process to establish new grant programs including the environmental justice assessment and drafting guidelines. Finalizing the grant programs, including application forms, providing internal and external training, and remaining guidance development would occur after rulemaking is complete.

Based on our experience in establishing other grant programs, the development of the four grant programs is estimated to require:

0.50 FTE Environmental Planner 4 (EP4) in FY 2025 to develop guidelines, outreach materials, application forms, and new grant program training materials for four grant programs. And 0.20 FTE EP4 in FY 2026 to continue guideline work concurrent with rulemaking. Ecology assumes we would conduct an Environmental Justice Assessment in FY 2025 as required under the HEAL Act, Chapter 70A.02 RCW.

0.40 FTE Communications Consultant 3 (CC3) in FY 2025 to review and edit the outreach materials prepared by the EP-4 and create an agency website to publish the material for four grant programs.

Additional costs to establish a new grant program and applications in the Agency's Administration of Grants and Loans (EAGL) system are \$80,000 in FY 2025, as shown in Goods and Services (Object E). EAGL system maintenance cost is \$10,000 each year (part of ongoing implementation costs; thus, this is not included in the costs of this fiscal note).

INDETERMINATE COST ASSUMPTIONS: Ecology assumes implementation of the grant programs under this section is

indeterminate since the appropriation level for the grant programs is not provided in this bill. If an appropriation is not provided during the 2024 legislative session, Ecology would request funding authority during the next budget to implement these grant programs. Ecology's costs to administer the grant programs depend on the complexity and size of the programs. Ecology assumes staff resources would be required to provide technical assistance and training to grant recipients, write and manage grant agreements, and coordinate with agency grant system administration staff on grant application forms.

Sustainable Food Management Policy Implementation Grants (Section 202)

Section 202 would require Ecology to develop and administer the Sustainable Food Management Policy Implementation Grants to support the implementation of organics management laws, with priority given to grants that implement RCW 70A.205.540 and 70A.205.545.

Ecology assumes one grant program would be developed under this section. Ecology assumes rulemaking would be required to establish this grant program and it would be combined with the rulemaking for section 201. Ecology assumes grant program development would be concurrent with rulemaking. For example, concurrent with rulemaking, Ecology would initiate stakeholder work, conduct an environmental justice assessment, and begin building the internal grant structure based on legislatively established applicant and project eligibility.

Based on our experience in establishing other grant programs, the development of the grant program is estimated to require:

0.15 FTE Environmental Planner 4 (EP4) in FY 2025 to develop guidelines, outreach materials, application forms, and new grant program training materials for the grant program. And 0.06 FTE EP4 in FY 2026 to continue guideline work concurrent with rulemaking. Ecology assumes we would conduct an Environmental Justice Assessment in FY 2025 as required under the HEAL Act, Chapter 70A.02 RCW.

0.05 FTE Communications Consultant 3 (CC3) in FY 2025 to review and edit the outreach materials prepared by the EP-4 and create an agency website to publish the material for four grant programs.

Additional costs to establish a new grant program and applications in the Agency's Administration of Grants and Loans (EAGL) system are \$20,000 in FY 2025, as shown in Goods and Services (Object E). EAGL system maintenance cost is \$10,000 each year (part of ongoing implementation costs; thus, this is not included in the costs of this fiscal note).

INDETERMINATE COST ASSUMPTIONS: Ecology assumes implementation of the grant program under this section is indeterminate since the appropriation level for the grant programs is not provided in this bill. If an appropriation is not provided during the 2024 legislative session, Ecology would request funding authority during the next budget to implement these grant programs. Ecology's costs to administer the grant programs depend on the complexity and size of the programs. Ecology assumes staff resources would be required to provide technical assistance and training to grant recipients, write and manage grant agreements, and coordinate with agency grant system administration staff on grant application forms.

RULEMAKING: ESTABLISHING GRANT PROGRAMS (Sections 201 and 202)

Ecology assumes rulemaking would be required to establish five grant programs under sections 201 and 202. Ecology would use rulemaking to establish participant and project eligibility, additional grant eligibility, and reporting criteria. For example, the 2021 Use Food Well Washington (UFWW) plan recommended 30 specific actions and associated implementation costs to rescue edible food and to recover food waste. Rulemaking would establish specific criteria to ensure applicants and projects helped implement UFWW plan recommendations, such as funding staff and infrastructure to improve the donated food supply cold chain.

Ecology assumes this rulemaking would be highly complex and generate substantial public interest and input. It would

require at least 2 years, from October 2024 to September 2026. Ecology assumes we would create a rule advisory committee to develop draft language throughout the rulemaking process. Based on the chapter 70A.245 RCW rule, we assume this type of rulemaking would include three preproposal meetings to gather input from stakeholders, and then three public hearings to accept comments on the rule proposal. Ecology would perform an environmental justice assessment required under the HEAL Act, Chapter 70A.02 RCW. Ecology would conduct targeted outreach and consult with organization types indicated as grant recipients as well as overburdened communities and vulnerable populations across the state throughout the rulemaking process.

Rulemaking Administrative Coordinator: A rule coordinator to oversee the rulemaking process to comply with the Administrative Procedures Act; oversee the rule development and communication plan; review and file the CR-101; coordinate and conduct public meetings; file the CR-102 and hold public hearings with webinar access; work with an economist on economic impact analysis; work with technical staff to finalize rule language; and file the CR-103 for adoption. This would require 0.12 FTE Regulatory Analyst 3 (RA3) in FY 2025, 0.10 FTE RA3 in FY 2026, and 0.08 FTE RA3 in FY 2027 to complete a 2-year moderately complex rule.

Rule development for this program would include the development of guidelines, reporting requirements, application forms, and coordinate with other agencies as needed.

Rulemaking Lead: Ecology estimates that an Environmental Planner 5 (EP5) would spend 0.60 FTE in FY 2025, 0.75 FTE in FY 2026, and 0.15 FTE in FY 2027 to provide policy expertise oversee rule timeline management, and lead the rulemaking effort, draft, and revise rule language, lead public meetings and hearings, and work with other program staff as needed to execute the rule development plan.

Technical Leads: Ecology estimates that an Environmental Specialist 5 (ES5) would spend 0.60 FTE in FY 2025, 0.75 FTE in FY 2026, and 0.15 FTE in FY 2027 to convene stakeholders, develop the design, criteria, and allocations consistent with legislative appropriations and logistics of the grant program, collect data, support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts.

Environmental Specialist 4 (ES4) would spend 0.42 FTE in FY 2025, 0.50 FTE in FY 2026, and 0.08 FTE in FY 2027 to collect information from stakeholders, support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts, and coordinate with communications staff to provide technical support for public outreach. This includes any need for regional support.

Environmental Planner 4 (EP4) would spend 0.21 FTE in FY 2025, 0.25 FTE in FY 2026, and 0.04 FTE in FY 2027 to support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts, and coordinate with communications staff to provide technical support for public outreach. This includes any need for regional support.

Based on previous rulemaking experience and the variety of interested parties and affected stakeholders, communications and outreach support is included to ensure robust public engagement in the rulemaking process. The following positions would support public engagement:

A communications lead would coordinate an outreach strategy and media engagement. This would require a Communications Consultant 5 (CC5) 0.12 FTE in FY 2025, 0.10 FTE in FY 2026, and 0.02 FTE in 2027

An outreach coordinator would organize rule advisory committee meetings and public meetings, prepare informational materials, assist with rule discussion at advisory council meetings, and respond to stakeholder questions throughout the rulemaking process. This would require a Community Outreach and Environmental Educational Specialist 3 (COEES3) 0.08 FTE in FY 2025, 0.10 FTE in FY 2026, and 0.02 FTE in 2027.

Website Developer: A Communications Consultant 3 (CC3) would coordinate with the rulemaking lead on a public website

for the rulemaking process. This would require 0.12 FTE in FY 2025, 0.10 FTE in FY 2026, and 0.02 FTE in FY 2027.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.13 FTE in FY 2026 and 0.12 FTE in FY 2027; Regulatory Analyst 2, 0.05 FTE each year in FY 2026 and FY 2027.

Ecology would hold two public meetings in FY 2025 and one in FY 2026, two public hearings in FY 2026, and one public hearing in FY 2027 for rulemaking. Goods and services estimates include facility rental costs estimated at \$1,000 per hearing for \$2,000 in FY 2025, \$3,000 in FY 2026, and \$1,000 in FY 2027.

Waste Not Washington Awards (Section 205)

Section 205 would amend RCW 70A.214.100 Waste Not Washington Awards to increase the maximum award amounts from \$5,000 to \$10,000 and establish the intent of the Legislature to allocate a minimum of \$1,000,000 per biennium.

Currently, Ecology has an annual budget of \$100,000 (\$200,000 per biennium) for the school awards program. For purposes of this fiscal note, Ecology assumes an additional \$800,000 would be appropriated in FY 2025 to meet the legislative intent of \$1,000,000 per biennium in the 2023-25 biennium, and \$800,000 each biennium thereafter. Of this budget, an additional \$705,487 in the 2023-25 biennium and \$610,974 in future biennia would be available for school awards, as shown in Grants (Object N). Ecology assumes additional outreach and technical assistance would be required to manage the increased funding and number of awards and recipients.

Ecology estimates 0.50 FTE Environmental Specialist (ES4) in FY 2025 and ongoing to administer the expanded grant program, provide technical assistance, and manage grant reporting requirements.

Ecology estimates 0.10 FTE Community Outreach and Environmental Educational Specialist 4 (COEES4) in FY 2025 and ongoing to support social media and outreach to increase awareness of the expanded grant program.

Organic Materials (Section 301)

Section 301 would amend RCW 70A.205.540 to mandate year-round source-separated collection of organic materials for jurisdictions that implement local solid waste plans. Ecology would be authorized to adopt rules to amend jurisdictional organics management requirements if 2030 organic material diversion rates are not met. Ecology would identify which jurisdictions would need to comply with the requirements and create and maintain a map of those jurisdictions. Ecology would develop resources, provide outreach to notify jurisdictions of the requirements, and support with technical assistance needed to comply. Ecology would be authorized to grant waivers to reduce collection frequency requirements to address food waste managed through technologies that reduce food waste by volume or odor and authorized to grant five-year waivers for jurisdictions to exclude them organics collection requirements. Ecology would be required to adopt standards by January 1, 2026, that local jurisdictions may use to exempt persons from this requirement if organic materials will be managed through an alternative mechanism that provides equal or better environmental outcomes. Ecology assumes rulemaking would be required to adopt standards and this rulemaking would be combined with rulemaking in section 301.

Ecology estimates 0.25 FTE Environmental Planner 4 (EP4) each year in FY 2025 through FY 2027 to develop new residential guidance for organic materials and the waiver programs with stakeholder engagement, and 0.10 FTE EP4 each year in FY 2028 and ongoing to review and approve waiver applications.

Ecology estimates 0.50 FTE Environmental Specialist 4 (ES4) each year in FY 2025 through FY 2027 to develop resources and provide technical assistance to jurisdictions preparing for compliance. This work would include map development and outreach strategies. Starting FY 2028 and ongoing, the ES4 would maintain 0.50 FTE to continue to provide technical assistance, maintain and develop maps, and response to requested waivers.

Ecology estimates 0.75 FTE Environmental Specialist (ES4) each year in FY 2026 and FY 2029 to support jurisdictions

ahead of the 2027 and 2030 compliance deadlines.

Additional communication staff support is required to implement this section, including 0.05 FTE Communication Consultant 3 (CC3) each year in FY 2026 through FY 2030 to support web updates, publications, and other web-based outreach materials.

Ecology estimates 0.10 FTE Community Outreach and Environmental Educational Specialist 3 (COEES3) each year in FY 2027 through FY 2030 to help facilitate stakeholder engagement and jurisdictional outreach.

Ecology estimates 0.08 FTE Community Outreach and Environmental Educational Specialist 4 (COEES4) each year in FY 2027 and 2028 to increase awareness and assistance through social media.

Compost Facility Operator Training (Section 302)

Section 302 would require Ecology to amend its rules, WAC 173-350-220 Composting facilities, and WAC 173-350-250 Anaerobic digesters, to annually require that compost facility managers and supervisors annually complete at least 10 hours of organic materials management training and anaerobic digester facility managers and operators complete at least 10 hours of organic materials management training every two years, from organizations or training providers other than the facility operator.

Ecology estimates 0.03 FTE Environmental Specialist (ES4) starting in FY 2026 and ongoing to ensure new training meets requirements in the rule, and to provide technical expertise in the delivery of the additional training for compost and anaerobic digester facility managers and supervisors.

RULEMAKING: ORGANIC MATERIALS MANAGEMENT TRAINING (Sections 301 and 302)

Section 301 would require Ecology to add a new section to chapter 173-350 WAC to adopt standards that allow local jurisdictions to exempt persons from subscribing to mandatory collection if they manage organic materials through an alternative mechanism that provides equal or better environmental outcomes. Section 302 would require Ecology to amend WACs 173-350-220 and 173-350-250 to require compost facility operator training. Ecology assumes sections 301 and 302 would be combined into one rulemaking.

Ecology assumes rulemaking would be moderately complex and generate public interest and input. It would require eighteen-months from July 2024 to December 31, 2025, with a three-month active lead time to coordinate the rulemaking schedule with the agency rulemaking unit, prepare a website, and prepare the CR-101 for filing. Ecology assumes we would perform an Environmental Justice Assessment in FY 2025 as required under the HEAL Act, Chapter 70A.02 RCW.

Ecology assumes we would create a rule advisory committee to develop draft language throughout the rulemaking process. Based on the Chapter 70A.245 RCW rule, we assume four to six meetings with the rule advisory committee. Ecology would conduct targeted outreach and consult with organization types impacted by the rule as well as overburdened communities and vulnerable populations across the state throughout the rulemaking process.

Rulemaking Administrative Coordinator: A Regulatory Analyst 3 (RA3) would oversee the rulemaking process to comply with the Administrative Procedures Act; coordinate with the rulemaking lead to prepare the rule development and communication plan; coordinate with the agency regulatory staff on the economic and regulatory impact analysis, and support filing the CR-101, CR-102, and the CR-103 for adoption. This would require an estimated workload of 0.12 FTE in FY 2025 and 0.06 FTE in FY 2026.

Rulemaking Lead: An Environmental Planner 4 (EP4) would provide policy expertise and lead the rulemaking effort, draft and revise rule language, lead public meetings and hearings, and work with other program staff as needed to execute the rule development plan, with an estimated workload of 0.60 FTE in FY 2025, and 0.30 FTE in FY 2026.

Technical Support: An Environmental Specialist 4 (ES4) would collect data, support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts, and coordinate with communications staff to provide technical support for public outreach. This includes any need for regional support. This would require 0.30 FTE in FY 2025 and 0.18 FTE in FY 2026.

Communications and outreach support is included to ensure adequate public engagement in the rulemaking process. The following positions would support public engagement:

Communications Lead: A Communications Consultant 5 (CC5) would coordinate an outreach strategy and media engagement. This would require 0.05 FTE in FY 2025 and 0.04 FTE in FY 2026.

Website Developer: A Communications Consultant 3 (CC3) would coordinate with the rulemaking lead on a public website for the rulemaking process. This would require 0.05 FTE in FY 2025 and 0.04 FTE in FY 2026.

Outreach Coordinator: A Community Outreach and Environmental Educational Specialist 3 (COEES3) would facilitate the pre-proposal and other meetings, manage the rule comments platform, and help with e-mail, website, and public engagement. The estimated workload is 0.10 FTE in FY 2025 and 0.05 FTE in FY 2026.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.20 FTE in FY 2026; Regulatory Analyst 2, 0.05 FTE in FY 2026.

Ecology would hold two meetings in FY 2025, and two hearings in FY 2026. Goods and services estimates include facility rental costs estimated at \$1,000 per meeting for \$2,000 each year in FY 2025 and FY 2026.

Verification (Section 303)

Section 303 would authorize Ecology to review and verify a jurisdiction's request to be excluded from business organics management areas. Ecology would verify a jurisdiction's request to determine whether businesses in their jurisdiction are required to arrange for organic collection service.

Ecology estimates 0.05 Environmental Planner 4 (EP4) each year in FY 2025 and ongoing to review and confirm waiver requests.

Ecology estimates 0.05 FTE Environmental Specialist 4 (ES4) each year in FY 2025 ongoing to support the EP4 and communicate updates with jurisdictions and businesses and provide technical assistance to impacted stakeholders. This staffing need is estimated to remain consistent from FY 2025 until the requirements of RCW 70A.205.540 would fully be implemented in 2030.

Ecology estimates 0.01 FTE Community Outreach and Environmental Educational Specialist 4 (COEES4) each year in FY 2025 to FY 2030 to increase awareness and assistance to businesses including webinars and Ecology's social media and networks.

Collection Containers (Section 304)

Section 304 would standardize the colors of collection containers. Ecology would be authorized to provide model language and graphics for standard labels, and determine by rule, appropriate container, or containers to be used for materials that could conceivably be placed in multiple containers. Ecology would be authorized to adopt rules to prohibit additional waste stream contaminants from being placed in the wrong containers. Ecology assumes rule adoption would not be necessary, but that technical assistance to jurisdictions would be required. Ecology would develop guidance, provide technical assistance to local jurisdictions and solid waste collection service providers, develop model labeling text and resources and a

communication plan to ensure jurisdictions and service providers are notified of the new requirements.

Ecology estimates 0.10 FTE Environmental Specialist 4 (ES4) in FY 2025 to develop guidance, provide technical assistance to local jurisdictions and solid waste collection service providers, develop model labeling text and resources, and a communication plan to ensure jurisdictions and service providers are notified of new requirements. Ecology estimates 0.03 FTE ES4 in FY 2026 through 2030 to support the ongoing technical assistance needed to support this new section.

Ecology estimates 0.04 FTE Community Outreach and Environmental Educational Specialist 4 (COEES4) in FY 2025 to develop materials including model graphics and text that may be used by jurisdictions and service providers.

Section 305 would ban agricultural waste, yard waste, and other organic material waste known or likely to be contaminated with clopyralid, aminopyralid, and other herbicides from organic materials management facilities. This section would authorize Ecology to develop rules on qualifying contaminants. Ecology assumes WSDA would start and complete rulemaking in FY 2025 and Ecology would be a stakeholder in that process. WSDA has purview over regulating pesticides (herbicides), including licensing and where they can and cannot be used. Similar to WSDA's rulemaking completed in 2002 to address clopyralid contamination (see WAC 16-228-1235), WSDA would make rules identifying specific pesticides where organic materials treated with those products cannot be collected for composting.

Ecology estimates 0.10 FTE Environmental Specialist 4 (ES4) in FY 2025 to provide stakeholder input on WSDA rulemaking process.

Ecology estimates 0.05 FTE Environmental Specialist 4 (ES4) in FY 2026 and 0.01 FTE in FY 2027 through FY 2030 to provide guidance, communicate updates with jurisdictions, agricultural businesses, and compost facilities, and provide technical assistance to impacted stakeholders.

Ecology estimates 0.01 FTE Community Outreach and Environmental Educational Specialist 4 (COEES4) in FY 2025 to FY 2030 to increase awareness and assistance through Ecology's social media and networks.

Produce Sticker Study (Section 401)

Sections 401

would require Ecology, in consultation with WSDA, to carry out a study addressing produce sticker technologies including options that do not include plastic stickers or adhesives or that otherwise meet compostability standards. A report would be due to the legislature by September 1, 2025.

Ecology assumes a consultant would be hired FY 2025 to conduct the study of produce sticker technology. WSDA would be consulted in study design and provide comments on the draft. The study would be completed by June 2025 and the report submitted to the Legislature by September 1, 2025.

Based on a past experience, Ecology assumes we would oversee the study and estimates Environmental Planner 4 (EP4) would be required to administer the contracting process, coordinate with the third-party contractor conducting the study, review the draft study in consultation with WSDA, review and finalize the legislative report based on the study's findings and recommendations, and submit the report the legislature. This work would require 0.50 FTE EP4 in FY 2025 and 0.08 FTE EP4 in FY 2026. The estimated contract cost for the third-party consultant is \$150,000 in FY 2025 in Object C.

The legislative report requires the following additional staff:

Environmental Planner 5 (EP5) 0.05 FTE FY 2025 and .01 FTE FY 2026 for policy and technical review of the draft report.

Environmental Planner 4 (EP4) 0.05 FTE FY 2025 and 0.01 FTE FY 2026 for policy and technical review of the draft report.

Communications Consultant 5 (CC5) 0.01 FTE FY 2025 and 0.01 FTE FY 2026 for communications review for content clarity and key messages; the majority of work for the CC5 will occur in FY 2026 prior to publication of the report.

Communications Consultant 2 (CC2) 0.03 FTE FY 2025 and 0.01 FTE FY 2026 for accessibility and plain talk review; the majority of work for the CC2 will occur in FY 2026 prior to publication of the report.

Environmental Planner 5 (EP5) 0.10 FTE FY 2025 and 0.02 FTE FY 2026 for advising the project lead on the program legislative process and coordination with the agency Governmental Relations Office on the review.

AAG Support

The Assistant Attorney General (AAG) has estimated that the following staff time in the Office of the Attorney General (ATG) would be needed to provide legal support to add five new grant programs under Ecology’s Center for Sustainable Food Management, and advice on rulemaking to amend WAC 173-350 to add compost facility and anaerobic digester operator training in FY 2025 and 2026. Additional support would be required for the development of waivers for food waste and organic collection requirements in FY 2026. AAG support in FY 2027 would be minimal and absorbed within existing resources. In FY 2028 through FY 2030, legal support on adopting standards under which local jurisdictions may exempt persons from disposing of organic waste only via source separated collection service if organic materials will be managed through an alternative mechanism that provides equal or better environmental outcome, and advice and representation on enforcement of prohibition on plastic produce stickers.

Estimated workload and costs are 0.04 FTE AAG for a total of \$11,000 in FY 2025, 0.06 FTE AAG for \$18,000 in FY 2026, 0.02 FTE AAG for \$5,000 each year in FY 2028 and FY 2029. Costs are included in Object E.

Labeling (Section 504)

Section 504 would define “home compostable,” and “home compostable,” labeling requirements. Ecology estimates 0.04 FTE Environmental Specialist 4 (ES4) in FY 2025 to develop resources and technical assistance tools to communicate the new definitions.

Compost Procurement Reporting (Section 602)

Section 602 would change the reporting for the compost procurement ordinances to occur annually instead of every other year, as current law requires. Ecology estimates 0.05 FTE Environmental Specialist 4 (ES4) in FY 2026, 0.04 FTE in FY 2028, and 0.02 FTE in FY 2030 and ongoing every even fiscal year thereafter.

Workgroup and Report (Section 702)

Section 702 would require Ecology to establish a food rescue workgroup housed under the Food Center and task Ecology with developing a report to the Legislature by September 1, 2025. The workgroup would address mechanisms to mandate or improve the rescue of edible food waste from commercial generators and must consider criteria in the report development. Ecology assumes the primary work of the workgroup would occur between July 2024 and April 2025. Development and completion of the legislative report would occur between April 2025 through August 2025.

Ecology estimates 0.9 FTE Environmental Planner 4 (EP4) in FY 2025 and 0.2 FTE in FY 2026 to lead the workgroup development, public process, and all reporting requirements to the Legislature including managing the final review and submittal of the report, using agency guidance. The estimates allow time for coordinating reviews, publishing the final report, and submitting the report to the Legislature.

Ecology estimates additional support to convene the workgroup would require 0.20 FTE Environmental Specialist (ES4) in FY 2025 and 0.02 FTE in FY 2026 to provide additional technical assistance support to the lead, including guidance, data,

and review.

0.25 FTE Community Outreach and Environmental Educational Specialist 3 (COEES3) in FY 2025. This support would facilitate meetings, coordinate stakeholder engagement, and consolidate information for the report.

Ecology would hold three in-person meetings in FY 2025. Goods and services estimates include facility rental costs estimated at \$1,000 per meeting for \$3,000 in FY 2025.

The legislative report requires the following additional staff:

Environmental Planner 5 (EP5) 0.05 FTE in FY 2025 and 0.05 FTE in FY 2026 for policy and technical review of the draft report.

Environmental Planner 4 (EP4) 0.05 FTE in FY 2025 and 0.05 FTE in FY 2026 for policy and technical review of the draft report.

Communications Consultant 5 (CC5) 0.01 FTE in FY 2025 and 0.04 FTE in FY 2026 for communications review for content clarity and key messages. Ecology assumes most of the work for the CC5 would occur in FY 2026 prior to publication of the report.

Communications Consultant 2 (CC2) 0.01 FTE in FY 2025 and 0.04 FTE in FY 2026 for accessibility and plain talk review. Ecology assumes most of the work for the CC2 would occur in FY 2026 prior to publication of the report.

Environmental Planner 5 (EP5) 0.05 FTE in FY 2025 and 0.05 FTE in FY 2026 to advise the project lead on the program legislative process and report and coordinate with the agency Governmental Relations Office on the report review and submittal.

SUMMARY: The expenditure impact to Ecology under this bill is described below.

Part 2: Funding Sustainable Food Management Priorities is estimated to require (Indeterminate costs):

FY 2025: \$1,481,873 and 4.6 FTEs

FY 2026: \$960,201 and 4.2 FTEs

FY 2027: \$528,908 and 1.5 FTEs

FY 2028: \$405,000 and 0.7 FTE

FY 2029: \$405,000 and 0.7 FTE

Part 3: Amendments to Solid Waste Laws is estimated to require:

FY 2025: \$387,131 and 2.7 FTEs

FY 2026: \$444,341 and 3.1 FTEs

FY 2027: \$185,906 and 1.3 FTEs

FY 2028: \$159,503 and 1.2 FTEs

FY 2029: \$267,659 and 1.9 FTEs

Part 4: Date Labeling Standardization is estimated to require:

FY 2025: \$281,190 and 0.9 FTE

FY 2026: \$24,577 and 0.2 FTE

Part 5: Product Degradability Restrictions is estimated to require:

FY 2025: \$6,391 and 0.0 FTE

Part 6: Compost Purchases is estimated to require:

FY 2026: \$7,989 and 0.1 FTE

FY 2028: \$6,391 and 0.0 FTE

Part 7: Miscellaneous – Workgroup and Legislative Report is estimated to require:

FY 2025: \$256,311 and 1.7 FTEs

FY 2026: \$78,289 and 0.5 FTE

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

FY 2025: \$2,412,896 and 9.9 FTEs

FY 2026: \$1,515,397 and 8.1 FTEs

FY 2027: \$714,814 and 2.9 FTEs

FY 2028: \$570,894 and 1.9 FTE

FY 2029: \$672,659 and 2.6 FTE

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.

Personal Service Contract includes \$150,000 in FY 2025 for a consultant study.

Goods and Services are the agency average of \$6,048 per direct program FTE, includes \$107,000 in FY 2025 for EAGL grant development and rulemaking facility rental costs, \$5,000 in FY 2026, and \$1,000 in FY 2027 for rulemaking facility rental costs, and AAG costs of \$11,000 in FY 2025, \$18,000 in FY 2026, and \$5,000 each year in FY 2028 and FY 2029.

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

Grants, Benefits, and Client Services include grant funds of \$705,487 in FY 2025 and \$305,487 each year in FY 2026 and ongoing for Waste Not Washington Awards.

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
23P-1	Model Toxics Control Operating Account	State	0	2,412,896	2,412,896	2,230,211	1,243,553
Total \$			0	2,412,896	2,412,896	2,230,211	1,243,553

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		9.9	5.0	5.5	2.3
A-Salaries and Wages		779,825	779,825	864,254	336,030
B-Employee Benefits		265,918	265,918	294,707	114,585
C-Professional Service Contracts		150,000	150,000		
E-Goods and Other Services		170,008	170,008	81,629	33,884
G-Travel		18,966	18,966	21,013	8,712
J-Capital Outlays		11,059	11,059	12,258	5,083
N-Grants, Benefits & Client Services		705,487	705,487	610,974	610,974
9-Agency Administrative Overhead		311,633	311,633	345,376	134,285
Total \$	0	2,412,896	2,412,896	2,230,211	1,243,553

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
COM OTRCH & ENV ED SP 3	67,717		0.4	0.2	0.1	0.1
COM OTRCH & ENV ED SP 4	78,476		0.2	0.1	0.2	0.2
COMM CONSULTANT 2	64,439		0.0	0.0	0.0	
COMM CONSULTANT 3	71,149		0.6	0.3	0.1	0.1
COMM CONSULTANT 5	93,349		0.2	0.1	0.1	
ECONOMIC ANALYST 3	95,627				0.2	
ENVIRONMENTAL PLANNER 4	95,650		3.3	1.6	0.9	0.2
ENVIRONMENTAL PLANNER 5	105,612		0.9	0.4	0.5	
ENVIRONMENTAL SPEC 4	86,324		2.2	1.1	1.9	1.5
ENVIRONMENTAL SPEC 5	95,387		0.6	0.3	0.5	
FISCAL ANALYST 2			0.9	0.4	0.5	0.2
IT APP DEV-JOURNEY			0.4	0.2	0.2	0.1
REGULATORY ANALYST 2	88,798				0.1	
REGULATORY ANALYST 3	100,521		0.2	0.1	0.1	
Total FTEs			9.9	5.0	5.5	2.3

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.

Section 203 (5) would authorize Ecology to adopt any rules necessary to implement this chapter, including, but not limited to, measures for the Center's performance. Ecology assumes rulemaking would be required to establish the grant programs in sections 201 and 202. Ecology assumes a highly complex rule from October 2024 to September 2026.

Section 301(1)(e) would require Ecology to adopt standards for persons to be exempt from organic material disposal service requirements when using alternative mechanisms that provide equal or better environmental outcomes by January 1, 2026.

Section 302 would require Ecology to amend its rules adopted under this chapter that establish training requirements for compost and anaerobic digester facility operators, including, but not limited to, WAC 173-350-220 and 173-350-250. Ecology

assumes a moderately complex rule from January 2025 to June 2026.

Section 306 Ecology must adopt new rules or amend existing rules related to permitting requirements for anaerobic digester (AD) facilities or other facilities preparing organic materials for delivery to AD facilities, requiring each facility to achieve a 90 percent recycling rate for all collected materials and develop procedures related to only accepting certain organic materials, in addition to submitting a monthly report.

Ecology assumes rules required in sections 301 and 302 would be combined into one moderately complex rule from July 2024 to December 2025.

Individual State Agency Fiscal Note

Bill Number: 2301 S HB	Title: Waste material management	Agency: 495-Department of Agriculture
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	3.3	1.6	3.9	3.5
Account					
General Fund-State 001-1	0	445,502	445,502	1,082,536	1,082,536
Model Toxics Control Operating Account-State 23P-1	0	227,387	227,387	265,831	156,594
Fruit and Vegetable Inspection Account-Non-Appropriated 516-6	0	1,858	1,858	0	0
Total \$	0	674,747	674,747	1,348,367	1,239,130

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:	Phone:	Date: 02/02/2024
Agency Preparation: Katie Rains	Phone: 360-688-4549	Date: 02/08/2024
Agency Approval: Lori Peterson	Phone: 360-974-9767	Date: 02/08/2024
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 02/08/2024

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 HB 2301, SHB 2301 has the following changes as they relate to fiscal impacts for the Washington State Department of Agriculture (WSDA): Part 4 removes the food labeling provisions, outreach, and enforcement requirements in previous sections 401 through 403, replacing these with a new section 401 requirement that Department of Ecology prepare a study on the status of produce stickers with consultation from WSDA; section 601 would modify compost reimbursement requirements and modify the calculation methods for distributing reimbursements.

The amendments summarized above would change the fiscal impacts WSDA estimated for the previous version of the proposed legislation. This fiscal note also includes an adjustment to Office of Attorney General (ATGO) cost estimates for section 204 to align with current bill version ATGO cost estimates, and a correction to the summarized cost estimates for section 305 in the narrative.

Under current law, Washington State Department of Agriculture (WSDA) distributes emergency food assistance grant funds to hunger relief organizations through state funded Emergency Food Assistance Program (EFAP) grants and We Feed Washington grants and distributes federal Emergency Food Assistance funding through the U.S. Department of Agriculture. WSDA regulates pesticide use and management through Chapter 15.58 Revised Code of Washington (RCW), implements food safety and produce inspection regulations in Chapters 15.130 and 15.17 RCW, and administers compost purchase and use reimbursement grants for farming operations in the state in RCW 15.04.420.

The proposed legislation would create a new Washington Commodities Grant Program, modify food date labeling standards and other food safety provisions, restrict materials treated with certain pesticides from compost feedstocks, modify compost purchase reimbursement grant program requirements, and create a work group to study rescue of commercial food waste.

Section 201 would require WSDA to provide consultation to the Department of Ecology's (Ecology's) Center for Sustainable Food Management for the development and implementation of grants to help divert organic materials from waste streams and prevent, recover, and rescue food waste.

Section 204 would require WSDA to implement a Washington Commodities Grant Program to procure Washington grown produce, grains, and protein otherwise at risk of becoming food waste for distribution to hunger relief organizations.

Section 305 would ban organic materials treated with clopyralid and aminopyralid and similar compounds as compost feedstocks. WSDA would be authorized to apply enforcement authority under Chapter 15.58 RCW.

Section 401 would require Department of Ecology to prepare a study on the status of produce stickers with consultation from WSDA.

Section 601 would modify provisions of the Compost Reimbursement Program administered by WSDA.

Section 702 would require WSDA to be a member of a work group to study means of supporting and enhancing food donation by businesses.

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.

Materials Banned from Compost Feedstocks (Section 305)

Under current law, WSDA charges a fee for registration of pesticides, and the revenue from the fee is deposited in the Agricultural Local Account. Registration fees are \$325 per year per product, but most pesticides are registered every two years.

WSDA assumes for purposes of this fiscal note that it may be necessary to designate the pesticides banned from compost feedstocks in section 305 as State Restricted Use Pesticides (SRUP), which would impact product registrations.

Washington State currently has 15,600 pesticide products registered. At this time, the number of pesticides in the picolinic acid family that might be impacted through WSDA's assumed actions to implement the provisions of section 305 is unknown. WSDA assumes a limited number of pesticides impacted by section 305. Based on this assumption, WSDA estimates no cash receipts impact.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

The expenditure impact to Washington State Department of Agriculture (WSDA) is estimated to be greater than \$50,000 in fiscal years (FYs) 2025 and ongoing each fiscal year thereafter.

Costs for section 204 and the food safety-related consultation for the study in section 401 are estimated in the state general fund. All other costs are assumed to be in the Model Toxics Control Account-Operating (MTCA-Op), which currently supports WSDA activities to implement organic materials management laws and is the primary account used for WSDA's pesticide management activities under current law.

WSDA assumes implementation would begin July 1, 2024.

Food Waste Reduction through Food Assistance and Hunger Relief (Sections 201, 204, and 702)

Section 201: Center for Sustainable Food Management Grants

WSDA and Ecology would partner to seek input from our common partners, specifically hunger relief providers, farms, and food businesses that work with them, to design grants and develop criteria and logistics for each. The agencies would implement related grant programs collaboratively.

0.10 FTE Commerce Specialist 5, 0.01 FTE Food Policy Advisor (WMS3), 0.02 FTE Commerce Specialist 5, and 0.01 FTE Management Analyst 3 would be needed in FY 2025 to provide consultation with Ecology in developing the grant programs, criteria, and logistics.

Indeterminate Costs:

The actual amount of grant funding, and the level administered by WSDA, would be indeterminate until the grant programs are developed. WSDA assumes Ecology and WSDA would coordinate budget proposals for funding authority for grant funding and administrative costs in the future, after the appropriate funding need has been determined. WSDA's preliminary estimated administrative costs are provided below for reference purposes and not included in the fiscal note cost tables.

WSDA has launched a variety of grant programs to support nonprofit and Tribal hunger relief organizations as well as farm and food businesses since the beginning of the COVID-19 pandemic. Through this work, we have determined that the number of commerce specialists and skill level of those specialists required to administer each program varies. The factors that have most influenced WSDA workload for each grant are as follows:

- the eligible applicant’s administrative capacity and experience with government grants
- whether WSDA has a pre-existing relationship with the grant’s primary audience
- the grant program’s similarities with existing grants administered by WSDA, and
- the number of grant awards.

Because the nature of the grants and funding levels are unknown, estimated staffing is based on an assumed total award amount in the range of one to three million dollars and a total of twenty-five grant awards with grantees that may require moderate to high technical assistance to comply with the terms of the grant award.

Based on these assumptions, WSDA estimates the following staff to provide consultation to Ecology and assist with implementing grants that relate to WSDA’s current grant programs.

1.0 Commerce Specialist 2 in FY 2026 and ongoing each year thereafter would be needed to provide WSDA administration for the grant programs created for this section. This position would oversee invoice processing and grant agreement compliance.

0.01 FTE Food Policy Advisor (WMS3), 0.02 FTE Commerce Specialist 5, and 0.01 FTE Management Analyst 3 would be needed in FY 2026 and ongoing each fiscal year thereafter to provide oversight, guidance, and administrative support for the grant program administration.

Translation and language access services are estimated at \$10,000, and grant management software license fees are estimated to be \$6,000, for a total of \$16,000 annually in Goods and services, starting in FY 2026. Estimates are based on comparable costs for Food Assistance Resiliency Grants.

WSDA’s experience in supporting nonprofit and tribally operated hunger relief programs has shown the need to integrate state systems and ease administrative burden on these organizations. WSDA may enter into an interagency agreement with Ecology to administer the portion of funding allocated to nonprofit organizations through an integrated application process with WSDA’s existing annual Food Assistance Resiliency Grants. WSDA and Ecology would coordinate on a decision package for spending authority if formal system integration were recommended through community input.

Total estimated costs for section 201 estimated grant administration (not included in the tables) are as follows:
 FY 2026 and ongoing each fiscal year thereafter: \$161,529 and 1.04 FTE

Total estimated costs for consultation with Ecology on program development in the fiscal note tables are as follows:
 FY 2025: \$24,597 and 0.14 FTE

Section 204: Washington Commodities Donation Grants

WSDA would develop the Washington Commodities Donation Grant program and issue grants under this section to one or more nonprofit (food cooperative) organizations to acquire food directly from food producers located in Washington.

WSDA assumes funding authority for costs in this section would be state general fund, based on the current funding authority for We Feed Washington grants.

The intended funding level specified for the grants in section 204 would be \$25 million biennially or more. Per section 2 (2) WSDA would be required to rely on existing infrastructure and similar grant programs and give priority to nonprofit food

cooperative organizations with five or more years' experience in the collection and transportation of donated agricultural products. WSDA assumes the primary audience for this grant program would be well-connected with WSDA and have adequate administrative capacity to manage a grant award from the state with little to moderate technical assistance. Workload estimates are based on a total of twenty-five awards, with biennial pass-through funding of at least \$23.75 million, and are based on WSDA's experience implementing the We Feed Washington grant program, which commenced in the 2021-23 biennium.

WSDA assumes 0.25 FTE Commerce Specialist 5 (CS5) in FY 2025 to solicit community input, design the grant program and criteria, with 0.04 FTE (88 hours) Food Policy Advisor (WMS3) for leadership to engage in design and stakeholder engagement processes.

Travel includes estimated costs for the CS5 and policy advisor for 10 outreach sessions, for a total of \$8,400 in FY 2025.

Cost estimates in professional services contracts include an estimate of \$40,000 in FY 2025 for community engagement services.

Necessary ongoing staffing includes one full-time CS5 to oversee the grant program, lead stakeholder relations, and manage staff, as well as two full-time CS2 positions to oversee invoice processing and grant agreement compliance as grant specialists, and 0.01 FTE each of the Food Policy Advisor (WMS3) and a Management Analyst 3 (MA3) to support program operations. Based on the assumption grants would begin halfway through FY 2025, estimated staffing by fiscal year is as follows:

0.5 FTE CS5 in FY 2025, and 1.0 FTE CS5 in FY 2026 and ongoing each fiscal year thereafter;
1.0 FTE CS2 in FY 2025, and 2.0 FTE CS2 in FY 2026 and ongoing each fiscal year thereafter;
0.01 FTE WMS3 in in FY 2025 and ongoing each fiscal year thereafter; and
0.01 FTE MA3 in in FY 2025 and ongoing each fiscal year thereafter.

Translation and language access services are estimated at \$10,000, and grant management software license fees are estimated to be \$17,000, for a total of \$27,000 annually in Goods and services, starting in FY 2025. Estimates are based on comparable costs for We Feed Washington grants.

The Attorney General's Office (ATGO) assumes legal advice would be needed during development and initial implementation of the new grant program. Estimated costs are based on experience with the We Feed Washington grant program. One-time costs in FY 2025 for initial grant program development. Estimated costs are \$86,000 in FY 2025, \$69,000 in FY 2026 and ongoing every even-numbered fiscal year thereafter, and \$49,000 in FY 2027 ongoing every odd-numbered fiscal year thereafter.

Indeterminate costs:

Section 204 (5) would establish the intent of the Legislature to allocate at least \$25,000,000 per biennium for the program established in this section. Based on an assumption of funding at a level of \$12,500,000 per fiscal year, beginning in FY 2025, this fiscal note estimates available grant capacity, based on estimated costs for grant development and ongoing implementation. Estimated grant funding is as follows, and is not included in the fiscal note tables:

FY 2025: \$12,056,621
FY 2026 and ongoing each even-numbered fiscal year thereafter: \$11,948,232
FY 2027 and ongoing each odd-numbered fiscal year thereafter: \$11,969,232

Total estimated grant development and administration costs for section 204 in the fiscal note tables are as follows:

FY 2025: \$443,379 and 1.81 FTE

FY 2026 and ongoing each even-numbered fiscal year thereafter: \$551,768 and 3.02 FTE

FY 2027 and ongoing each odd-numbered fiscal year thereafter: \$530,768 and 3.02 FTE

Section 702: Work Group to Study Food Donation by Businesses

By September 2025, the work group established in this section would be required to submit a consensus-driven report of recommendations based on the criteria specified in this section to the Legislature. The work group would be led by Ecology's Center for Sustainable Food Management, and WSDA would be a member of the work group.

WSDA received funding in the 2022 Supplemental Operating Budget for a Food Waste Reduction Coordinator. Because of the short-term nature and fast turn-around timeline for this work group, WSDA would use this position's expertise and ability to consult with leaders across WSDA's diverse portfolio of programs that impact and support farm and food businesses. Based on this, WSDA assumes the workload for section 702 could be performed with existing resources.

Materials Banned from Compost Feedstocks (Section 305)

Section 305 (1) would require that organic materials, likely or known to be treated with clopyralid, aminopyralid and other similar herbicides in the picolinic acid family, be banned as compost inputs or feedstocks into organic materials management facilities. Although section 305 would not require WSDA to act on pesticide registrations or applications, WSDA would anticipate issues with possible infiltration of the picolinic acid family of herbicides into compost without pesticide restrictions. With an increase in composting efforts, many more materials potentially treated by herbicides in the picolinic acid family could inadvertently find their way into organic materials at compost facilities, making the compost unusable.

WSDA does not have jurisdiction over organic materials management facilities or where pesticide-treated material may be delivered after any application is made. WSDA has used authority to restrict pesticide use to help prevent contamination of compost inputs and feedstocks in the past.

Roughly twenty years ago, clopyralid was found to be involved in numerous cases of plant damage from solid waste composting facilities across the state, primarily from curbside lawn clipping collection. WSDA's response was to restrict the use of clopyralid by rule with Washington Administrative Code (WAC) 16-228-1235 and provide education and outreach to pesticide applicators.

Years later, aminopyralid caused widespread damage to home and agricultural plants when dairy manure and composted dairy manure was distributed and used as soil amendments across Whatcom County. This required WSDA to work with the product registrants and have labels changed to address treated feedstocks. These changes also required WSDA to carry out significant educational outreach to dairy farmers and those who apply to forage and pasture for dairy feed to prevent repeated contamination.

Based on these previous examples, WSDA assumes the need to restrict uses of aminopyralid and other picolinic acid herbicides to support implementation of section 305.

Section 305 (1): Pesticide Restrictions

The ban of picolinic acid family herbicides in organic materials as compost input would be the basis for WSDA's decision to designate these herbicides as State Restricted Use Pesticides (SRUP). The restriction would require significant rule making activities and additional outreach and communication to all distributors and users of these materials. It would also include outreach to composting management facilities to ensure they are not receiving materials with these inputs.

WSDA assumes rulemaking in FY 2025 to designate herbicides in the picolinic acid family as State Restricted Use

Pesticides (SRUP), and rule updates would be technical in nature.

This would require 0.25 FTE for an Environmental Planner 5 (EP5), to research and develop proposed rules, develop education and outreach materials, and administer rule hearings. Ten hours Agency Rules Coordinator (Management Analyst 5) and 10 hours Regulatory Analyst 3 would be needed for administration of rule filing and adoption.

In addition to rule updates, WSDA would need 0.25 FTE Community Outreach and Environmental Education Specialist 3 (COEES3) for two years, beginning in FY 2025 to assist in the rulemaking outreach and education process. The COEES3 would develop and deliver additional education to agricultural producers, pesticide applicators and purchasers and the public to prevent herbicide contamination of compost materials. This position would require statewide travel, with estimated travel costs of \$1,770 each year in FY 2025 and FY 2026.

WSDA also assumes a need for compliance monitoring and enforcement of these new pesticide use restrictions. Many picolinic acid products are sold and available in the marketplace. Making these products State Restricted Use Pesticides (SRUP) would restrict their use and help to prevent them from ending up in compost facilities. WSDA also assumes an increase in the number of complaints from the public requiring an increase in investigation cases for potential enforcement.

Based on the assumptions above, WSDA estimates 0.5 FTE Pesticide Regulatory Specialist 2 (PRS2) ongoing, beginning January 1, 2025, to monitor applications and provide complaint investigation response, enforcement, and technical assistance as needed. This position would require a vehicle and travel statewide. Estimated travel costs are \$1,770 in fiscal year 2025 and \$3,540 in fiscal year 2026 and ongoing each fiscal year thereafter.

Section 305 (1): Pesticide Registration

WSDA assumes the need for detailed evaluation of all registered pesticides in the picolinic acid family to determine which pesticides with legal use in Washington would qualify as State Restricted Use Pesticides (SRUP). WSDA would need to update pesticides in the database with the new restriction.

Registration staff would be needed for communication, notification to registrants, administrative hearings, processing of any product cancellations, and registration changes for products that may no longer be used in the State of Washington.

Beginning in FY 2025, WSDA would need 0.5 FTE PRS2 for two years to manage SRUP label review, label updates, and database entries. Registration staff would provide technical support to compliance staff and other educational outreach needed for distributors, growers, agronomists, and others about the new restrictions.

Total estimated costs for section 305 are as follows:

FY 2025: \$196,555 and 1.25 FTE

FY 2026: \$187,534 and 1.25 FTE

FY 2027 and ongoing each fiscal year thereafter: \$78,297 and 0.50 FTE

Status Assessment of Produce Sticker Technologies (Section 401)

WSDA would provide consultation support to Washington State Department of Ecology (Ecology) as needed. Based on an assumption of time spent consulting with producers and industry groups on current use of produce stickers and logistical considerations for using different materials and labeling methods, and time spent sharing information with Ecology and reviewing the draft study, WSDA estimates 16 hours each for Fruit and Vegetable and Food Safety Program Managers in FY 2025. Costs are estimated in the Fruit and Vegetable Inspection Account and the state general fund.

Total estimated costs for section 401 are as follows:

FY 2025: \$3,981 and 0.02 FTE

Compost Reimbursement Program (Section 601)

For section 601 (3) and 601 (5) (e), Washington Department of Ecology has a list of permit-exempt facilities which would be used to update program documents. After the initial updates, WSDA assumes minimal workload needed for periodic maintenance.

Based on the assumptions above, WSDA estimates 60 hours (0.03 FTE) Environmental Specialist 3 (ES3) in FY 2025 to update the map to show permit-exempt facilities and update the drop-down lists of facilities in the eligibility review and reimbursement applications.

Section 601 (5) (c) would change how the compost reimbursement amount is calculated. WSDA assumes minimal time would be needed to calculate the grant amount that a farm is eligible to receive. This extra step will occur when applications are being processed, which only takes place a few times a year. There may also be some added work processing reimbursements. The additional administrative work associated with these changes would likely be minimal and occur sporadically.

The Attorney General's Office (ATGO) assumes legal advice would be provided for the changes to the Compost Reimbursement Grants. The ATGO estimates 12 hours of AAG time would be needed, and the estimated cost is \$2,000 in FY 2025 and included in Goods and Services.

Total estimated costs for section 601 are as follows:

FY 2025: \$6,234 and 0.03 FTE

Total estimated costs for the proposed legislation are as follows:

FY 2025: \$674,747 and 3.25 FTE

FY 2026: \$739,302 and 4.27 FTE

FY 2027 and ongoing every odd-numbered fiscal year thereafter: \$609,065 and 3.52 FTE

FY 2028 and ongoing every even-numbered fiscal year thereafter: \$630,065 and 3.52 FTE

Summary of cost assumptions by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are calculated based on current standard statewide benefit rates.

Professional Services includes \$40,000 in FY 2025 for community engagement.

Goods and Services are the agency average of \$8,600 per direct program FTE. Goods and Services also include building lease costs, estimated at \$3,800 per FTE per year, professional development costs estimated at \$500 per FTE per year, and personnel services charges, estimated to be 0.347% of salaries. Goods and services also includes \$88,000 in FY 2025, \$69,000 in FY 2026 and ongoing every even-numbered fiscal year thereafter, and \$49,000 in FY 2027 ongoing every odd-numbered fiscal year thereafter for ATGO support. Also included are estimated translation and grant software license costs totaling \$27,000 in FY 2025 and ongoing.

Travel includes costs for grant program outreach and community engagement in FY 2025, travel for outreach, technical assistance, and monitoring of pesticide use updates.

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	445,502	445,502	1,082,536	1,082,536
23P-1	Model Toxics Control Operating Account	State	0	227,387	227,387	265,831	156,594
516-6	Fruit and Vegetable Inspection Account	Non-Appropriated	0	1,858	1,858	0	0
Total \$			0	674,747	674,747	1,348,367	1,239,130

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		3.3	1.6	3.9	3.5
A-Salaries and Wages		276,309	276,309	629,400	572,238
B-Employee Benefits		96,430	96,430	225,072	204,000
C-Professional Service Contracts		40,000	40,000		
E-Goods and Other Services		158,374	158,374	274,845	264,858
G-Travel		11,940	11,940	8,850	7,080
J-Capital Outlays					
N-Grants, Benefits & Client Services					
9-Agency Administrative Overhead		91,694	91,694	210,200	190,954
Total \$	0	674,747	674,747	1,348,367	1,239,130

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
COMMERCE SPECIALIST 2	70,800		1.0	0.5	2.0	2.0
COMMERCE SPECIALIST 5	95,184		0.9	0.4	1.0	1.0
COMMUNITY OUTREACH & ENVIRONMENTAL SPEC 3	65,748		0.3	0.1	0.1	
ENVIRONMENTAL PLANNER 5	102,540		0.3	0.1		
ENVIRONMENTAL SPECIALIST 3	72,552		0.0	0.0		
MANAGEMENT ANALYST 3	74,376		0.0	0.0	0.0	0.0
PESTICIDE REGULATORY SPECIALIST 2	78,120		0.8	0.4	0.8	0.5
WMS BAND 2	102,115		0.0	0.0		
WMS BAND 3	119,706		0.1	0.0	0.0	0.0
Total FTEs			3.3	1.7	3.9	3.5

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.

WSDA assumes the requirements and criteria for the grant program in section 204 could be established without a formal rulemaking.

WSDA assumes review and update of rules related to picolinic acid pesticides to support implementation of section 305.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 2301 S HB	Title: Waste material management
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:** New responsibilities for expanding organic materials management services to customers. Increased reporting frequency for compost collection programs, from biennial to annually. Costs to replace trash collection bins based on a new standardized color scheme. Costs for annual training of compost facility operators and biennial training for anaerobic digester facility managers. Revenue increase for some cities that are successfully awarded financial assistance grant from the Washington Center for Sustainable Food Management.
- Counties:** Same as above for counties. Potentially developing or expanding organic waste management facilities to handle the organic waste that is diverted from municipal solid waste landfills and transfer stations.
- Special Districts:**
- Specific jurisdictions only:**
- Variance occurs due to:**

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:** Applying for grants that are available from the Washington Center for Sustainable Food Management; concurrent enforcement of degradability labeling requirements with approval from the Department of Agriculture; amending State Building Code for multifamily residence storage of organic materials, and participating in the business food recovery workgroup.
- Key variables cannot be estimated with certainty at this time:** Costs for expanded organic waste management collection services provided by local governments throughout the state, costs to test for and prohibit of certain herbicide-contaminated organic materials from organic waste management facilities, appropriation of financial assistance grant programs established by this act, If new facilities would be necessary to meet the statewide organic waste reduction targets the amount of organic material that gets diverted from landfills may impact fees collected at solid waste management facilities.

Estimated revenue impacts to:

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

Estimated expenditure impacts to:

Jurisdiction	FY 2024	FY 2025	2023-25	2025-27	2027-29
City		82,530	82,530	165,060	165,060
County		42,930	42,930	85,860	85,860
TOTAL \$		125,460	125,460	250,920	250,920
GRAND TOTAL \$					627,300

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

Part III: Preparation and Approval

Fiscal Note Analyst: Jordan Laramie	Phone: 360-725-5044	Date: 02/09/2024
Leg. Committee Contact:	Phone:	Date: 02/02/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/09/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/12/2024

Part IV: Analysis

A. SUMMARY OF BILL

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

This fiscal note reflects language in the substitute version of HB 2301, 2024 legislative session. The amendments to this proposed legislation do not change the indeterminate nature of the prior legislation however these amendments would reduce the expenditure impact compared to the prior bill.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Part 1 would be amended to update the priority order of organic management options that the legislature prefers over other alternatives.

Part 3 would amend the mandated organics management statute to establish an exemption for certain customers from the 2030 source-separated waste collection pick up. Requires the Department of Ecology (Ecology) to adopt standards for persons to be exempt from organic material disposal service requirements when using alternative mechanisms that provide equal or better environmental outcomes by January 1, 2026. The requirement that source-separated organic collection must be provided weekly in certain jurisdictions to being provided year-round service unless granted a waiver by Ecology was amended. Customers may receive an exemption from a local jurisdiction from the 2030 requirement to use non-elective organic material management collection services for on-site management or self-hauling.

Part 3 would also amend the bin color requirements of the prior bill such that there would be phased implementation dates for jurisdictions with bins purchased before July 1, 2024. For bins that have a volume less than one cubic yard and do not comply with the color scheme in Sec. 304 the color scheme is not required until the earlier of: the end of the bin's useful life or January 1, 2036. For bins that have a volume greater than one cubic yard and do not comply with the color scheme in Sec. 304 the scheme is not required until the earlier of: the end of the bin's useful life or January 1, 2030.

Part 4 is amended such that the prior Sec. 401 is removed, which allowed the Department of Agriculture to delegate enforcement responsibilities date labeling standardization to local health jurisdictions.

SUMMARY OF CURRENT BILL:

This proposed substitute legislation would amend various provisions related to organic waste processing as well as the responsibilities of local governments related to waste material management. The act focuses on reducing the environmental impact of organic waste through diversion from municipal solid waste landfills, encouraging recycling and composting, and managing food waste more efficiently through numerous state and local programs.

Sec. 201 would be a new section that establishes food management grant programs to support activities reducing emissions from landfills and waste-to-energy facilities through organic materials and food waste diversion, prevention, rescue, and recovery.

Sec. 202 Would be a new section that establishes sustainable food management policy grant programs supporting the implementation of this act's requirements, with priority to grants supporting organic material management, accessible to various entities including local governments.

Sec. 203 would authorize the Center for Sustainable Food Management (WCSFM) to monitor and administer the grant programs in Sec. 201 and 202.

Sec. 301 would amend RCW 70A.205.540 to require jurisdictions that implement a solid waste plan to provide source-separated organic solid waste collection services year-round by April 1, 2027. The Department of Ecology would establish rules for waivers that apply to customers and some types of organic materials. By April 1, 2030, jurisdictions that implement solid waste plans would be required to provide source-separated organic solid waste collection services and collection of food waste year-round on a non-elective basis. However, exemptions are provided for on-site or self-haul

management of organic waste and the Department of Ecology must develop rules by January 1, 2026, for standards that exempt persons from requirements if the organic materials would be managed by alternative mechanism that provides equal or better environmental outcomes. Additional, exemptions from collection service would be statutorily authorized for population density and whether the jurisdiction is in an unincorporated area.

Sec. 302 establishes annual training requirements for compost facility managers and supervisors and biennial training requirements for anaerobic digester facility managers and operators. Within the specified time periods, these staff must complete at least 10 hours of training by a third party provider that may include participation in virtual formats.

Sec. 304 requires that local governments that provide waste collection services for organic materials implement a color-coded waste bin system in jurisdictions to reduce contamination. There would be a requirement for specific color designations for different types of waste as well as labeling requirements for the bins. Bins issued before July 1, 2024 would have a phased implementation of no later than January 1, 2030 or January 1, 2036, depending on the cubic volume of the bin and the useful life of the container.

Sec. 305 prohibits certain herbicides-contaminated organic materials as composting feedstock and use by an organic material management facility.

Sec. 306 instructs the Department of Ecology to establish rules for the permitting requirements of anaerobic digester facilities or preparers of organic waste for such facilities. The Department of Ecology may require the anaerobic facilities or preparers of organic materials to prepare monthly reports demonstrating recycling and final use of finished organic materials, among other topics.

Sec. 505 would amend RCW 70A.455.090 such that cities and counties could have concurrent enforcement of degradability labeling requirements so long as they notify the Department of Ecology in writing.

Sec. 602 would amend RCW 43.19A.150 to revise the first due date and subsequent submission dates of the annual composting report. The first report would be due to the Department of Ecology on March 31, 2025 for any city or county to which subsection 1 and 2 of this section apply. Future reports would be due each year on March 31.

Sec. 701 would add a new chapter to RCW 19.27 authorizing local governments to amend the State Building Code to facilitate storing solid waste in multifamily residential buildings.

Sec. 702 would establish a work group to study food donations by businesses. Cities and county representatives, or an association representing cities and counties, may be among the work group participants.

This act would go into effect 90 days after the adjournment of the session in which it 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.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The amendments to this proposed legislation do not change the indeterminate nature of the prior legislation however these indeterminate costs would be reduced compared to the prior bill.

The amendments to Section 304 would elongate the local government expenditure impact related to statewide standards for garbage bins with volumetric capacity greater or less than one cubic yard. The local expenditure impact would still be indeterminate as the number of affected bins and the costs to replace each size of bin by category is not currently known.

This proposed substitute act would take out the prior Sec. 401 and removes the authority of the Department of Agriculture to delegate enforcement of date labeling responsibilities to local health jurisdictions. Therefore, local health jurisdictions would experience no cost impact for this section under this substitute act.

The Department of Enterprise Services' fiscal note for this bill indicates that the language in Section 701 would not result in changes to the State Building Code. Implementing strengthening amendments to local code would be an option for affected counties, cities, and towns.

SUMMARY OF CURRENT BILL VERSION:

This legislation would have various determinate and indeterminate aspects that would impact local governments with responsibilities for solid waste and organic waste management throughout the state.

Section 601 would result in increased annual reporting costs for jurisdictions with compost procurement ordinances and would have a local government fiscal impact of \$125,460 per year (\$82,530 per year for cities, and \$42,930 per year for counties; see calculation below) starting in FY 2025. Section 302 would require managers and operators of local government operated compost facilities to attend annual training, which would cost approximately \$27,000 per year.

Other sections in this bill include indeterminate expenses for expanded organic waste management collection services by local governments throughout the state, new statewide trash bin color schemes for existing and new garbage bins, costs related to the prohibition of certain herbicide-contaminated organic materials used by organic material management facilities, biennial training requirements for anaerobic facility supervisors, enforcement of degradability labeling requirements, and participation in a Department of Ecology led workgroup on food donations by businesses.

Impact of Part 2:

Cities and counties would be eligible for the grant and loan programs authorized by Sec. 201 and Sec. 202 as administered by the Washington Center for Sustainable Food Management (WCSFM) in Sec. 3. Cities and counties could apply for these grants as a local option. Expenses related to Part 2 would be minor, for those cities and counties that took the local option, as the costs would range from de minimis to more substantive depending on the type of grant or loan program that the WCSFM establishes. Local governments have stated that non-competitive grants are easier to complete than competitive based grants, indicating that there may be some variability to the amount of work that would be required to apply for these grants.

Impact of Part 3:

Sec. 301 would amend RCW 70A.205.540 such that it requires jurisdictions to provide source-separated organic solid waste collection services, with certain waivers for implementation between 2027 and 2030, and exceptions based on population density or whether the jurisdiction is in an unincorporated area. The extent that this increases costs is currently unknown as there would be an increase in the number of routes that need to be taken by municipal solid waste collection or Utilities and Transportation Commission regulated solid waste collection services. In HB 1799 (2022) the Washington State Association of Counties indicated that the mandated expansion of service of solid waste collection services would also necessitate new, or expanded, facilities that could carry capital costs in the tens of millions.

Sec. 302 establishes training requirements for compost facility managers and supervisors and for anaerobic digester facility managers and operators. The Washington Organic Recycling Council offers Compost Facility Operator Training courses that comply with the requirements of WAC 173-350-220 for compost facilities. Each spot in the training retails for roughly \$1,225 (non-member price \$1,350, member price \$1,100). However, these courses are at least two-days (16 hours total). Ecology facility data indicates that there are 11 public composting facilities permitted under 173-350-220. This would indicate annual training costs for compost facility managers and supervisors of \$26,950 (2 staff x \$1,225 average training price x 11 facilities). Costs may be less for certified third-party training that covers at least 10 hours of training as specified by this act. Municipal wastewater treatment plants may also operate anaerobic digester facilities and there are at least 233 permitted publicly owned treatment works (POTWs) with biosolid management permits. However, the

number of POTWs with anaerobic facilities is not currently known.

Sec. 304 requires that local governments that provide waste collection services to implement a color-coded waste bin system in jurisdictions to reduce contamination between the different types of materials. This color scheme must be adopted for waste bins purchased after July 1, 2024, while bins in use before July 1, 2024, would have a phased implementation depending on the service life and volumetric capacity of the bin.

Garbage bins with a volumetric capacity of less than one cubic yard:

Life cycle analysis and surveys of municipalities and waste haulers that use medium-density polyethylene containers indicate that these garbage bins can have life cycles that range from nine to 20 years (Waste Management Magazine). Longevity of these bins can vary depending on wear and tear, collision impacts, rough handling, and environmental factors. Accordingly, the number of bins that need to be replaced on a year-by-year basis cannot be known in advance. The number of individual bins used throughout the state is not currently known as there are a considerable number of service providers that operate throughout the state and varying number of bins that serve multifamily residential developments.

Research from the Association of Washington Cities indicates that these trash bins or carts range from \$40 to \$53 each depending on the size of the bin (20gal to 96 gal). Review of largest jurisdiction's Comprehensive Solid Waste Management Plans (in King, Snohomish, Pierce, and Spokane counties, as well as cities of Tacoma and Seattle) by the Local Government Fiscal Note program indicates that waste collection services have 50% or more of their customers receiving recycling service with their solid waste pick up and 20% to 30% of customers with solid waste collection service are able to get weekly or bi-weekly organics collection service.

Sec. 305 prohibits certain herbicides-contaminated organic materials as composting feedstock and use by an organic material management facility.

Any organic material management facility would be responsible for testing the presence of the composting feedstock used at the facility in an effort to completely eliminate certain types of herbicides from the compost. The two types of herbicides this bill focuses on are clopyralid and aminopyralid which persist through the composting process and according to the Oregon State University, chemical lab testing might not indicate herbicide contamination of the compost material. Testing for these herbicides using bioassay tests, the use plants such as peas grown in the compost or soil mix, may be used to check for abnormal growth caused by herbicide contamination.

Sec. 306 instructs the Department of Ecology to establish rules for the permitting requirements of anaerobic digester facilities or preparers of organic waste for such facilities. As a component of the permitting requirements, Ecology may require that anaerobic facilities or preparers of organic materials to prepare monthly reports demonstrating recycling and final use of finished organic materials, among other topics. It is currently unknown if Ecology would require monthly reports for these facilities and the expenditure impact for this section is therefore assumed to be

Impact of Part 5

Sec. 505 would amend RCW 70A.455.090 such that cities and counties could have concurrent enforcement of degradability labeling requirements so long as they notify the Department of Ecology in writing. There are no specific requirements for enforcement under this provision and electing to have enforcement of the labeling requirements of this act. This would likely take coordination between the WCSFM, the Department of Ecology, and local health jurisdictions.

Impact of Part 6:

Sec. 602 would amend RCW 43.19A.150 to revise the first due date and subsequent submission dates of the annual composting report. This amendment would increase the reporting costs, as the biennial requirement has been shifted to an annual requirement. From the Local Government Fiscal Note for 2S HB.PL 1799 (2022) the biennial reporting costs were \$1,665 per city, and \$1,540 per county. Under this act, there would be expenses, adjusted for wage increases between

2022 and 2024, these costs would be \$1,834 per city and \$1,590 per county.

Cost assumptions:

--Averaged salary data comes from the Association of Washington Cities 2023 Salary Survey

---Public works directors have average per hour rates of \$67/hr for cities, and \$65/hr for counties

---Public works supervisors have average per hour rates of \$48/hr for cities, and \$40/hr for counties.

---An analyst supporting facility operations may have costs of approximately \$37/hr for cities, and \$33/hr for counties

City annual reporting costs: $(20\text{hr} \times \$37/\text{hr}) + (20\text{hr} \times \$48/\text{hr}) + (2\text{hr} \times \$67/\text{hr}) = \$1,834$

County annual reporting costs: $(20\text{hr} \times \$33/\text{hr}) + (20\text{hr} \times \$40/\text{hr}) + (2\text{hr} \times \$65/\text{hr}) = \$1,590$

City annual reporting costs: $45 \text{ cities} \times \$1,834 = \$82,530$ per year

County annual reporting costs: $27 \text{ counties} \times \$1,590 = \$42,930$ per year

Estimated biennial reporting costs: \$125,460 per year

This results in an increase in \$125,460 per year in increase reporting costs due to the new annual reporting costs.

Impact of Part 7:

Based on assessment from the Department of Enterprise Services fiscal note for this proposed substitute act, Sec. 701 would add a new chapter to RCW 19.27 authorizing local governments to amend the State Building Code but does not require the State Building Code Council to develop any new codes. By statute, counties, cities, and towns must adopt the State Building Code by reference and can make strengthening amendments as a local option. Sec. 701 therefore does not require a local government to take action that it would otherwise not undertake in normal circumstances, so this section has no impact. The number of jurisdictions that would adopt strengthening amendments to their local building code is not currently known.

Sec. 702 would establish a work group to study food donations by businesses. Cities and county representatives, or an association representing cities and counties, may be among the work group participants. The number of meetings may follow similar agency related work groups with one-year timelines. These are usually one meeting per month, with increasing frequency as the report deadline to the legislature approaches. Whether a city, county, or an association representative is selected is not currently known. It is assumed by the Local Government Fiscal Note program that if a city or county representative is selected, they would be doing so in a volunteer capacity as no funding mechanism is described by the act.

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.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The amendments to this substitute act would not change the revenue impact of the prior bill.

SUMMARY OF CURRENT BILL VERSION:

This proposed substitute legislation would have indeterminate revenue impacts for cities and counties that are required to provide solid waste and organic collection services.

Jurisdictions would be for eligible for the grant and loan programs authorized by Sec. 201 and Sec. 202 as administered by the Washington Center for Sustainable Food Management (WCSFM) in Sec. 3. The value of these grant and loan programs and the number of jurisdictions that would qualify for the financial assistant cannot be known in advance.

SOURCES:

Association of Washington Cities
City of Seattle, “Garbage Report 2021 Q2”
City of Seattle, “Waste Prevention Recycling Report 2022” (Sept. 2023)
Department of Ecology, FN S HB 2301 (2024)
Department of Enterprise Services, FN S HB 2301 (2024)
House Bill Report, S HB 2301 (2024)
King County, “2019 Comprehensive Solid Waste Management Plan.” (Nov. 2019)
Local Government Fiscal Note Program, FN HB 1799 (2022)
Oregon State University Extension Service, “Herbicide-Contaminated Compost and Soil Mix.” (Feb. 2021)
Tacoma-Pierce County, “2016 Supplement to the Solid Waste Management Plan.” (2015)
Snohomish County, “2021 Snohomish County Comprehensive Solid and Hazardous Waste Management Plan” (July 2021)
Waste Management Magazine, “Four Ways Today’s Trash Cans are not Created Equally” (Mar. 1 2022)
Waste Management Northwest
Washington State Legislature, House Appropriations Committee Hearing (Feb. 1, 2024)