

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6281 S SB	<b>Title:</b> Reforestation grants
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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 State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	0	0	0	0	0	0	0	0	0

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total

## 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 State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Natural Resources	1.7	0	0	450,700	2.7	0	0	633,400	2.7	0	0	633,400
<b>Total \$</b>	1.7	0	0	450,700	2.7	0	0	633,400	2.7	0	0	633,400

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	0.0	0	0	0.0	0	0	0.0	0	0

## Estimated Capital Budget Breakout

NONE

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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6281 S SB	<b>Title:</b> Reforestation grants	<b>Agency:</b> 090-Office of State Treasurer
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## Part I: Estimates

No Fiscal Impact

**Estimated Cash Receipts to:**

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

**Estimated Operating Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Jeff Olsen	Phone: 360-786-7428	Date: 01/31/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 01/31/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/31/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/03/2024

## 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.*

SSB 6281 appropriates funds from the natural climate solutions account to the department of natural resources.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

The natural climate solutions account earnings from investments are credited to the general fund under RCW 43.84.092(4).

Projected cash flows are currently unavailable; therefore, the impact to the estimated earnings from investments are indeterminable.

There may be an impact on the debt service limitation calculation. Changes to the earnings credited to the general fund impacts, by an equal amount, general state revenues.

### 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

<b>Bill Number:</b> 6281 S SB	<b>Title:</b> Reforestation grants	<b>Agency:</b> 490-Department of Natural Resources
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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	0.4	3.0	1.7	2.7	2.7
<b>Account</b>					
Natural Climate Solutions Account-State 26D-1	69,700	381,000	450,700	633,400	633,400
<b>Total \$</b>	69,700	381,000	450,700	633,400	633,400

### 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: Jeff Olsen	Phone: 360-786-7428	Date: 01/31/2024
Agency Preparation: Angela Konen	Phone: 360-902-2165	Date: 02/13/2024
Agency Approval: Brian Considine	Phone: 3604863469	Date: 02/13/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/15/2024

## 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 2 directs the Department of Natural Resources (DNR) Forest Resilience Division to administer a grant program to replant burned forestlands to increase forest health and resilience, mitigate post fire vulnerabilities, and restore the ability of these lands to sequester carbon. Establish a 25% maximum cost-share percentage for grant recipients, describes eligibility criteria for recipients, describes considerations for prioritization and selecting of applicants for DNR. Excludes lands managed directly by the DNR with the stated intent to "avoid a conflict of interest".

Section 3 appropriates \$10 million or as much as may be necessary from the natural climate solutions account for the purposes of the reforestation grant program created by this bill.

Section 4 appropriates \$10 million for DNR to accomplish "postfire reforestation of the forestlands managed by the department" from the natural climate solutions account, and states that DNR "must prioritize expenditures for the benefit of state trust lands."

This bill version deletes the previous section 3 and removes the fiscal year dates from sections 3 and 4.

### 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.*

DNR assumes the following:

Section 3:

Funds appropriated in Section 3 are intended solely for grantmaking purposes and do not include funding for staff time and costs associated with the creation and administration of the grant program.

DNR assumes that seedling supply will impact the number of grant proposals for planting seedlings to reforest that will be funded, and that the long-term success of this grant program will rely on a strong reforestation pipeline of supply and ability to pre-order seedlings from nurseries for reforestation.

DNR assumes that grant proposals that seek to support the reforestation pipeline necessary for a sustained statewide reforestation effort, includes seed cone collection, relevant workforce development programs, the development of new nurseries and upgrades/expansions to existing nursery facilities.

Section 4:

Funds appropriated in section 4 will only be used on forested DNR trust lands that have burned in the last 10 years. In postfire areas where timber salvage has occurred, this funding will only be used if salvage harvest revenues were insufficient to cover reforestation activities.

DNR must continue to meet its legal commitments to reforest after timber harvests, therefore the Department will not shift seedlings ordered for normal post-harvest reforestation to postfire areas, unless operational factors already delay the need for post-harvest reforestation.

Due to harsh environmental conditions, intense vegetative competition, and hazardous standing dead trees in postfire areas, successful reforestation will include vegetation control and hazard tree removal treatments.

Since this bill provides funding from the Natural Climate Solutions Account, funding will be available immediately after completion of the 2024 legislative session (no later than April 1, 2024).

DNR has no fiscal impact for this section as all related expenditures would be covered using this appropriation, if received.

Sections 3 and 4:

Other alternatives for reforestation can be provided if funding could be appropriated in smaller amounts for more years or in the capital budget.

Section 2 directs the DNR’s Forest Resilience Division to administer a grant program to replant burned forestlands to increase forest health and resilience, mitigate post fire vulnerabilities, and restore the ability of these lands to sequester carbon. For the administration of the grant program the agency will need:

1.0 FTE, Environmental Planner 3 to develop the criteria and administer a grant program. This position would be established in May 2024 and then remain full time ongoing into future biennia.

0.5 FTE, Contract Specialist 2 to administer the business operations of establishing and administering a new grant program. The position would be established in May 2024 and then remain full time ongoing into future biennia.

Two WMS (0.25 FTE each position) in FY 24 and FY 25 to establish and pilot a grant program. 0.10 FTE for each of these positions ongoing in future biennia.

0.25 FTE Policy Advisor (WMS 2) in FY 25 and ongoing to coordinate with the reforestation grantmaking program. This policy advisor will serve as a liaison between the policy team and the new reforestation grantmaking program, ensuring alignment with DNR strategic priorities and other relevant reforestation strategies and initiatives. This position will supply policy insights during the creation of the criteria for the grantmaking program and serve as a conduit for continued input from the policy team for the duration of the administration of the program.

Total Costs for Section 2:

FY 24: \$69,700

FY 25: \$381,000

FY 26 and ongoing: \$316,700

**Part III: Expenditure Detail**

**III. A - Operating Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
26D-1	Natural Climate Solutions Account	State	69,700	381,000	450,700	633,400	633,400
<b>Total \$</b>			69,700	381,000	450,700	633,400	633,400

**III. B - Expenditures by Object Or Purpose**

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	3.0	1.7	2.7	2.7
A-Salaries and Wages	27,700	191,800	219,500	322,800	322,800
B-Employee Benefits	9,700	66,200	75,900	113,000	113,000
C-Professional Service Contracts					
E-Goods and Other Services	14,000	30,600	44,600	40,800	40,800
G-Travel	600	8,100	8,700	13,800	13,800
J-Capital Outlays	5,600		5,600		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	12,100	84,300	96,400	143,000	143,000
9-					
<b>Total \$</b>	69,700	381,000	450,700	633,400	633,400

**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
Contracts Specialist 2	69,756	0.1	0.5	0.3	0.5	0.5
Environmental Planner 3	80,952	0.2	1.0	0.6	1.0	1.0
Fiscal Analyst 2	58,107	0.1	0.7	0.4	0.7	0.7
WMS - Band 2	101,268	0.1	0.8	0.4	0.5	0.5
<b>Total FTEs</b>		0.4	3.0	1.7	2.7	2.7

**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

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

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

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