

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 6114 S SB	<b>Title:</b> Sustainable aviation fuel
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## Estimated Cash Receipts

NONE

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

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Governor	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Transportation	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Agriculture	Fiscal note not available											
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Governor	.0	0	0	.0	0	0	.0	0	0
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Department of Agriculture	Fiscal note not available								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

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

## Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Tiffany West, OFM	<b>Phone:</b> (360) 890-2653	<b>Date Published:</b> Preliminary 2/16/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6114 S SB	<b>Title:</b> Sustainable aviation fuel	<b>Agency:</b> 075-Office of the Governor
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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: Jenna Forty	Phone: 360-786-7755	Date: 02/06/2024
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/07/2024
Agency Approval: Jamie Langford	Phone: (360) 870-7766	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.*

Substitute Senate Bill 6114 requires certain private jets to use sustainable aviation fuel in order to reduce emissions in the aviation sector.

Per Section 2(3) (3) The governor, by executive order, may suspend all or portions of the minimum sustainable aviation fuel content requirements as described in the bill based on a determination that such requirements are temporarily, technically, or economically infeasible, or pose a significant risk to public safety.

The Governor's Office believes this work can be done within existing resources and therefore there is no fiscal impact.

### 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

<b>Bill Number:</b> 6114 S SB	<b>Title:</b> Sustainable aviation fuel	<b>Agency:</b> 405-Department of Transportation
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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: Jenna Forty	Phone: 360-786-7755	Date: 02/06/2024
Agency Preparation: Terri Palumbo	Phone: 360-709-8096	Date: 02/12/2024
Agency Approval: Ann Richart	Phone: 360-529-6550	Date: 02/12/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/12/2024

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

See attached fiscal note.

### 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:** 6114 SSB

**Title:** Sustainable Aviation Fuel

**Agency:** 405-Department of Transportation

## Part I: Estimates

- No Fiscal Impact (Explain in section II. A)
- Indeterminate Cash Receipts Impact (Explain in section II. B)
- Partially Indeterminate Cash Receipts Impact (Explain in section II. B)
- Indeterminate Expenditure Impact (Explain in section II. C)
- Partially Indeterminate Expenditure Impact (Explain in section II. C)

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

## Agency Assumptions

The department assumes that sustainable aviation fuel (SAF) is currently available and is American Society for Testing and Materials (ASTM) certified, however, is in very short supply. Currently, SAF costs more per gallon than JetA. Airports that sell fuel, fixed-base operators (FBO)s, and fuel purchasers will see an increase in cost of fuel. Other assumptions include:

- The Governor may suspend all or portions of this requirement based on a determination that such requirements are temporarily, technically, or economically infeasible, or pose a significant risk to public safety.
- Section 3, it is assumed the “department” is the Department of Agriculture (WSDA) as mentioned in Chapter 19.94 RCW. WSDA must complete a feasibility study for enforcing and carrying out the purposes of Section 2 of this act by November 1, 2027, and submit findings and recommendations to the Governor and Transportation Committees of the Legislature. Within 12 months of completion of the feasibility study, the WSDA is authorized to adopt rules for enforcing and carrying out the purposes of Section 2 of this act.
- The Department of Ecology (ECY) will need to verify cumulative production capacity of alternative jet fuel of at least 20,000,000 gallons annually as outlined in RCW 82.04.436 for utilization.
- The Department of Transportation may provide technical assistance to airport operators as necessary for implementation of this section.

## Agency Contacts:

Preparer: Terri Palumbo	Phone: 360-791-3416	Date: 2/7/2024
Approval: Ann Richart	Phone: 360-529-6550	Date: 2/9/2024
Budget Manager: My-Trang Le	Phone: 360-705-7517	Date: 2/9/2024

# Individual State Agency Fiscal Note

## Part II: Narrative Explanation

### II. A - Brief description of what the measure does that has fiscal impact

The proposed legislation Substitute Senate Bill 6114 requires airport operators providing jet fuel to private aircraft operating under federal aviation regulation Part 91 to provide fuel blends with a minimum of 10% sustainable aviation fuel within 24 months of the Department of Ecology verifying cumulative production capacity of alternative jet fuel of at least 20,000,000 gallons annually as outlined in RCW 82.04.436.

The bill also states that the Department of Transportation may provide technical assistance to airport operators as necessary for implementation of this section. It is assumed that the time spent for those activities can be managed within existing resources, there is no fiscal impact to the department.

### II. B – Cash Receipts Impact

N/A

### II. C - Expenditures

N/A

## Part III: Expenditure Detail

### III. A - Expenditures by Object or Purpose

N/A

## Part IV: Capital Budget Impact

N/A

## Part V: New Rule Making Required

N/A

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6114 S SB	<b>Title:</b> Sustainable aviation fuel	<b>Agency:</b> 461-Department of Ecology
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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: Jenna Forty	Phone: 360-786-7755	Date: 02/06/2024
Agency Preparation: Cristina Steward	Phone: 564-669-1723	Date: 02/09/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/09/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/12/2024

## 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 of this bill would add a new section to chapter 14.08 RCW to require airport operators and fixed based operators to provide fuel blends of a minimum of 10 percent sustainable aviation fuel for private aircraft within 24 months following certification by the Department of Ecology that there is 20 million gallons of alternative jet fuel production capacity in Washington.

This bill would have no fiscal impact to Ecology. Section 2 would require use of Ecology's verification requirements under RCW 82.04.436. Ecology already performs this work under current law.

### II. B - Cash receipts Impact

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

### II. C - Expenditures

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

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

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

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

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

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

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

NONE

### IV. C - Capital Budget Breakout

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

NONE

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

NONE

## **Part V: New Rule Making Required**

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

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

**Bill Number:** 6114 S SB

**Title:** Sustainable aviation fuel

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

### Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: The market price for sustainable aviation fuel. The cumulative annual production capacity of alternative jet fuel.

### Estimated revenue impacts to:

None

### Estimated expenditure impacts to:

None

## Part III: Preparation and Approval

Fiscal Note Analyst: Kristine Williams	Phone: (564) 669-3002	Date: 02/07/2024
Leg. Committee Contact: Jenna Forty	Phone: 360-786-7755	Date: 02/06/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/07/2024
OFM Review: Tiffany West	Phone: (360) 890-2653	Date: 02/08/2024

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

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

This note is on 6114 S SB and compares it to 6114 SB.

#### **CHANGES BETWEEN THIS VERSION AND THE PREVIOUS VERSION OF THE BILL:**

This version of the bill would require airport operators and fixed-based operators to provide sustainable aviation fuel for use by private jets within 24 months of the Department of Ecology verifying that the cumulative production capacity of alternative jet fuel has reached at least 20,000,000 gallons annually.

These changes do not affect the fiscal impacts discussed below.

#### **SUMMARY OF CURRENT BILL:**

This legislation would require airport operators and fixed-based operators to provide sustainable aviation fuel for use by private jets when the supply of alternative jet fuel reaches 20,000,000 gallons annually, as verified by the Department of Ecology.

This legislation would take effect 90 days after adjournment of the session in which the bill is passed.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

*Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.*

The legislation would not impact local government expenditures.

This bill does not require airport operators to segregate sustainable aviation fuel (SAF) so there would be no capital costs for local governments.

The majority of municipal airports in Washington state contract with a private fixed based operator (FBO) to provide aviation services. These services typically include purchasing aviation fuel and refueling airplanes. The port of Chelan, which serves as the FBO for the Wenatchee airport, reports that the cost of SAF can range between anywhere from 40% to 50% higher than standard aviation fuel. This legislation would result in higher operating expenses for airport operators and fixed base operators, depending on the market price for SAF. These costs increases are typically passed on to the consumer by FBOs.

### **C. SUMMARY OF REVENUE IMPACTS**

*Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.*

This legislation would not impact local government revenues.

#### **SOURCES**

Ferry County

City of Spokane/Spokane County - Spokane International Airport

Port of Chelan County