

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5955 E 2S SB	<b>Title:</b> Large port districts
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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
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 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 Commerce	.2	113,104	113,104	113,104	.3	114,136	114,136	114,136	.3	114,136	114,136	114,136
Department of Revenue	.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
<b>Total \$</b>	<b>0.2</b>	<b>113,104</b>	<b>113,104</b>	<b>113,104</b>	<b>0.3</b>	<b>114,136</b>	<b>114,136</b>	<b>114,136</b>	<b>0.3</b>	<b>114,136</b>	<b>114,136</b>	<b>114,136</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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	.2	86,586	86,586	.5	170,076	170,076	.5	170,076	170,076
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Department of Revenue	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.2</b>	<b>86,586</b>	<b>86,586</b>	<b>0.5</b>	<b>170,076</b>	<b>170,076</b>	<b>0.5</b>	<b>170,076</b>	<b>170,076</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	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

### Estimated Capital Budget Breakout

Agency Name	2023-25		2025-27		2027-29	
	Total		Total		Total	
Department of Commerce						
Other	86,586		170,076		170,076	
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.					
<b>Total \$</b>	<b>86,586</b>		<b>170,076</b>		<b>170,076</b>	

<b>Prepared by:</b> Myra Baldini, OFM	<b>Phone:</b> (360) 688-8208	<b>Date Published:</b> Final 2/21/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5955 E 2S SB	<b>Title:</b> Large port districts	<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: Kellen Wright	Phone: 360-786-7134	Date: 02/16/2024
Agency Preparation: Mandy Kaplan	Phone: (360) 902-8977	Date: 02/17/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/17/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/20/2024

## 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.*

E2SSB 5955 creates the port district equity fund, coupled with the general fund as the recipient of the earnings from investments under RCW 43.79A.040(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.*

Projected cash flows are currently unavailable; therefore, 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> 5955 E 2S SB	<b>Title:</b> Large port districts	<b>Agency:</b> 103-Department of Commerce
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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	0.4	0.2	0.3	0.3
<b>Account</b>					
General Fund-State 001-1	0	113,104	113,104	114,136	114,136
<b>Total \$</b>	0	113,104	113,104	114,136	114,136

### Estimated Capital Budget Impact:

	2023-25		2025-27		2027-29	
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Pre-design/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	0	0	0	0
Staff	0	0	0	0	0	0
Other	0	86,586	85,038	85,038	85,038	85,038
<b>Total \$</b>	0	86,586	85,038	85,038	85,038	85,038

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

*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: Kellen Wright	Phone: 360-786-7134	Date: 02/16/2024
Agency Preparation: Buck Lucas	Phone: 360-725-3180	Date: 02/21/2024
Agency Approval: Pouth Ing	Phone: 360-725-2715	Date: 02/21/2024
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 02/21/2024

## 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.*

Differences between the engrossed second substitute bill and the first substitute bill:

- Clarifies that the port may contract with building inspectors and others with experience in sound testing, or window or door installs, rather than state-certified building inspectors only.
- The program established in section 5 for the Department to Commerce (department) is no longer subject to appropriation and clarifies eligible building inspector services.
- The fund established in Section 6 may now accept state appropriations, local government contributions, and private contributions. Funds may only be spent on qualifying port projects established in Section 5. Only the department director or designee may authorize expenditures from the fund, and no appropriation is required.
- The grant program established in Section 5 would expire July 1, 2029.
- JLARC must review the grant program established in Section 5, including the number of homes that received noise mitigation support and those that still require it.
- Removes from the appropriation from the proposed legislation.

The effect of the changes to the substitute will increase the fiscal impact to the department by shifting illustrative capital costs to both known capital costs to form and operate the program, and indeterminate capital costs associated with funding for the program established in Section 5 and grants management.

Bill Summary:

Section 3 amends RCW 53.54.030 to provide that qualifying port districts (Port of Seattle) inspecting homes where sound mitigation improvements are no longer working may incur costs to secure qualified building inspectors. The grant program established in the Department of Commerce (department) in Section 5 could reimburse these expenses. If the noise mitigation equipment is not working, the port must apply to the department's grant program to replace it. If the equipment resulted in hazards or structure damage, the port must apply to the department's grant program to address them.

Section 5 adds a new section to RCW 43.330 (Department of Commerce) to establish the noise mitigation grant program. The department must prepare and publish on its webpage an annual report, to include: (a) the number of inspectors hired or contracted, (b) number of inspections conducted, (c) number of properties receiving new or improved noise mitigation equipment after inspection; (d) the number of properties receiving funds to address hazards or damage; and (e) the number of inspected properties where no repairs occurred and the reasons why. Port districts may match awards under the proposed legislation.

Section 6 adds a new section to RCW 53.20 (port district harbor improvements) to establish the port district equity fund. The fund may now accept state appropriations, local government contributions, and private contributions and is no longer subject to appropriation. Funds may only be spent on qualifying port projects established in Section 5, and only the department director or designee may authorize expenditures from the fund.

Section 6(2) requires the department to provide fund management services, and to develop procedures, grant criteria and grant monitoring. The department will publish a report in alignment with Section 5(2)(a-e) on grant awards and benefits realized.

Section 7 adds a new section to RCW 43.131 to sunset the department grant program established in Section 5 by July 1, 2029.

Section 8 adds a new section to RCW 43.131 to require JLARC review of the program, including the number of homes that

received noise mitigation support and those that still require it.

## 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 proposed legislation no longer has an appropriation or a share of retail sales and use taxes generated by port capital projects. The program established in Section 5 is no longer subject to appropriation, and the fund established in Section 6 may accept state appropriations, local government contributions, and private contributions. The department cannot estimate the level of appropriations, or public and private contributions to the fund.

## 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 department would require approximately \$114,000 in FY25 for outreach and to form the grant program established in Section 5 and meet fund management and reporting obligations in Section 6.

Agency assumptions:

- The department assumes outreach and engagement with communities as part of the required environmental justice assessments for the new program created in Sections 5.
- The department assumes annual coordination with the Port of Seattle to collect data on awards and project outcomes under the proposed legislation, to meet the requirements of the annual report in Section 5, and to coordinate with JLARC in their review in Section 8.

0.30 Commerce Specialist 4 (626 hours) in FY25 and 0.20 FTE (418 hours) FY26-FY29 to oversee program management, facilitate community and stakeholder consultation to assist program formation, to provide project monitoring, to collect grants data and report annually.

0.04 FTE WMS Band 2 (84 hours) in FY25 and 0.02 FTE (41 hours) FY26-FY29 to provide leadership, oversight, coordination over all elements of program formation and operation. Staff will also support community outreach and engagement, and review of annual reports published to the department webpage.

Salaries and benefits:

FY25: \$42,822

FY26-FY29: \$27,445 per fiscal year

Goods and Services:

The department assumes \$5,250 (25 hours at \$210 per hour) in FY25 for Assistant Attorney General (AAG) consultation each year with the assumption there will be grant contracts each fiscal year.

FY25: \$8,517

FY26-FY29: \$ 4,213 per fiscal year

Professional Service Contracts:

Translated materials would cost approximately \$1,725 per document per language (between \$0.16 and \$0.21 cents per word) with an assumption that up to 27 translations (two program documents into the nine most common English language alternatives) would be required in FY25 as part of the requisite environmental justice assessments, including program communications during the first year of program operations (\$1,725 x 27 = \$46,575). For FY26-FY29 (\$1,725 x 9 =

\$15,525).

FY25: \$46,575

FY26-FY29: \$15,525 per fiscal year

Travel Costs:

The department assumes approximately 10 trips in the first year of the program to support community outreach and engagement, and declining thereafter.

FY25: \$1,102

FY26-FY29: \$856 per fiscal year

Intra-agency reimbursements:

FY25: \$ 14,088

FY26-FY29: \$ 9,029 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

Total Operating Costs:

FY25: \$ 113,104

FY26-FY29: \$57,068 per fiscal year

### 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	113,104	113,104	114,136	114,136
<b>Total \$</b>			0	113,104	113,104	114,136	114,136

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.4	0.2	0.3	0.3
A-Salaries and Wages		31,699	31,699	40,580	40,580
B-Employee Benefits		11,123	11,123	14,310	14,310
C-Professional Service Contracts		46,575	46,575	31,050	31,050
E-Goods and Other Services		8,517	8,517	8,426	8,426
G-Travel		1,102	1,102	1,712	1,712
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		14,088	14,088	18,058	18,058
9-					
<b>Total \$</b>	0	113,104	113,104	114,136	114,136

**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
Administrative Services - Indirect	111,168		0.1	0.0	0.0	0.0
Commerce Specialist 4	88,794		0.3	0.2	0.2	0.2
WMS Band 2	126,529		0.0	0.0	0.0	0.0
<b>Total FTEs</b>			0.4	0.2	0.3	0.3

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

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
057-1	State Building Construction Account	State	0	86,586	86,586	170,076	170,076
<b>Total \$</b>			0	86,586	86,586	170,076	170,076

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

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

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.4	0.2	0.5	0.5
A-Salaries and Wages		34,344	34,344	69,974	69,974
B-Employee Benefits		11,927	11,927	24,694	24,694
C-Professional Service Contracts		15,525	15,525	31,050	31,050
E-Goods and Other Services		8,711	8,711	11,500	11,500
G-Travel		856	856	1,712	1,712
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements		15,223	15,223	31,146	31,146
9-					
<b>Total \$</b>	0	86,586	86,586	170,076	170,076

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

**IV. C - Capital Budget Breakout**

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

Construction Estimate	FY 2024	FY 2025	2023-25	2025-27	2027-29
Predesign/Design					
Construction					
Grants/Loans					
Staff					
Other		86,586	86,586	170,076	170,076
<b>Total \$</b>		86,586	86,586	170,076	170,076

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

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

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Administrative Services - Indirect	111,168		0.1	0.0	0.1	0.1
Budget Analyst 4	91,068		0.1	0.0	0.1	0.1
Commerce Specialist 4	88,794		0.3	0.1	0.3	0.3
WMS Band 2	126,529		0.1	0.0	0.0	0.0
<b>Total FTEs</b>			0.4	0.2	0.5	0.5

The proposed legislation has both known and indeterminate capital budget impacts. The department would require approximately \$86,000 in FY25 to operate the capital grant program established in Section 5. The level of appropriations or contributions to fulfill the intent of the proposed legislation are unknown. The number of awards made and at what levels are also unknown, and may increase the department's capital program and contract management costs if contract caseload exceeds 10 contracts.

Agency assumptions:

- The number and size of grants for building inspector services, to repair or replace mitigation equipment, or to mitigate or repair hazards or damages from mitigation projects are unknown. The department does not know how large a project area may be, when funding requests would be submitted, or the share of costs that would be requested. The department cannot estimate possible appropriations, or public and private contributions to make awards under this act.
- The department assumes the full-time equivalent contract caseload would be 30 contracts, and cannot estimate the potential number of mitigation or repair projects to address hazards or damages may occur annually, or the number of hours of building inspector services that would be required.
- The department would assume an administrative deduction not to exceed 3% of any capital funding provided for additional contract caseload management.

0.25 Commerce Specialist 4 (522 hours) in FY25 and 0.30 FTE (627 hours) FY26-FY29 to provide program management, project technical assistance, management of grant funding availability, application review, and compiling project detail. Staff will manage awarded contracts, validate invoices, monitor contract implementation, and develop project communications.

0.06 FTE WMS Band 2 (125 hours) in FY25 and 0.03 FTE (65 hours) FY26-FY29 thereafter to provide leadership, oversight, coordination over all element of the established programs. Staff will also support community outreach and engagement, application development, technical assistance, application scoring and prioritization, and review of annual reports published to the department webpage.

0.05 FTE Budget Analyst 4 (105 hours) in FY25-FY29 to provide fund management, project accounting and project financial data management for the fund established in Section 5.

Salaries and benefits:

FY25: \$46,271  
 FY26-FY29: \$47,334 per fiscal year

Goods and Services:

The department assumes \$5,250 (25 hours at \$210 per hour) in FY25 for Assistant Attorney General (AAG) consultation each year with the assumption there will be grant contracts each fiscal year.

FY25: \$8,711

FY26-FY29: \$5,750 per fiscal year

Professional Service Contracts:

FY25-FY29: \$15,525 per fiscal year

Travel Costs:

FY25-FY29: \$856 per fiscal year

Intra-agency reimbursements:

FY25: \$ 15,223

FY26-FY29: \$15,573 per fiscal year

Note: Standard goods and services costs include supplies and materials, employee development and training, Attorney General costs, central services charges and agency administration. Agency administration costs (e.g., payroll, HR, IT) are funded under a federally approved cost allocation plan.

=====

Total Capital Costs:

FY25: \$86,586

FY26-FY29: \$85,038 per fiscal year

**Part V: New Rule Making Required**

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

# Department of Revenue Fiscal Note

<b>Bill Number:</b> 5955 E 2S SB	<b>Title:</b> Large port districts	<b>Agency:</b> 140-Department of Revenue
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## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated 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: Kellen Wright	Phone: 60-786-7134	Date: 02/16/2024
Agency Preparation: Beth Leech	Phone: 60-534-1513	Date: 02/16/2024
Agency Approval: Valerie Torres	Phone: 60-534-1521	Date: 02/16/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/20/2024

Request # 5955-2-1

Bill # 5955 E 2S SB

## 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.*

Note: This fiscal note reflects language in E2SSB 5955, 2024 Legislative Session.

#### COMPARISON OF ENGROSSED SECOND SUBSTITUTE BILL WITH SUBSTITUTE BILL:

The engrossed second substitute bill no longer uses sales tax data to calculate funding for the port district equity fund. The Department of Revenue (department) is no longer asked to report on sales tax data.

#### CURRENT LAW:

Port districts may levy one of four different property taxes, each with tax rates of up to \$0.45/\$1,000 assessed value. Port districts operating an airport serving more than 900 scheduled jet aircraft flights per day may create a program to alleviate and abate the impact of jet aircraft noise on areas surrounding such airports.

#### PROPOSAL:

This bill requires port districts operating large airports to dedicate a portion of property tax levy proceeds to mitigate the impacts of noise and air pollution. It also creates a grant program to provide assistance to qualifying port districts for expenses related to mitigating the impacts of noise and air pollution. This program is administered by the Department of Commerce.

This bill also creates the Port District Equity Fund. Moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions.

#### EFFECTIVE DATE:

The bill takes effect 90 days after the final adjournment of the 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.*

This legislation results in no revenue impact on taxes administered by the department.

### 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 department will not incur any costs with the implementation of this legislation.

## Part III: Expenditure Detail

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

NONE

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

NONE

**III. C - 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

**Part V: New Rule Making Required**

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5955 E 2S SB	<b>Title:</b> Large port districts	<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: Kellen Wright	Phone: 360-786-7134	Date: 02/16/2024
Agency Preparation: Andrew Contreras	Phone: 360-485-7648	Date: 02/20/2024
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/20/2024
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/21/2024

## 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 SSB 5955, E2SSB 5955 has no changes that impact Ecology.

This bill would require the Department of Commerce to administer grants from the port district equity fund to provide assistance to qualifying port districts for expenses related to noise mitigation, through July 1, 2029.

Ecology is not specified in the bill and assumes no new requirements under this bill. Therefore, Ecology assumes 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.*

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

**Bill Number:** 5955 E 2S SB

**Title:** Large port districts

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

### Legislation Impacts:

- Cities:
- Counties:
- Special Districts: potential grant revenue for a port
- Specific jurisdictions only: Port of Seattle
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: local governments may make contributions to an account for a noise abatement program
- Key variables cannot be estimated with certainty at this time: current port noise abatement program requirements, what appropriation amount along with contributions will be made,

### Estimated revenue impacts to:

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

### Estimated expenditure impacts to:

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

## Part III: Preparation and Approval

Fiscal Note Analyst: Angie Hong	Phone: 360-725-5041	Date: 02/19/2024
Leg. Committee Contact: Kellen Wright	Phone: 360-786-7134	Date: 02/16/2024
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/19/2024
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 02/19/2024

## **Part IV: Analysis**

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

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

#### **CHANGES FROM THE PREVIOUS VERSION**

This engrossed second substitute bill adds detail regarding an account: that moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions.

#### **SUMMARY OF CURRENT BILL VERSION**

Section 1 explains intent.

Section 2 amends RCW 53.54.020 [Investigation and monitoring of noise impact—Programs to conform to needs —"Impacted areas."] to require a Port commission to investigate and monitor noise impacts and to adopt a noise abatement program based upon the results with specific limitations on what may be considered "impacted areas."

Section 3 amends RCW 53.54.030 [Aircraft noise abatement – Authorized programs within impacted areas] to amend remedial actions that a Port may take.

Section 4, 5, and 7 amend RCWs to add grants from the Washington State Dept. of Commerce as a potential source of revenue for a noise abatement program.

Section 6 adds a new chapter to RCW 53.20 [Harbor Improvements] create the Port District Equity Fund. Moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions.

Section 8 requires the joint legislative audit and review committee review the grant program.

### **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 FROM THE PREVIOUS VERSION**

This engrossed second substitute bill adds detail regarding an account: that moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions, and does not alter the previous analysis of local expenditure impact.

#### **SUMMARY OF CURRENT BILL VERSION'S EXPENDITURE IMPACTS**

Section 2 alterations: "to require a Port commission to investigate and monitor noise impacts and to adopt a noise abatement program" are likely to overlap with a current program that the port operates. It is unknown to what extent the port's current program meets these requirements. Therefore, the expenditure impact of this bill is indeterminate.

Section 6 specifies moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions. These local government contributions to an account are a local option. It is unknown whether or not local governments will opt to make contributions to this account and at what scale they may contribute. This section requires no local government action, therefore, it has no impact to local government expenditures.

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

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

#### **CHANGES FROM THE PREVIOUS VERSION**

This engrossed second substitute bill adds detail regarding an account: that moneys to this account may consist of appropriations by the Legislature, contributions from county and local governments and port districts, and private contributions, and does not alter the previous analysis of local revenue impact.

#### SUMMARY OF CURRENT BILL VERSION'S REVENUE IMPACTS

Sections 4-7 refer to grant programs made available through appropriation that are administered by the State Dept. of Commerce. It is unknown what appropriation will be made. These revenue sources for a port district are indeterminate and positive.

#### SOURCES

Port of Seattle