

Multiple Agency Fiscal Note Summary

Bill Number: 1001 HB	Title: Fire protection projects
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Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	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	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Commerce	.0	251,141	251,141	251,141	.0	131,836	131,836	131,836	.0	127,836	127,836	127,836
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	251,141	251,141	251,141	0.0	131,836	131,836	131,836	0.0	127,836	127,836	127,836

Agency Name	2025-27			2027-29			2029-31		
	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	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Commerce	1.4	362,512	362,512	1.4	454,312	454,312	1.4	454,312	454,312
Department of Commerce	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Total \$	1.4	362,512	362,512	1.4	454,312	454,312	1.4	454,312	454,312

Agency Name	2025-27			2027-29			2029-31		
	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	2025-27	2027-29	2029-31
	Total	Total	Total
Department of Commerce			
Staff	362,512	454,312	454,312
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.		
Total \$	362,512	454,312	454,312

Prepared by: Myra Baldini, OFM	Phone: (360) 688-8208	Date Published: Final 1/21/2025
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Individual State Agency Fiscal Note

Bill Number: 1001 HB	Title: Fire protection projects	Agency: 103-Department of Commerce
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
Account					
General Fund-State 001-1	187,223	63,918	251,141	131,836	127,836
Total \$	187,223	63,918	251,141	131,836	127,836

Estimated Capital Budget Impact:

	2025-27		2027-29		2029-31	
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Predesign/Design	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Grants/Loans	0	0	0	0	0	0
Staff	135,356	227,156	227,156	227,156	227,156	227,156
Other	0	0	0	0	0	0
Total \$	135,356	227,156	227,156	227,156	227,156	227,156

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: Robert Hatfield	Phone: 360-786-7117	Date: 01/13/2025
Agency Preparation: Jodi Barnes	Phone: (564) 669-0071	Date: 01/17/2025
Agency Approval: Jodi Barnes	Phone: (564) 669-0071	Date: 01/17/2025
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 01/21/2025

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 proposed legislation would create the fire protection services capital projects grant program in the Department of Commerce (department).

Section 2 adds a new section to Title 43 RCW to create the fire protection services capital grant program. The competitive grant program would award local governments in rural counties grants for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of a facility providing fire protection services. Local government applicants would include cities, towns, counties, special purpose districts, including ports districts, and any other municipal corporation or quasi-municipal corporation that provides fire protection services.

Section 2 (2)(a) requires the department to establish a committee to develop the grant program criteria and an application prioritization process. Members of the committee must include the department, a fire protection district, a city, and a county

Section 2 (3)(a) requires that funding award under this act may only be given after public or private match funds are committed with a maximum \$2 million per jurisdiction per biennium.

Section 3 adds a new chapter in RCW 43 and requires the department to provide an annual legislative report to the Office of Financial Management and the legislature by November 1, 2026.

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.

Sections 2 and 3 will require the Department of Commerce (Department) to form and operate a new capital program with annual reporting requirements. Formation of the program proposed under this act will be contingent on a legislative appropriation in the operating budget.

The Department assumes that the committee required to develop the grant program criteria and an application prioritization process would convene virtually for approximately four meetings, assuming two hours per meeting, with material preparation and facilitation provided by department staff.

The Department assumes this new grant program would be a significant agency action and require an environmental justice assessment. This will require community outreach, engagement and accessible communications with overburdened communities.

The timeline to form and develop the program would take approximately six months, with hiring for the program manager to occur in alignment with budget authority on July 1, 2025.

0.60 FTE Commerce Specialist 3 (209 hours), in FY26 and 0.25 FTE (522 hours) thereafter FY27-FY31 to lead outreach and engagement, to procure translation services, and to form the program established under the proposed legislation. Activities include creating program guidelines, templates and report compilation, program marketing; to assist senior management with drafting legislation, representing the Department, developing policy positions, and coordinating the state’s role with respect to the implementation of the program.

0.10 FTE Commerce Specialist 5 (209 hours), in FY26 and 0.05 FTE (104 hours) thereafter FY27-FY31 to hire staff and provide day-to-day direction of staff upon hire. Staff will also provide support work to policy and program development and continuous improvement. Staff will present advanced technical business information to fire protection service districts and related associations.

0.05 FTE WMS Band 2 (104 hours) in FY26-FY31 to provide leadership, oversight, supervision and decision-making over all elements of the program. Staff provide expert policy advice or consultation on a range of issues specific to the program and to areas that have agency wide implications.

0.05 FTE Administrative Assistant 3 (104 hours), in FY26 and 209 hours FY27-FY31, to review documents, records, or applications for completeness, accuracy, and compliance with all relevant rules and laws. Composes office correspondence and requests for documentation and responses, such as notarization and contract execution and monitoring, including requests for information from current and prospective grantees.

Salary and benefits:

FY26: \$96,977

FY27-FY31: \$42,986 each fiscal year

Professional Service Contracts: The Department assumes two program documents would be translated into the nine most common English alternative languages in the state (\$1725 x 2 x 9), and that interpretive services will be required for two community events (\$3,500 x 2 x 2).

FY26: \$45,050

Goods and services:

FY26: \$8,493

FY27-FY31: \$5,993 each fiscal year

Travel:

FY26-FY31: \$3,475 each fiscal year

Equipment:

FY26: \$4,000

FY29: \$4,000

Intra-agency reimbursements:

FY26: \$29,228

FY27-FY31: \$11,464 each fiscal year

Total costs:

FY26: \$187,223

FY26-FY28: \$63,918 each fiscal year

FY29: \$67,918

FY30-FY31: \$63,918 each fiscal year

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	187,223	63,918	251,141	131,836	127,836
Total \$			187,223	63,918	251,141	131,836	127,836

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages	72,261	32,358	104,619	64,716	64,716
B-Employee Benefits	24,716	10,628	35,344	21,256	21,256
C-Professional Service Contracts	45,050		45,050		
E-Goods and Other Services	8,493	5,993	14,486	11,986	11,986
G-Travel	3,475	3,475	6,950	6,950	6,950
J-Capital Outlays	4,000		4,000	4,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	29,228	11,464	40,692	22,928	22,928
9-					
Total \$	187,223	63,918	251,141	131,836	127,836

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)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Local Government Division (600)	187,223	63,918	251,141	131,836	127,836
Total \$	187,223	63,918	251,141	131,836	127,836

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
057-1	State Building Construction Account	State	135,356	227,156	362,512	454,312	454,312
Total \$			135,356	227,156	362,512	454,312	454,312

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 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.4	1.4	1.4	1.4	1.4
A-Salaries and Wages	61,099	115,872	176,971	231,744	231,744
B-Employee Benefits	20,630	39,446	60,076	78,892	78,892
C-Professional Service Contracts					
E-Goods and Other Services	22,638	16,988	39,626	33,976	33,976
G-Travel	4,100	3,750	7,850	7,500	7,500
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	26,889	51,100	77,989	102,200	102,200
9-					
Total \$	135,356	227,156	362,512	454,312	454,312

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 2026	FY 2027	2025-27	2027-29	2029-31
Predesign/Design					
Construction					
Grants/Loans					
Staff	135,356	227,156	362,512	454,312	454,312
Other					
Total \$	135,356	227,156	362,512	454,312	454,312

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 2026	FY 2027	2025-27	2027-29	2029-31
Administrative Assistant 3	54,199	0.1	0.1	0.1	0.1	0.1
Commerce Specialist 3	84,518	1.0	1.0	1.0	1.0	1.0
Commerce Specialist 5	98,040	0.2	0.2	0.2	0.2	0.2
WMS Band 2	126,529	0.1	0.1	0.1	0.1	0.1
Total FTEs		1.4	1.4	1.4	1.4	1.4

Administration of the program proposed under this act will be contingent on receiving a legislative appropriation in the operating budget. That appropriation is indeterminate and depending on the appropriation level, program administration may necessitate up to 5% for administrative costs. To illustrate, at 3% administrative costs and the staffing levels assumed below, capital administration is assumed to be approximately \$363,000, which would assume an appropriation level of approximately \$12 million. Based on the authority provided in Section 2, maximum award to a local government cannot exceed \$2 million per biennium. The number of awards will vary based on the appropriation and capital requests received. The following costs and assumptions are for illustrative purposes only.

Agency assumptions:

The Department assumes the program would be operational by January 1, 2026, and would begin its first grant cycle after that date, pending legislative appropriation.

0.50 FTE Commerce Specialist 3 (1,044 hours), in FY26-FY31 to provide contract management and program technical assistance in support of capital contracts and invoice verification, providing or building capacity around solicitation, origination, management, and the monitoring of project contracts.

0.10 FTE Commerce Specialist 5 (209 hours), in FY26 and 0.20 FTE (418 hours) thereafter FY27-FY31 to assign contracts and provide contract negotiation and execution support, lead project site monitoring and site visits and oversight of contract management activities

0.05 FTE WMS Band 2 (104 hours), in FY26 and 0.10 FTE (209 hours) thereafter FY27-FY31, to provide leadership, oversight, supervision and expertise of financed projects and consultation on issues specific to contract execution and project delivery, including portfolio management.

0.05 FTE Administrative Assistant 3 (104 hours) in FY26 and 0.10 FTE (209 hours) thereafter FY27-FY31, to review documents, records, or applications for completeness, accuracy, and compliance with all relevant rules and laws. Composes office correspondence and requests for documentation and responses, such as notarization and contract execution and monitoring, including requests for information from current and prospective grantees.

Salary and Benefits:

FY26-FY31: \$163,458

Goods and Services: The Department estimates that it will consult with the Assistant Attorney General (AAG) for an estimated 50 hours at \$210 per hour the first year (\$10,500 for FY26, 50 hours at \$210 per hour). The department will consult with the AAG for an estimated 20 hours at \$210 per hour (\$4,200) to assist with annual contract execution FY27-FY31. An annual ZoomGrants license for grant applications will be required at \$3,438 per year.

FY26: \$22,638

FY27-FY31: \$16,988 each fiscal year

Travel: Travel includes site visits and project monitoring. The Department assumes travel will consist of 13 total days of outreach and engagement, with travel requiring lodging due to projects located in Eastern Washington communities.

FY26: \$ 4,100

FY27-FY31: \$3,750 each fiscal year

Intra-agency Reimbursements:

FY26-FY31: \$53,778 each 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.

Individual State Agency Fiscal Note

Bill Number: 1001 HB	Title: Fire protection projects	Agency: 105-Office of Financial Management
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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: Robert Hatfield	Phone: 360-786-7117	Date: 01/13/2025
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 01/16/2025
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 01/16/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 01/21/2025

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 bill directs the Department of Commerce to establish a competitive grant program for rural counties who have fire protection services capital projects.

“Rural county” is defined as a county with a population density of fewer than 100 persons per square mile or a county smaller than 225 square miles, as determined by OFM pursuant to RCW 43.62.035.

OFM’s population unit already produces the population density information this bill requires. There is no fiscal impact to OFM.

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: 1001 HB	Title: Fire protection projects
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities:
- ☒ Counties:
- ☒ Special Districts:
- ☒ Specific jurisdictions only: Cities, Counties, and Special Districts in rural counties who provide fire protection services.
- ☐ 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: Number of local governments who would receive grant funding and the amount of that funding cannot be determined.

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: Dalton Huey	Phone: 360-725-5035	Date: 01/17/2025
Leg. Committee Contact: Robert Hatfield	Phone: 360-786-7117	Date: 01/13/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/17/2025
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 01/17/2025

Part IV: Analysis

A. SUMMARY OF BILL

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

Commerce is directed to establish a competitive grant program to award funding to local governments in rural counties to plan, acquire, construct, repair, replace, rehabilitate, or improve a facility providing fire protection services. Funding is capped at \$2 million per jurisdiction per biennium. Private or public match is required and is based on the financial need of the applicant and the economic conditions of the location of the proposed facility.

Commerce must establish a committee to develop the grant program criteria and a process for prioritization of applications. The committee must include no less than one representative each from Commerce, a fire protection district, a county, and a city.

If the grantee is found to be out of compliance with provisions of the contract, the grantee is required to repay to the State General Fund the principal amount of the grant plus interest calculated at the rate of interest on State of Washington general obligation bonds issued most closely to the date of authorization of the grant.

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 result in indeterminate expenditures for local governments.

It is assumed that committee meetings would take place remotely and incur no travel costs. There may be minor indeterminate costs associated with staffing meetings, which cannot be estimated at this time.

It is assumed that local governments will incur costs associated with preparing and submitting state grant or loan applications. The costs for local governments to apply for the grants or loans is indeterminate. These costs will likely include administrative costs and may include grant writing expenditures or other expenses. Local governments would also be required to provide public or private match funding and would be required to repay the grant amount plus interest if the conditions of the grant were not met. These costs cannot be estimated at this time.

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 result in indeterminate revenues for local governments, as they would receive funds as grants from the fire protection grant program under the legislation. For the purposes of this fiscal note, it is unknown how much total funding would be made available, nor how much funding would be specified for each individual grant, however each jurisdiction would be eligible for a maximum of \$2,000,000 per biennium.

SOURCES:

House Bill Report, HB 1929, Capital Budget Committee (2022)
Local Government Fiscal Note, HB 1929, (2022)