

Multiple Agency Fiscal Note Summary

Bill Number: 1462 HB	Title: Hydrofluorocarbons
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Estimated Cash Receipts

NONE

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 Enterprise Services	1.3	0	0	334,000	.3	0	0	122,400	.3	0	0	122,400
Department of Social and Health Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Veterans Affairs	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Corrections	Fiscal note not available											
University of Washington	1.0	234,540	234,540	234,540	1.0	234,540	234,540	234,540	1.0	234,540	234,540	234,540
Washington State University	.3	126,748	126,748	126,748	.3	126,748	126,748	126,748	.3	126,748	126,748	126,748
Washington State University	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.											
The Evergreen State College	.0	0	0	0	.0	0	0	0	.0	0	0	0
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Department of Ecology	10.4	0	0	3,326,331	11.9	0	0	3,620,651	9.6	0	0	2,798,767
State Parks and Recreation Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Environmental and Land Use Hearings Office	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Fish and Wildlife	.0	44,000	44,000	44,000	.0	44,000	44,000	44,000	.0	44,000	44,000	44,000
Department of Fish and Wildlife	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Department of Natural Resources	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Agriculture	.0	0	0	0	.0	0	0	0	.0	0	0	0
Community and Technical College System	Fiscal note not available											
Total \$	13.0	405,288	405,288	4,065,619	13.5	405,288	405,288	4,148,339	11.2	405,288	405,288	3,326,455

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Enterprise Services	.0	0	0	.0	0	0	.0	0	0
Department of Social and Health Services	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Department of Veterans Affairs	.0	0	0	.0	0	0	.0	0	0
Department of Corrections	Fiscal note not available								
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
The Evergreen State College	.0	30,000	30,000	.0	0	0	.0	0	0
The Evergreen State College	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
State Parks and Recreation Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Environmental and Land Use Hearings Office	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Natural Resources	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Community and Technical College System	Fiscal note not available								
Total \$	0.0	30,000	30,000	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

Agency Name	2025-27	2027-29	2029-31
	Total	Total	Total
Central Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Department of Fish and Wildlife	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Department of Natural Resources	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Eastern Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.		
State Parks and Recreation Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.		
The Evergreen State College			
Other	30,000	0	0
	In addition to the estimate above, there are additional indeterminate costs and/or savings. Please see individual fiscal note.		
University of Washington	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Washington State University	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Western Washington University	Non-zero but indeterminate cost and/or savings. Please see discussion.		
Total \$	30,000	0	0

Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Preliminary 1/28/2025
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Individual State Agency Fiscal Note

Bill Number: 1462 HB	Title: Hydrofluorocarbons	Agency: 179-Department of Enterprise Services
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.3	1.3	1.3	0.3	0.3
Account					
Enterprise Services Account-State 422-1	167,000	167,000	334,000	122,400	122,400
Total \$	167,000	167,000	334,000	122,400	122,400

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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Michael Diaz	Phone: (360) 407-8131	Date: 01/23/2025
Agency Approval: Jessica Goodwin	Phone: (360) 819-3719	Date: 01/23/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 01/26/2025

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.

Section 2 adds a new section to RCW 70A.60 prohibiting the sale or distribution of virgin bulk hydrofluorocarbons (HFC) or virgin bulk HFC blends that have a global warming potential that exceeds 2,200, 1,500, or 750 beginning January 1, 2027, January 1, 2030, and January 1, 2033, respectively. This section requires the Department of Ecology (ECY) to adopt rules to implement the requirements.

Section 3 adds a new section to RCW 70A.60 requiring Ecology to establish a task force to transition to climate-friendly refrigerants.

Section 5 amends RCW 39.26.310, 2021 c 315 s 19 and 2021 c 65 s 28 to prohibit the use of HFCs with a global warming potential greater than 750 from being used to repair leaks on equipment owned or operated by the state, beginning July 1, 2026. This section also requires DES to review and process any temporary exemption requests.

Section 6 is a new section stating if any part of this act is found invalid, the rest of the act remains unaffected.

The changes made in Section 2 and Section 5 have fiscal impact to the Department of Enterprise Services (DES).

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.

Section 2 adds a new section to RCW 70A.60 prohibiting the sale or distribution of virgin bulk hydrofluorocarbons (HFC) or virgin bulk HFC blends that have a global warming potential that exceeds 2,200, 1,500, or 750 beginning January 1, 2027, January 1, 2030, and January 1, 2033, respectively. This section requires DES to purchase and use reclaimed HFCs for the many HVAC systems it manages. Reclaimed HFCs typically cost more than virgin HFC and is estimated to cost an additional \$20,000/Fiscal Year.

Section 5 amends RCW 39.26.310, 2021 c 315 s 19 and 2021 c 65 s 28 to prohibit the use of HFCs with a global warming potential greater than 750 from being used to repair leaks on equipment owned or operated by the state, beginning July 1, 2026. This section also requires DES to review and process any temporary exemption requests. DES would need 0.3 of a WMS2 to serve as a subject matter expert to review and process all exemption requests that are submitted. This is estimated to cost \$41,150/Fiscal Year.

DES would also need to hire a two-year project Maintenance Mechanic 3 to create a tracking system for recycling/reclamation of refrigerant and documenting the different HVAC systems in DES owned buildings, to include refrigerant type and CO2 equivalent of that refrigerant. This position would also work to ensure DES was using a vendor that met all of the requirements of this legislation, working with them to reclaim refrigerant from DES retired systems, and setting up predictable delivery dates of reclaimed refrigerants to ensure continuity of building operations. This is estimated to cost \$105,803/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
422-1	Enterprise Services Account	State	167,000	167,000	334,000	122,400	122,400
Total \$			167,000	167,000	334,000	122,400	122,400

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.3	1.3	1.3	0.3	0.3
A-Salaries and Wages	96,400	96,400	192,800	54,000	54,000
B-Employee Benefits	41,400	41,400	82,800	24,400	24,400
C-Professional Service Contracts					
E-Goods and Other Services	29,200	29,200	58,400	44,000	44,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	167,000	167,000	334,000	122,400	122,400

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 2026	FY 2027	2025-27	2027-29	2029-31
Maintenance Mechanic 3	69,396	1.0	1.0	1.0		
WMS2	90,000	0.3	0.3	0.3	0.3	0.3
Total FTEs		1.3	1.3	1.3	0.3	0.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 1462 HB	Title: Hydrofluorocarbons	Agency: 300-Department of Social and Health Services
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Douglas Hoffer	Phone: 360-902-8187	Date: 01/24/2025
Agency Approval: Dan Winkley	Phone: 360-902-8236	Date: 01/24/2025
OFM Review: Jason Brown	Phone: (360) 742-7277	Date: 01/24/2025

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.

There is no fiscal impact to the Department of Social and Health Services (DSHS) during the 2025-27 Biennium. This proposal is intended to reduce greenhouse gas emissions associated with hydrofluorocarbons by transitioning to environmentally and economically sustainable alternatives and promoting use of reclaimed hydrofluorocarbons. The bill language will promote the use of reclaimed refrigerants, require a study of feasible pathways to transition to new HVAC equipment, and support development of refrigerant recovery infrastructure.

DSHS does have equipment at facilities that may be more expensive to repair in the future if it is necessary to utilize reclaimed refrigerants, however it is assumed that those costs can be absorbed within current 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.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 303-Department of Health
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Part I: Estimates

☒ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

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- ☐ 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Katie Osete	Phone: 3602363000	Date: 01/22/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/22/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/22/2025

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.

This bill prohibits the sale of hydrofluorocarbons that are particularly strong global warming potential. It creates a taskforce under the Department of Ecology (ECY) called the Refrigerant Transition Task Force. It has a number of assigned members that do not include the Department of Health (DOH).

The department assumes that ECY will not use DOH an optional assignee of the task force.

No additional work for and therefore no fiscal impact to DOH.

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.

N/A

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.

N/A

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

N/A

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 305-Department of Veterans Affairs
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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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Mirach Sebhat	Phone: (360) 451-2296	Date: 01/24/2025
Agency Approval: Yacob Zekarias	Phone: 253-545-1942	Date: 01/24/2025
OFM Review: Arnel Blancas	Phone: (360) 000-0000	Date: 01/26/2025

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.

1462 HB has no fiscal impact on the Washington Department of Veterans Affairs (WDVA). Any minor administrative efforts required to support implementation of this bill can be managed within existing staff and resources.

The bill significantly enhances and expands the existing RCWs by establishing clear timelines for phasing out high-global warming potential (GWP) refrigerants, implementing stricter procurement requirements, and creating mechanisms, such as a task force, to guide the transition to low-GWP refrigerants. Specifically, the bill amends and adds new sections to RCW 70A.60, as well as reenacts and modifies RCW 39.26.310.

RCW 70A.60, titled Hydrofluorocarbons (HFCs) - Emissions Reduction, regulates the use of HFCs in Washington State to mitigate environmental harm by restricting specific HFC substitutes, permitting the continued use of existing equipment, and mandating refrigerant recovery during servicing and disposal. It also bans the intentional release of these substances. Meanwhile, RCW 39.26.310, titled Purchasing and Procurement Policies of Products Containing Hydrofluorocarbons, directs the Department of Enterprise Services (DES) to prioritize the procurement of low-GWP or HFC-free products. It restricts non-compliant purchases unless no viable alternatives exist, encourages the use of reclaimed refrigerants for servicing, and requires DES to provide biennial reports to the legislature on compliance and implementation.

1462 HB further enhances these regulations by establishing phased GWP reduction timelines with clear deadlines for decreasing HFC levels. It introduces stricter enforcement measures, such as prohibiting the use of high-GWP HFCs unless reclaimed and creates a refrigerant transition task force to offer focused analysis and guidance. Additionally, it imposes explicit restrictions on the use of high-GWP refrigerants in state-owned equipment, improving procurement standards beyond those in existing RCWs.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 360-University of Washington
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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
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
Account					
General Fund-State 001-1	117,270	117,270	234,540	234,540	234,540
Total \$	117,270	117,270	234,540	234,540	234,540

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Christine Leibbrand	Phone: 4256475101	Date: 01/24/2025
Agency Approval: Michael Lantz	Phone: 2065437466	Date: 01/24/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2025

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.

House Bill 1462 aims to accelerate the transition from hydrofluorocarbons by prohibiting the use of virgin hydrofluorocarbons, promoting the use of reclaimed refrigerants and lower global warming potential alternatives, and creating a clear regulatory framework for the use and reclamation of refrigerants.

Section 2 would prohibit selling, distributing, or using virgin bulk hydrofluorocarbons or virgin bulk hydrofluorocarbon blends that have a global warming potential of 2,200 or more by 2027, 1,500 or more by 2030, and 750 or more by 2033.

Section 3 creates a refrigerant transition task force to study opportunities and barriers to transitioning to climate-friendly refrigerants and enhancing refrigerant recovery and reclamation. This task force would include at least one academic or research expert specializing in climate policy, emissions reduction, or refrigerant technology. The task force may meet remotely but must submit a task force report to the legislature by December 1, 2027.

Section 5(5)(a) requires reclaimed refrigerants or refrigerants with a global warming potential less than 750 to be used in all repairs and servicing by July 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.

The record keeping and tracking of refrigerants is presently not an automated process. The University of Washington (UW) has a large number of chillers and air conditioning units impacted by this legislation. There is an additional burden to administer and ensure we are compliant with the complexities within this legislation. At least one new HFC administrator position would be required within the Engineering Services team to ensure our compliance with the requirements (Salary = \$90,000, Benefits Rate = 30.3%).

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	117,270	117,270	234,540	234,540	234,540
Total \$			117,270	117,270	234,540	234,540	234,540

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	90,000	90,000	180,000	180,000	180,000
B-Employee Benefits	27,270	27,270	54,540	54,540	54,540
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	117,270	117,270	234,540	234,540	234,540

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 2026	FY 2027	2025-27	2027-29	2029-31
HFC administrator	90,000	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

The capital impact of the phaseout of refrigerants is indeterminate, though significant. For example, UW's West Campus Utility Plant (WCUP) facility has five chillers that are not scheduled for replacement for many years. However, the transition from HFCs would require their early replacement at a cost of \$7 million each.

Further, the replacement refrigerants presently in the marketplace are not as efficient as virgin HFCs. This means the new chillers will be larger in size and will not fit in the same space, which will require expanding the existing building size. Likewise, many <750 GWP refrigerants are considered mildly flammable, which triggers expensive safety and ventilation upgrades for indoor equipment in order to comply with existing building codes. It is possible that new refrigerants will be developed before 2035 and eliminate these concerns, though that is not guaranteed. In the absence of new refrigerant

options, it will require a large and indeterminate amount to expand and retrofit buildings to meet these requirements.

Aside from WCUP, the Main Campus Power Plant contains seven chillers that will all need to be replaced over the next 10 years. While this potentially presents an opportunity to select chillers with modern ultra-low GWP refrigerants, there will be space constraints given the larger size of the new equipment unless new refrigerants are introduced into the marketplace that would not necessitate a larger space for new equipment. This is not a complete list of the equipment that would need to be replaced as the university uses a large number of smaller scale chillers in lab and other settings that may require replacement as well.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 365-Washington State University
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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
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
Account					
General Fund-State 001-1	63,374	63,374	126,748	126,748	126,748
Total \$	63,374	63,374	126,748	126,748	126,748

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Emily Green	Phone: 5093359681	Date: 01/28/2025
Agency Approval: Chris Jones	Phone: 509-335-9682	Date: 01/28/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/28/2025

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.

House bill - 1462 Hydrofluorocarbons intends to reduce greenhouse emissions associated with Hydrofluorocarbons and transition to economically sustainable alternatives.

Section 2 of this bill prohibits the sale and distribution of bulk of Hydrofluorocarbons blends. This section requires the Department of Ecology to issues rules to conform to this legislation to include exceptions to this law.

Section 3 of this bill establishes a refrigerant transition tasking force.

Section 3 (h) requires that one academic or research expert specializing in climate policy, emissions reduction, or refrigerant technology serve on this task force.

Washington State University (WSU) anticipates some costs related to providing subject matter experts to serve on the refrigerant transition task force, should the university be asked to participate. There may be additional costs associated with complying with any future regulations that may arise from this legislation. The fiscal impact of meeting these requirements is indeterminate.

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.

It is unclear if WSU would be tasked with providing a subject matter expert to participate in the task force. For the purposes of this fiscal note, WSU assumes it would supply a participant. This work would be completed by (1) Environmental Engineering Professor (0.17 FTE; \$170,000 Salary; 31.3% Benefits)and one (1) Professor specializing in climate policy (0.11FTE; \$150,00 Salary; 31.3% Benefits). WSU estimates that it would expend about \$4,500 for any travel required for task force meetings.

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	63,374	63,374	126,748	126,748	126,748
Total \$			63,374	63,374	126,748	126,748	126,748

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

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
A-Salaries and Wages	44,839	44,839	89,678	89,678	89,678
B-Employee Benefits	14,035	14,035	28,070	28,070	28,070
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel	4,500	4,500	9,000	9,000	9,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	63,374	63,374	126,748	126,748	126,748

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

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

Job Classification	Salary	FY 2026	FY 2027	2025-27	2027-29	2029-31
Professor (Climate)	150,000	0.1	0.1	0.1	0.1	0.1
Professor (Enviromental Engineering)	170,000	0.2	0.2	0.2	0.2	0.2
Total FTEs		0.3	0.3	0.3	0.3	0.3

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

HB 1462 limits the use of refrigerant blends currently utilized in heat pump systems at WSU. Possible substitute refrigerant gasses are flammable and would require the construction and other infrastructure to support new refrigerant systems to meet the standards set by this legislation. The capital impact of the phaseout of refrigerants is indeterminate at this time.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 370-Eastern Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Tammy Felicijan	Phone: (509) 359-7364	Date: 01/24/2025
Agency Approval: Tammy Felicijan	Phone: (509) 359-7364	Date: 01/24/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2025

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.

HB 1462 relates to reducing greenhouse gas emissions associated with hydrofluorocarbons by transitioning to environmentally and economically sustainable alternatives and promoting use of reclaimed hydrofluorocarbons.

- Section 2 prohibits the sale, distribution, or other commerce in virgin bulk hydrofluorocarbons or virgin bulk hydrofluorocarbon blends that
- Have a global warming potential that exceeds 2,200, beginning January 1, 2027;
 - Have a global warming potential that exceeds 1,500, beginning January 1, 2030; and
 - Have a global warming potential that exceeds 750, beginning January 1, 2033.

The prohibitions established under this section do not apply to hydrofluorocarbons that are reclaimed. As such, Eastern Washington University will be able to buy reclaimed hydrofluorocarbons at a rate increase. However, future demand for these reclaimed products may have an impact on future pricing but it is not possible to predict what that rate may be.

We currently practice the safe management of all refrigerants which includes leak prevention, recovery, reclamation and safe disposal. We take it to a certified recycling center.

We will need special equipment and training to safely handle the new refrigerants. We will have to replace some hydrofluorocarbon systems and coolers on campus and make sure they meet the required low GWP. It is indeterminate as to what the level of cost would be related to equipment replacement.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The prohibitions established under this section do not apply to hydrofluorocarbons that are reclaimed. As such, Eastern Washington University will be able to buy reclaimed hydrofluorocarbons at a rate increase. However, future demand for these reclaimed products may have an impact on future pricing but it is not possible to predict what that rate may be.

We will need special training to safely handle the new refrigerants because they may be safe for the environment, but very unsafe for us.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.

NONE

We will need special equipment to safely handle the new refrigerants. We will have to replace some hydrofluorocarbon systems and coolers on campus and make sure they meet the required low GWP. It is indeterminate as to what the level of cost would be related to equipment replacement.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 375-Central Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Alexa Orcutt	Phone: 5099632955	Date: 01/24/2025
Agency Approval: Lisa Plesha	Phone: (509) 963-1233	Date: 01/24/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2025

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.

Section 1 (New): (1) Legislature finds that: (a) Hydrofluorocarbons are potent greenhouse gases and used in refrigeration, air condition, heat pumps, etc.; (b) Hydrofluorocarbon is a short-lived climate pollutant; (c) Life-cycle refrigerant management is an important strategy for reducing emissions across the life cycle of refrigerant use; (d) The Kigali amendment to the Montreal protocol and the American innovation and manufacturing act of 2020, establish phased reductions in hydrofluorocarbon production and consumption; and (e) State action is urgently needed to be in alignment with federal and international efforts. (2) The legislature intends to: (a) Require service and repairs for state-owned equipment to use recycled refrigerant; Study feasible pathways; (c) Support development of recycled refrigerant; (d) Establish regulatory framework for reducing emissions from refrigerants; and (e) Enhance industry compliance and stakeholder collaboration.

Section 2 (New): (1) It's prohibited to sell, distribute or buy virgin bulk hydrofluorocarbons or specific blends listed in (a-c). (2) The department will adopt specific rules listed in (a-d) to implement this section. (3) Describes what the prohibitions established in the section don't apply to (a-b). (4) The department may provide temporary exemptions for virgin hydrofluorocarbons or blends, the exemption can't exceed three years. (5) Violation of the requirements of this section are subject to penalties.

Section 3 (New): (1) The department will need to establish a refrigerant transition task force, (a-c) denotes responsibilities of the taskforce. (2) Describes the taskforce committee members. (3) The department can invite other nonvoting members. (4)(a-c) The taskforce will draft and submit to the department a report assessing various items. (5)(a-b) The department will provide administrative and operating support for the taskforce. (6) The department can disseminate the taskforce. (7) To successfully complete the transition described in this section, the department will adopt rules informed by the taskforce.

Section 4 (Amending RCW 70A.60.010 and 2021 c 315 s 2): Inserts, the definitions in this section apply throughout. (1)(b) (i) Strikes "except for purposes of RCW 70A.60.020". Inserts and defines additional terms: (13) "bulk"; (14) "carbon dioxide equivalents"; (15) "low global warming potential"; (16) "reclaim"; (17) "transshipment"; (18) ultra-low global warming potential"; and (19) "virgin refrigerant".

Section 5 (Amending and reenacting RCW 39.26.310 and 2021 c 315 s 19 and 2021 c 65 s 28): Inserts new subsection (5). (5)(a) Starting July 1, 2026, hydrofluorocarbons with global warming potential greater than 750 that aren't reclaimed can't be used to replenish any leaks or service to stationary equipment owned/operated by the state. (b) The department can provide a temporary exemption for equipment where complying would be economically infeasible. Although, the exemption can't last longer than three years, unless there's an approved justification.

Section 6 (New): If any provision of this act is invalid to any person/scenario, the remainder of the act/provision is not affected.

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.

Currently, CWU does not use any "non-fluorocarbon refrigerant" and we are not aware of a suitable substitute. The proposed legislation does not indicate which suitable alternatives should be considered.

Our existing process requires CWU staff to reclaim refrigerant if there is a leak or are discharging a piece of equipment, and use EPA standards on how to recover and recycle the material through a contractor (Total Reclaim).

We purchase pure or “virgin” refrigerant for our systems to ensure the maximum efficient operation of equipment and systems. The use of recycled refrigerant (fluorocarbon) requires extreme purity for operation, as there is a large potential for expedited deterioration of mechanical systems with subpar refrigerant purity resulting in catastrophic failure.

This bill will require a change of purchase agreements the university uses for refrigerant, possibly resulting in a higher purchase price.

Additionally, this proposed bill would require time from procurement services & facility maintenance staff. Some of these staffing costs could be one-time costs or on-going, but due to the lack of clarity around adequate alternatives we are unable to determine exact costs to replace the use of fluorocarbon refrigerant used campus-wide.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

Currently CWU does not use any “non-fluorocarbon refrigerant” and we are not aware of a suitable substitute. The proposed legislation does not indicate which suitable alternatives should be considered.

Due to the age of many of the pieces of refrigerant equipment around campus, many if not most of the systems may need an upgrade to comply with the use of Non-fluorocarbon refrigerants. CWU Dining Services has 19 locations on campus

serving students, faculty, and staff that use traditional fluorocarbon refrigerant systems. This does not include the Chiller plant utilizing 3 mega chillers at 1,200 tons, 800 tons, and 1,000 tons that would need to be converted. At the time of this fiscal note, CWU is still gathering information on the amount of mini splits that we currently utilize on campus that would be prone to this update. CWU anticipates the cost of updating systems that could utilize non-fluorocarbon refrigerants in the seven to eight-figure range, but at this time costs for upgrades are indeterminate.

If it was assumed that there was no adverse impact on existing systems, deterioration, warranty voidance, or caustic corrosion; the cost of implementation is reduced to the labor and materials associated with identification of systems, draining of systems cost of alternative refrigerants, charging of systems, and testing for adequate operation, which would be in the range of \$500k – low seven figures.

CWU was unable to identify the quantity of all refrigerant systems at the submission of this fiscal note.

Due to all of the unknown variables, there is an indeterminate capital expenditure impact.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 376-The Evergreen State College
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

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	0	0	0	0	0	0
Other	30,000	0	0	0	0	0
Total \$	30,000	0	0	0	0	0

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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Daniel Ralph	Phone: 360-867-6500	Date: 01/24/2025
Agency Approval: Lisa Dawn-Fisher	Phone: 564-233-1577	Date: 01/24/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2025

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.

HB 1462 relates to reducing greenhouse gas emissions associated with hydrofluorocarbons by transitioning to environmentally and economically sustainable alternatives.

Section 2.1 states that it is prohibited to sell, distribute, or otherwise enter into commerce in the state virgin bulk hydrofluorocarbons or virgin bulk hydrofluorocarbon blends that:

Section 2.1(a) Have a global warming potential that exceeds 2,200, beginning January 1, 2027;

Section 2.1(b) Have a global warming potential that exceeds 1,500, beginning January 1, 2030; and

Section 2.1(c) Have a global warming potential that exceeds 750, beginning January 1, 2033.

Section 5.5(a) states that Beginning July 1, 2026, hydrofluorocarbons with a global warming potential greater than 750 that are not reclaimed may not be used to replenish any leaks or otherwise service stationary equipment owned or operated by the state.

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

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
057-1	State Building Construction Account	State	30,000	0	30,000	0	0
Total \$			30,000	0	30,000	0	0

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					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts	30,000		30,000		
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	30,000	0	30,000	0	0

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					
Other	30,000		30,000		
Total \$	30,000		30,000		

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.*

NONE

The college would need to engage an HVAC engineer to conduct a study to determine if the current HVAC systems owned/operated by the college can use the specific types of hydrofluorocarbons permitted in the bill. The study would also provide estimated costs if the college had to replace equipment to meet the proposed new standard. The study is estimated to cost between \$30,000 and \$50,000. There is no way to estimate costs for possible equipment replacement without knowing what would need to be replaced, but a rough estimate would be between \$1 and \$2 million.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 380-Western Washington University
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Gena Mikkelsen	Phone: 3606507412	Date: 01/24/2025
Agency Approval: Anna Hurst	Phone: 360-650-3569	Date: 01/24/2025
OFM Review: Kelsey Rote	Phone: (360) 000-0000	Date: 01/27/2025

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 fiscal impact of Bill 1462 HB on Western Washington University remains indeterminate at this time, based on the available information. While no additional FTEs are anticipated, capital costs are currently estimated at \$3 million in FY27 and \$2 million in FY28. These figures assume non-compliant equipment will require retrofitting to meet the 2027 phase-out deadline.

WWU has not yet completed a comprehensive refrigerant inventory for campus equipment. Without this inventory, which would detail refrigerant types and charge levels, the full cost of replacement or retrofitting in future years cannot be accurately quantified at this time.

Specialized research equipment may fall under the scope of the bill’s requirements, but preliminary assessments suggest the financial risk to these areas is minimal but indeterminate.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The operating impact of Bill 1462 HB is currently indeterminate, with no additional FTEs needed at this time. Further analysis depends on completing a comprehensive refrigerant inventory and laboratories that may fall under this bill.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.

NONE

The capital impact of Bill 1462 HB is estimated at \$3 million in FY27 and \$2 million in FY28 to address retrofitting or replacement of non-compliant equipment by the 2027 phase-out deadline. However, without a completed refrigerant inventory detailing equipment, refrigerant types, and charge levels, precise costs cannot yet be determined.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 461-Department of Ecology
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Part I: Estimates

☐

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	7.8	12.9	10.4	11.9	9.6
Account					
Model Toxics Control Operating Account-State 23P-1	1,300,594	2,025,737	3,326,331	3,620,651	2,798,767
Total \$	1,300,594	2,025,737	3,326,331	3,620,651	2,798,767

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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Cristina Steward	Phone: 564-669-1723	Date: 01/24/2025
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 01/24/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/26/2025

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.

Under Chapters 70A.15 and 70A.60 RCWs, the Department of Ecology (Ecology) currently regulates fluorinated greenhouse gases. Under current rule, WAC 173-443 prohibits high global warming potential refrigerants in new products and equipment and sets maintenance and repair requirements on existing equipment. Based on the RCWs that would be amended in this bill, Ecology assumes costs to implement this bill would be funded by the Model Toxics Control Operating Account.

This bill would require Ecology to expand definitions and oversight under WAC 173-443 and would increase compliance and reporting. This bill would amend Chapter 70A.60 RCW, adding new limits on the global warming potential of refrigerant gases, which would require Ecology to expand oversight of refrigerant gases used during the service and maintenance of equipment.

Section 2(1) would require Ecology to establish prohibitions on the sale, distribution, and otherwise entering into commerce of certain virgin bulk hydrofluorocarbon refrigerants and refrigerant blends. This bill would phase in lower global warming potential limits, increasing the restriction on the purchases and use of virgin refrigerants over time.

Section 2(2)(a) would require Ecology to implement and enforce new restrictions, expand regulation of equipment containing fluorinated greenhouse gases to include oversight of fluorinated greenhouse gases themselves, and amend current rules under WAC 173-443.

Section 3(1) would require Ecology to establish a task force, by February 1, 2026, to study and report to the legislature opportunities and barriers to further the transition to climate friendly refrigerants and enhance refrigerant recovery and reclamation. Ecology would be required to oversee the task force consisting of representatives from the private sector, environmental groups, and other subject matter experts. Ecology, in coordination with the task force, would be required to prepare a draft report, providing recommendations for the transition to refrigerants with low (less than 150) and ultra-low (less than 10) global warming potentials, no later than June 1, 2027, and a final report no later than December 1, 2027.

Section 3(7) would require Ecology to conduct rulemaking to implement recommendations from the report required in Section 3(1) and would restrict Ecology from starting the rulemaking until the task force finalized its report, December 1, 2027.

Section 4 would add definitions to Chapter RCW 70A.60. Ecology would be required to amend WAC 173-443.

Section 5 would require Department of Enterprise Services (DES) to consult with Ecology when establishing procurement policies requiring reclaimed refrigerant to be used during the service of equipment owned or operated by the state. These policies would be required to be set by July 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.

Section 2(5) would authorize Ecology to enforce the provisions of Chapter 70A.60 RCW, which would provide for civil penalties. Enforcement actions would be based on violations of WAC 173-443 enforced by Ecology through Chapter 70A.15 RCW, to encourage compliance. Enforcement actions and penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.

RCW 70A.15.3160 directs all penalties from RCW 70A.60 to be paid to the refrigerant emission management account

created in RCW 70A.60.050.

II. C - Expenditures

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

The expenditure impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year 2026 and ongoing to implement the requirements of Section 2, 3, and 4. Based on the RCWs that would be amended in this bill, Ecology assumes costs to implement would be funded by the Model Toxics Control Operating Account.

Implementation

Section 2 would add a new section to chapter 70A.60 RCW and would require Ecology to establish prohibitions on the sale, distribution, and otherwise entering into commerce of certain virgin bulk hydrofluorocarbon refrigerants and refrigerant blends. These prohibitions would be implemented through tiered limitations on the warming potential of refrigerants and refrigerant blends, beginning January 1, 2027. Ecology would be required to adopt emergency rules to meet this timeline for implementing and enforcing these restrictions. The permanent rulemaking would be complete by December 31, 2028.

Ecology estimates the cost to implement section 2 would include:

1.0 FTE Environmental Planner 5 in FY 2026 and ongoing. This position would act as the statewide program development lead, would develop policy, and would lead implementation for the new regulations.

1.0 FTE Environmental Specialist 4 (ES4) in FY 2026 and ongoing to develop guidance and standard operating procedures for field implementation within one of Ecology’s four regions of the state.

3.0 FTE Environmental Specialist 4 FY 2027 and ongoing. These positions would conduct field compliance and technical assistance for the regulated entities in each of the three remaining regions of the state. Additional work would include responsibility for providing technical assistance on compliant low warming potential refrigerants, issuing warnings and citations as necessary, and technical support for public outreach staff.

1.0 FTE Communications Outreach and Environmental Education Specialist 3 (COEES3) starting FY 2027 through FY 2033. This position would provide outreach and education for each phase in of the increased restrictions. This position would notify regulated entities of the expanding product restrictions and support environmental justice coordination and outreach to regulated entities impacted by the expanded authority.

1.0 FTE IT App Development Journey in FY 2026 through 2028 and 0.5 FTE 2029 and ongoing. This position would develop a reporting and compliance verification system during rulemaking and maintain, manage, and update the system once it was complete. Estimated completion based on similar projects would be FY 2029.

Section 3 would add a new section to Chapter 70A.60 RCW and would require Ecology to establish a refrigerant transition task force to study and report to the legislature opportunities and barriers to further the transition to climate friendly refrigerants and enhance refrigerant recovery and reclamation. Ecology would oversee the task force consisting of representatives from the private sector, environmental groups, and other subject matter experts. No later than December 1, 2027, Ecology would be required to submit a legislative report providing recommendations for the transition to refrigerants with low (less than 150) and ultra-low (less than 10) global warming potentials; and would then be required to adopt rules following the task force recommendations.

Ecology estimates the cost to implement Section 3 would include:

0.40 FTE Environmental Planner 5 (EP5) in FY 2026 through FY 2028 to manage a contract for administering the task

force in section 3 of the bill (0.15 FTE), review and draft the report requested in section 3 (0.15 FTE), and consult/meet with other agencies like Department of Health (DOH) for implementation (0.1 FTE).

Ecology would contract with a third-party consultant to facilitate task force meetings, assist in carrying out activities of the task force, and draft recommendations for the legislative report. Ecology estimates this would cost \$225,000 based on previous contracts for this work (\$50,000 in FY 2026, \$100,000 in FY 2027 and \$75,000 in FY 2028).

Section 5 would require Ecology to provide DES technical assistance and consultation before July 1, 2026, on procurement policies under RCW 39.26.310.

Ecology estimates the cost to implement Section 5 would include:

0.05 FTE Environmental Planner 5 in FY 2026 to provide technical assistance and consultation to DES on procurement policies under RCW 39.26.310, requiring reclaimed refrigerant to be used during the service of equipment owned or operated by the state.

Rulemaking

Section 3(7) would require Ecology to conduct rulemaking to implement recommendations from the task force report. Ecology estimates that the rulemaking would be highly complex, controversial and generate substantial public interest and input. It would require at least 2.5 years, from July 1, 2025, to January 1, 2030. This type of rulemaking would include at least 6 preproposal meetings to gather input from interested parties and develop the Environmental Justice Assessment, and at least 3 public hearings to accept comments on the rule proposal.

Because Section 3 prohibits rulemaking until after the final report due December 1, 2027, and Section 2 requires enforcement by January 1, 2027, Ecology would be required to conduct two separate rulemakings. The first rulemaking would be conducted to implement the expanded scope required under the amendment to RCW 70A.60. The first rulemaking would start July 1, 2025, and complete December 31, 2027. Beginning January 1, 2027, Ecology would need to institute emergency rules while completing this rulemaking. The second rulemaking would begin January 1, 2028, after the task force disbanded. The emergency rulemaking and compressed timeline would require 0.12 FTE in FY 2027 and FY 2028 of an Environmental Planner 3.

Ecology estimates the rulemaking cost to implement Section 2 and 4 would include:

Rulemaking Lead: Ecology estimates that 0.85 FTE Environmental Planner 3 (EP3) would be required from July 1, 2025, through December 31, 2027, to coordinate the rulemaking effort.

Technical Leads: Ecology estimates that 0.75 FTE Environmental Engineer 6 (EE6) would be required from July 1, 2025, through December 31, 2027, to provide support for rule development and engagement with subject matter experts from the regulated community, and to establish implementable compliance and exemption pathways and requirements in rule.

Ecology estimates 0.5 FTE Environmental Planner 5 (EP5) would be required from July 1, 2025, through December 31, 2027, to provide clarity and guidance on effective implementation of the statute, reporting requirements, and refrigerant manufacturer responsibilities.

Ecology estimates 0.25 FTE Washington Management Service 2 (WMS) would be required from July 1, 2025, through December 31, 2027, to provide policy oversight, coordination, and incorporation of new rule requirements into existing rules and reporting databases.

Public Outreach Coordinator: Ecology estimates that 1.0 FTE Communications Outreach and Environmental Education Specialist 3 (COEES3) would be required from July 1, 2025, through December 31, 2027, to support public engagement and

outreach during the rulemaking process.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.25 FTE in FY 2027; Regulatory Analyst 2, 0.1 FTE in FY 2027.

Ecology would hold 3 public meetings in FY 2026 and 3 public hearings in FY 2027 for rulemaking. Goods and services estimates include facility rental costs estimated at \$3,100 per hearing.

Section 3 would require a second rulemaking to implement recommendations from the task force required under Section 3(1) but would prohibit rulemaking before disbandment of the task force. The task force would disband December 1, 2027. Rulemaking to implement the rules recommended by the task force would begin January 1, 2028, and would end June 30, 2030.

Ecology estimates the rulemaking cost to implement Section 3 would include:

Rulemaking Lead: Ecology estimates 0.85 FTE Environmental Planner 3 (EP3) would be required from January 1, 2028, through June 30, 2030, to coordinate the rulemaking effort.

Technical Leads: Ecology estimates 0.75 FTE Environmental Engineer 6 (EE6) would be required from January 1, 2028, through June 31, 2030, to provide support for rule development and engagement with subject matter experts from the regulated community, and to establish implementable compliance and exemption pathways and requirements in rule.

Ecology estimates 0.5 FTE Environmental Planner 5 (EP5) would be required from January 1, 2028, through June 31, 2030, to provide clarity and guidance on effective implementation of the statute, reporting requirements, and refrigerant manufacturer responsibilities.

Ecology estimates 0.25 FTE Washington Management Service 2 (WMS) would be required from January 1, 2028, through June 31, 2030, providing policy oversight and coordination and incorporation of new rule requirements into existing rules and reporting databases.

Public Outreach Coordinator: Ecology estimates that 1.0 FTE Communications Outreach and Environmental Education Specialist 3 (COEES3) would be required from January 1, 2028, through June 31, 2030, to support public engagement and outreach during the rulemaking process.

The following positions would complete an economic and regulatory analysis of the rule: Economic Analyst 3, 0.25 FTE in FY 2030; Regulatory Analyst 2, 0.1 FTE in FY 2030.

Ecology would hold 3 public meetings (1 in FY 2028, 1 in FY 2029, and 1 in 2030) and 3 public hearings (1 in FY 2029 and 2 in FY 2030) for rulemaking. Goods and services estimates include facility rental costs estimated at \$3,100 per hearing.

Ecology estimates Attorney General (AG) costs would include advice regarding the task force and rule changes for section 2 and 3. Advice would include potential issues regarding section 2(4) and temporary exemptions when the department deems compliance may, in a certain case, be technically or economically infeasible. Total estimated AG costs would be 0.06 FTE from July 1, 2025, through December 31, 2027, and 0.1 FTE January 1, 2028, through June 30, 2030, totaling \$116,000, broken down as \$17,400 for FY 2026 and FY 2027, \$23,200 for FY 2028, and \$29,000 each year for FY 2029 and FY 2030

SUMMARY: The expenditure impact to Ecology under this bill is:

Implementation of new regulations is estimated to require:

FY 26: \$683,788 and 4.0 FTEs

FY 27: \$1,329,661 and 8.5 FTEs

FY 28: \$1,304,661 and 8.5 FTEs
 FY 29: \$1,055,123 and 7.5 FTEs
 FY 30: \$1,055,123 and 7.5 FTEs
 FY 31: \$1,055,123 and 7.5 FTEs and ongoing

Rulemaking is estimated to require:
 FY 26: \$616,806 and 3.9 FTEs
 FY 27: \$696,076 and 4.4 FTEs
 FY 28: \$635,561 and 4.0 FTEs
 FY 29: \$625,306 and 3.9 FTEs
 FY 30: \$688,521 and 4.3 FTEs

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be:
 FY 26: \$1,300,594 and 7.8 FTEs
 FY 27: \$2,025,737 and 12.9 FTEs
 FY 28: \$1,940,222 and 12.5 FTEs
 FY 29: \$1,680,429 and 11.3 FTEs
 FY 30: \$1,743,644 and 11.7 FTEs
 FY 31: \$1,055,123 and 7.5 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.
 Benefits are the agency average of 33.7% of salaries.
 Professional Service Contract costs include \$50,000 in FY 2026, \$100,000 in FY 2027, and \$75,000 in FY 2028.
 Goods and Services are the agency average of \$5,552 per direct program FTE, additional AG costs of \$116,000, and facility rental costs of \$37,200 for public rule meetings and hearings.
 Travel is the agency average of \$2,398 per direct program FTE.
 Equipment is the agency average of \$1,074 per direct program FTE.
 Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 29.9% of direct program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
23P-1	Model Toxics Control Operating Account	State	1,300,594	2,025,737	3,326,331	3,620,651	2,798,767
Total \$			1,300,594	2,025,737	3,326,331	3,620,651	2,798,767

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	7.8	12.9	10.4	11.9	9.6
A-Salaries and Wages	669,364	1,035,134	1,704,498	1,898,457	1,502,659
B-Employee Benefits	225,577	348,841	574,418	639,780	506,396
C-Professional Service Contracts	50,000	100,000	150,000	75,000	
E-Goods and Other Services	64,454	88,993	153,447	176,537	131,018
G-Travel	16,307	26,907	43,214	49,688	40,048
J-Capital Outlays	7,305	12,052	19,357	22,256	17,937
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	267,587	413,810	681,397	758,933	600,709
Total \$	1,300,594	2,025,737	3,326,331	3,620,651	2,798,767

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 2026	FY 2027	2025-27	2027-29	2029-31
COMM OUTRCH & ENVIRO ED SPEC 3	67,716	1.0	2.0	1.5	2.0	1.5
ECONOMIC ANALYST 3	95,652		0.3	0.1		0.1
ENVIRONMENTAL ENGINEER 6	128,676	0.8	0.8	0.8	0.8	0.4
ENVIRONMENTAL PLANNER 3	86,712	0.9	1.0	0.9	0.9	0.4
ENVIRONMENTAL PLANNER 5	105,612	2.0	1.9	1.9	1.7	1.3
ENVIRONMENTAL SPEC 4	86,712	1.0	4.0	2.5	4.0	4.0
FISCAL ANALYST 2		0.7	1.1	0.9	1.0	0.8
IT APP DEVELOPMENT-JOURNE	107,148	1.3	1.6	1.5	1.3	0.9
REGULATORY ANALYST 2	88,800		0.1	0.1		0.1
WMS BAND 2	126,528	0.3	0.3	0.3	0.3	0.1
Total FTEs		7.8	12.9	10.4	11.9	9.6

III. D - Expenditures By Program (optional)

NONE

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

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Section 2 would require Ecology to adopt rules to enforce new restrictions by January 1, 2027, which is a compressed time period for a complex rulemaking. Due to the compressed timeline to enforce the new limits, Ecology would be required to adopt emergency rules to implement Section 2 requirements. Because emergency rulemakings are temporary and reoccur every 120 days until rules are finalized, the emergency rulemaking would begin July 1, 2025, and complete December 31, 2027.

Section 4 would require updates to definitions under WAC 173-144 and the rulemaking work would be incorporated into the Section 2 rulemaking.

Section 3 would require additional amendments to WAC 173-144 based on recommendations from the task team required in section 3(1). This would be a standard rulemaking estimated to take 2.5 years.

Individual State Agency Fiscal Note

Bill Number: 1462 HB	Title: Hydrofluorocarbons	Agency: 465-State Parks and Recreation Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Ryan Karlson	Phone: (360) 902-8650	Date: 01/23/2025
Agency Approval: Van Church	Phone: (360) 902-8542	Date: 01/23/2025
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 01/23/2025

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.

House Bill 1462 proposes state actions to reduce greenhouse gas emissions from hydrofluorocarbons by transitioning to environmentally and economically sustainable alternatives.

Section (2) would incrementally limit the general availability of global warming potential (GWP) refrigerant containing HFCs from 2,200 GWP to 750 GWP between 2027 and 2033, respectively.

Section (3)(a)(i) would exempt reclaimed hydrofluorocarbons (HFCs). This would have an impact on the supply and demand for reclaimed HFC refrigerant statewide. Based on market response this could increase the cost of refrigerants to satisfy GWP limits outlined in this section by up to 25% per pound based on current costs of common HFC-based refrigerants such as R-404A.

Section (5) would, beginning on 07/01/26, prohibit the use of HFCs with a GWP of greater than 750, that are not reclaimed, “to replenish leaks or otherwise service stationary equipment owned or operated by the state”. Given the varied life cycle stages of existing equipment subject to this bill, and the probability of existing HFC-based refrigerant systems to exceed proposed GWP levels, it is assumed that routine service, repair and replacement costs would increase beginning in fiscal year 2027. Market availability of qualifying HFCs options and proposed rulemaking would provide more insight into the timing and scale of fiscal impacts in future biennia.

State Parks assumes an indeterminate and greater than \$50,000 fiscal impact on the agency. There is uncertainty around future costs associated with operation and maintenance of equipment requiring refrigerant management, which includes services to address leak prevention, recovery, reclamation and disposal; and the potential retrofit of HFC-based refrigerant systems to meet proposed requirements. Additionally, the bill could increase future costs for replacement of existing equipment, including transition of fossil fuel burning heating/cooling systems to electric HVAC and heat pump systems.

II. B - Cash receipts Impact

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

None.

II. C - Expenditures

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

Expenditures are indeterminate but are estimated to exceed \$50,000 per fiscal year.

An agencywide inventory of stationary equipment requiring refrigerant management would be needed to identify the amount of HFCs currently in use and the associated GWP levels. This would take additional staff time to inspect and inventory.

An additional fiscal impact on agency operations would be the service and repair of existing stationary equipment subject to HFC-based refrigerant conditions of being reclaimed or possessing a GWP rating of 750 or less. The timing and frequency of impacts to equipment refrigerant system service and repair is difficult to estimate as it is subject to unit-specific life cycle and operating environment conditions. It is assumed the proposed refrigerant standards would impact life cycle service and repair costs in perpetuity. Assuming a 20-year lifecycle for subject equipment, a rough order of magnitude (ROM) cost estimate framework is provided to illustrate the general range of anticipated fiscal impact by equipment type.

HVAC/Heat Pump (10-ton unit)	5 x \$4,500 = \$22,500
HVAC/Heat Pump (5-ton unit)	16 x \$3,500 = \$56,000 *
HVAC/Heat Pump (1.5-ton unit)	50 x \$800 = \$40,000 *
Walk-in Cooler (industrial kitchen)	10 x \$2,800 = \$28,000
Ice Machines (retreat centers/concession)	30 x \$500 = \$15,000 *

*Estimate based on limited survey, assume there could be more units.

This assumes the approximate number of units multiplied by estimated refrigerant service cost; total estimate over \$160,000 per cycle.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

Impacts on potential future capital project material costs are indeterminate.

The fiscal impact of retrofit or replacement of subject equipment is largely indeterminate, but potentially significant based on reclaimed HCF market availability and pricing of lower GWP refrigerant options.

State Parks operates one of the largest inventories of historic buildings. The conversion of historic building heating and cooling systems from fossil fuel sources to electricity is a key objective to reduce long-term greenhouse gas emissions. The purchase and service cost of electricity-based HVAC and heat pump systems would be impacted by the proposed

refrigerant GWP standards.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 468-Environmental and Land Use Hearings Office
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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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 01/27/2025
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 01/27/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/28/2025

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.

This bill broadens the regulatory program under ch. 70A.60 RCW for reducing emissions of hydrofluorocarbons (HFCs). It maintains the Pollution Control Hearings Board’s (PCHB) authority to review civil penalties imposed and corrective action orders issued by Ecology for violations of the chapter. RCW 43.21B.110(1)(a), (b); RCW 70A.15.3010; RCW 70A.15.3160.

Sec. 2 - Virgin bulk HFCs and blends (these are HFCs that have not been previously used, recovered, or reclaimed) of specified global warming potential levels are prohibited from sale/distribution/commerce, beginning January 1, 2027, and decreasing over three stages with the last stage beginning January 1, 2033. Violations are subject to penalties reviewable by the PCHB, as are any potential corrective action orders that might be issued pursuant to Ecology authority in ch. 70A.60 RCW.

This program already exists with little impact to the PCHB. Therefore, although the impacts due to broadening the program are unclear, the Environmental and Land Use Hearings Office (ELUHO) estimates that any additional appeals as a result of this bill could be absorbed by the PCHB.

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

Revised

Bill Number: 1462 HB	Title: Hydrofluorocarbons	Agency: 477-Department of Fish and Wildlife
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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	22,000	22,000	44,000	44,000	44,000
Total \$	22,000	22,000	44,000	44,000	44,000

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

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: David Hoeveler	Phone: (360) 970-1638	Date: 01/24/2025
Agency Approval: David Hoeveler	Phone: (360) 970-1638	Date: 01/24/2025
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 01/26/2025

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.

Section 1 defines hydrofluorocarbons and discusses climate change and how these compounds impact climate change.

Section 2 prohibits the sale or distribution of bulk virgin hydrofluorocarbons and sets targets and caps for these compounds. It further mandates that state agencies transition from virgin hydrofluorocarbons to reclaimed hydrofluorocarbons and sets target dates for these transitions.

Section 3 Requires that the department of Ecology establish a refrigerant transition task force and sets up the policies and procedures for transitioning from hydrofluorocarbon refrigerants.

Section 5 mandates the department of Ecology develop procurement policies and procedures for purchasing compounds for refrigerants instead of hydrofluorocarbons. This section further requires all state agencies to purchase refrigerants that are not hydrofluorocarbons IAW these policies and procedures.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The proposed legislation will have an indeterminate effect on the facilities maintenances budgets as we transition to reclaimed hydrofluorocarbons which cost more. The agency has hundreds of heating, ventilating and air conditioning (HVAC) systems and hundreds of large refrigerators that require routine maintenance. As the cost of the refrigerants increases so will the cost of maintenance; the frequency of maintenance activities along with the future costs of reclaimed hydrofluorocarbons are likely to remain high. Our aging equipment will require more frequent repairs and replacements, and the scarcity of reclaimed hydrofluorocarbons will have an impact on their prices.

The difference in cost for reclaimed hydrofluorocarbons is estimated to be \$21,640 more annually broken down as follows:
Current Agency owned facilities with HVAC systems 291x \$1,000 annual service cost= \$291,000
Projected Agency owned facilities with HVAC systems 291x \$1,040 annual service cost=\$302,640. Estimated \$11,640 increase/year

Current Agency owned refrigerators 500 x \$400 annual service cost = \$200,000
Projected Agency owned refrigerators 500 x \$420 annual service cost = \$210,000. Estimated \$10,000 increase/year
Totaling \$22,000 estimated cost increase/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	22,000	22,000	44,000	44,000	44,000
Total \$			22,000	22,000	44,000	44,000	44,000

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

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services	22,000	22,000	44,000	44,000	44,000
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	22,000	22,000	44,000	44,000	44,000

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

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

The proposed legislation will cause an increase in the capital budget over the long term as we upgrade our HVAC systems on new projects. The amount will be indeterminate due to the uncertainty of reclaimed hydrofluorocarbons costs in the next few years.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 490-Department of Natural Resources
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

Non-zero but indeterminate cost 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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Tyson Chase	Phone: 3604857451	Date: 01/27/2025
Agency Approval: David Chertudi	Phone: 360-902-1000	Date: 01/27/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/28/2025

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.

Sec. 2. outlines the following requirements: hydrofluorocarbons that (a) have a global warming potential that exceeds 2,200, beginning Jan 1, 2027 (b) have a global warming potential that exceeds 1,500 beginning Jan 1, 2030 (c) have a global warming potential that exceeds 750 beginning Jan 1, 2033.

Sec. 5. outlines beginning July 1, 2026, hydrofluorocarbons with a global warming potential greater than 750 that are not reclaimed may not be used to replenish any leaks or otherwise service stationary equipment owned or operated by the state.

This bill is expected to have a nominal operating fiscal impact as the Department of Natural Resources (DNR) will already be moving to less harmful refrigerants as detailed in the federal Environmental Protection Agency's American Innovation and Manufacturing (AIM) Act.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

This bill is expected to have nominal operating fiscal impacts as the state will already be moving to less harmful refrigerants as detailed in the federal Environmental Protection Agency's American Innovation and Manufacturing (AIM) Act.

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

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

IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost 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.

Non-zero but indeterminate cost 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.*

NONE

This bill is expected to have a fiscal impact, however, the degree of impact on the capital budget is indeterminate.

It is not possible to predict the frequency and cost of needed repairs, maintenance, and replacement of applicable systems. For example, an HVAC system at half-life that requires a significant repair or has leaked hydrofluorocarbon refrigerant, may need to be replaced rather than repaired if the low global warming potential (GWP) refrigerant is not compatible. It is anticipated that using the required refrigerant will increase costs approximately 25-50 percent per pound of refrigerant.

No additional staff time is anticipated as this work is sublet out to maintenance and repair contractors and/or handled through the Public Works process.

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: 1462 HB	Title: Hydrofluorocarbons	Agency: 495-Department of Agriculture
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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: Jacob Lipson	Phone: 360-786-7196	Date: 01/21/2025
Agency Preparation: Daleena Blair	Phone: 360-584-4568	Date: 01/21/2025
Agency Approval: Robin Schoen-Nessa	Phone: (360) 902-2011	Date: 01/21/2025
OFM Review: Matthew Hunter	Phone: (360) 529-7078	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.

Under current law, Washington State Department of Agriculture (WSDA) regulates pesticides, fertilizers and dairy nutrients under RCW Chapters 15.58 (Pesticide Control Act), 17.21 (Pesticide Application Act), 15.54 (Fertilizers and Limes) and 90.64 delegated authority for dairy nutrients only.

The proposed legislation prohibits the sale, distribution or any commerce in the state of virgin bulk hydrofluorocarbons or virgin hydrofluorocarbon blends (primarily refrigerants). The regulatory authority for this restriction comes from RCW 70A.60 (Hydrofluorocarbons- Emissions Reduction section of the Washington Clean Air Act) regulated by the Department of Ecology and RCW 39.26 (the Public Works Act) Goods and Services regulated by Department of Enterprise Services. WSDA has no known authority over the hydrofluorocarbon products listed in this bill. Therefore, there is no fiscal impact to WSDA from this bill as currently written.

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.