

Multiple Agency Fiscal Note Summary

Bill Number: 1420 HB	Title: Textile producers
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Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Ecology	0	0	976,410	0	0	671,189	0	0	275,668
Total \$	0	0	976,410	0	0	671,189	0	0	275,668

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Ecology	3.3	0	0	976,410	2.3	0	0	671,189	.9	0	0	275,668
Environmental and Land Use Hearings Office	.0	0	0	0	.4	119,912	119,912	119,912	.8	231,446	231,446	231,446
Total \$	3.3	0	0	976,410	2.7	119,912	119,912	791,101	1.7	231,446	231,446	507,114

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	.0	0	0	.0	0	0	.0	0	0
Environmental and Land Use Hearings Office	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2025-27			2027-29			2029-31		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

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

Bill Number: 1420 HB	Title: Textile producers	Agency: 090-Office of State Treasurer
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

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

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/20/2025
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 01/20/2025
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/20/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	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 1420 creates the textile extended producer responsibility account, coupled with the general fund as the recipient of the earnings from investments under RCW 43.79A.040(4).

II. B - Cash receipts Impact

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

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

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 1420 HB	Title: Textile producers	Agency: 100-Office of Attorney General
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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: 01/20/2025
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 01/27/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 01/27/2025
OFM Review: Rayanna Evans	Phone: (360) 902-0553	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.

1. The Attorney General's Office (AGO) Ecology Division (ECY) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Ecology (Ecology). Based on experience advising Ecology on implementation of similar product stewardship programs (electronic products, mercury lights, paint, photovoltaics), and minimum recycled content requirements for certain plastic packaging, ECY estimates that advice and representation needs would be relatively low as follows: Enforcement of producer and Producer Responsibility Organization (PRO) registration would begin in FY 2026 and would require about 0.02 Assistant Attorney General (AAG) FTE in FY 2026, 0.02 AAG FTE in FY 2027, and 0.01 AAG FTE in FY 2028 and each FY thereafter. Rulemaking advice would require about 0.01 AAG FTE in FY 2026, 0.02 AAG FTE in FY 2027, and 0.01 AAG FTE in FY 2028. The PRO plan would be due to Ecology on January 1, 2029, but must be approved by January 1, 2031. ECY expects there would be some modest legal advice needed for this, starting when the plan is submitted until the date it must be approved. 0.01 AAG FTE in FY 2029, 0.02 AAG FTE in FY 2030, and 0.01 AAG FTE in FY 2031. New legal services are nominal, and costs are not included in this request. New legal services are nominal, and costs are not included in this request.

2. The AGO Licensing & Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Environmental and Land Use Hearings Office (ELUHO) and the Pollution Control Hearings Board (Board). While the bill will likely increase appeals to the PCHB, any legal advice would be limited and can be absorbed within existing services. New legal services are nominal, and costs are not included in this request.

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: 1420 HB	Title: Textile producers	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Textile Extended Producer Responsibility Account-Non-Appropriated NEW-6	445,811	530,599	976,410	671,189	275,668
Total \$	445,811	530,599	976,410	671,189	275,668

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.1	3.5	3.3	2.3	0.9
Account					
Textile Extended Producer Responsibility Account-Non-Appropriated NEW-6	445,811	530,599	976,410	671,189	275,668
Total \$	445,811	530,599	976,410	671,189	275,668

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: 01/20/2025
Agency Preparation: Fahad Kazi	Phone: 564-233-9372	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: 01/28/2025

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.

Under current law, Chapter 70A.205 RCW, state, county, and city governments are required to provide for safe waste management, including waste textiles and apparel. There is no specific law dictating the management of discarded textiles and apparel in Washington.

Reuse and repair of discarded textiles and apparel is managed locally by non-profit thrift organizations. Some textile and apparel producers offer reuse and repair opportunities for the products they sell.

Section 3 – PRO registration: Would require the Producer Responsibility Organization (PRO) to register with Ecology by January 1, 2027. Ecology would be required to select one PRO by March 1, 2027. The bill would allow individual producers to register as individual PROs on January 1, 2027. The bill would allow additional PROs to petition Ecology to operate after January 1, 2036. Each PRO would be required to annually submit data on brands of covered products that each producer sells, distributes for sale, imports for sale, or offers for sale in or into the state, to Ecology 30 days after rule adoption. Section 113 would require rule adoption to occur by December 31, 2027.

Section 4 – PRO duties: The bill would require the PRO to notify Ecology of producer noncompliance issues.

Section 5 – Needs Assessment: The bill would require the PRO to complete a needs assessment to determine the steps and investment needed for covered products and achieving the requirements of this chapter. The needs assessment would be required to be submitted to Ecology by March 1, 2028 for review and approval. The PRO would be required to update the needs assessment every five years. The PRO must complete the needs assessment with Ecology guidance and in consultation with local stakeholders.

Section 7 – Plan Review: The bill would require the PRO to submit a draft plan to Ecology by January 1, 2029. Ecology would be required to review and approve or disapprove or conditionally approve the plan. The bill would require the PRO plan to be approved by January 1, 2031, for the PRO to begin implementation by April 1, 2031, and to fully implement the approved plan by January 1, 2032. The bill would require the PRO to review the plan and submit revisions to Ecology every 5 years. The bill would authorize Ecology to require the PRO to update the plan.

Section 8 – Performance Standards: The bill would require the producers to meet annual and five-year performance standards after March 1, 2033. The bill would authorize Ecology to establish and adjust performance standards and dates after March 1, 2033 based on annual reports, waste characterization studies, needs assessments, or any other relevant information.

Section 12 – Annual Report: The bill would require the PRO to track data and keep records of board and financial activities. The PRO would be required to conduct an independent financial audit and provide data upon request. The bill would require the PRO to submit an annual report, that includes a financial audit and other required details, to Ecology on a date determined by Ecology. Ecology would be required to determine and notify if the annual report is compliant within 120 days of receiving the annual report. If it is not compliant, Ecology would be authorized to require the PRO to resubmit the annual report or take enforcement action.

Section 13 – Ecology duties: The bill would require the Ecology to implement the chapter, adopt rules by December 31, 2027, and harmonize requirements with other jurisdictions. By October 1, 2026, Ecology would be required to notify each PRO of the estimated agency cost to implement the program. The PRO would be required to pay Ecology fees, on a schedule determined by Ecology, to cover incurred costs and deposit those fees in the account detailed in section 17. Ecology would be authorized to audit a producer or PRO regarding requirements of the chapter. By July 1, 2027, and annually thereafter, Ecology would be required to post on the agency website a list of producers in compliance and their

covered product brands.

Section 14 – Enforcement: The bill would authorize Ecology to impose civil penalties on producers or PROs out of compliance with the chapter. Ecology would be required to send one notice of violation prior to assessing a penalty. Ecology would be authorized to take several actions on PRO noncompliance including issuing orders, revoking plan approval, or require plan revision. The bill would authorize Ecology to send written warnings to a person distributing or selling noncompliant covered products, failure to comply would lead to a penalty of twice the value of the item sold or \$500, whichever is greater.

Section 15 – Sales of noncompliant product: The bill would require retailers, importers, distributors, and online marketplaces to monitor Ecology’s website to identify compliant producers. Sales of noncompliant covered products would be allowed under limited circumstances. Online marketplace operators would be required to annually notify Ecology and the PRO of third-party sellers with sales of covered products over \$1 million on their marketplace for the prior year.

II. B - Cash receipts Impact

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

The cash receipts impact to Ecology under this bill is estimated to be more than \$50,000 in Fiscal Years (FYs) 2026 and onwards under section 13.

Section 13(2)(a) would require Ecology to notify the PRO of its estimated costs to implement the program and enforce the chapter by October 1, 2026 (FY 2027).

Section 13(2)(b) would require PRO to make scheduled payments to Ecology in the amounts to cover their incurred costs. These payments would be deposited under Textile Extended Producer Responsibility Account (TEPRA).

As the bill is written, it would require TEPRA to operate with a negative balance until the next scheduled reimbursement would be received. Each reimbursement would temporarily restore the account’s balance, and it would subsequently be overdrawn as expenditures for the next period continue to occur. Due to the reimbursement timeline, Ecology assumes revenue would match expenditures each year, but that the account would have a negative cash balance on June 30th of each biennium.

Textile Extended Producer Responsibility Account:

FY 2026: \$445,811

FY 2027: \$530,599

FY 2028: \$549,117

FY 2029: \$122,072

FY 2030: \$153,596

FY 2031: \$122,072

Section 14 would authorize Ecology to impose penalties on producers due to non-compliance. The revenues collected from penalties would be deposited in the Model Toxics Control Operating Account (MTCA). Penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.

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, if enacted, is estimated to be greater than \$50,000 in Fiscal Year (FY) 2026 and ongoing to implement the requirements of sections 3, 5, 7, 8, 12, 13, 14, and 15.

Ecology assumes the costs to implement this bill starting July 1, 2025 would be funded out of Textile Extended Producer Responsibility Account (TEPRA).

Ecology notes that Section 13(2)(b) would require Ecology to collect payments from PROs after actual costs are incurred. As the bill is written, it would require the new account, TEPRA, to operate with a negative balance until the next scheduled reimbursement would be received, which would restore the account's balance, and it would be subsequently overdrawn as expenditures for the next period continue to occur. Due to the reimbursement timeline, Ecology assumes revenue would match expenditures each fiscal year, but the account would have a negative cash balance on June 30th of each biennium.

Ecology's responsibilities in this bill would include conducting rulemaking, annually notifying the PRO of incurred agency costs and collecting payment, approving PRO registration, providing guidance to the PRO in needs assessment development, reviewing and approving the needs assessment, reviewing and approving annual reports, conducting annual audits of PRO work, maintaining a website, posting, and maintaining a list of producers and brands provided by a PRO, and, if needed, issuing orders or imposing civil penalties on producers, PROs, and sales of noncompliant covered products.

RULEMAKING (Section 13)

Section 13 would require Ecology to adopt rules as necessary for the purpose of implementing, administering, and enforcing the chapter, including establishing fees, to be paid annually by a producer responsibility organization (PRO) to cover Ecology's full costs of startup, implementing, administering, and enforcing the chapter.

Based on previous experiences implementing other product stewardship programs and consultations with the agency rules unit and the Attorney General Office (AGO), Ecology assumes a two-year highly technical rule-making process would be required. Ecology assumes three public meetings would be held when developing draft rule language with a webinar option, and three public hearings for the proposed rule language. Ecology assumes rulemaking would begin December 1, 2025 (FY 2026) and be completed with rule adoption on December 31, 2027 (FY 2028).

A rulemaking coordinator would oversee the rulemaking process to comply with the Administrative Procedures Act; prepare rule development and communication plan; prepare and file CR-101; coordinate and conduct three meetings, public outreach, file CR-102 and hold three public hearings with webinars access, work with economist on economic analysis, work with technical staff to finalize rule language, and file the CR-103 for adoption. This is estimated to require 0.15 FTE Regulatory Analyst 3 (RA-3) in FY 2026, 0.15 FTE in FY 2027, and 0.08 FTE in FY 2028.

A rulemaking lead would provide technical support to the rule coordinator, identify interested and impacted parties, coordinate meetings and public outreach, draft rule language, write rule-related documents such as responsiveness summaries and rule development documents, develop fee allocation guidance documents, prepare information for the economic analysis, and respond to questions. This is estimated to require 0.60 FTE Environmental Planner 4 (EP-4) in FY 2026, 0.75 FTE EP-4 in FY 2027, and 0.56 FTE EP-4 in FY 2028.

A subject matter expert would advise on the technical aspects of textile collection and various reuse, repair, and recycling technologies. This is estimated to require 0.60 FTE Environmental Specialist 4 (ES-4) in FY 2026, 0.75 FTE in FY 2027, and 0.56 in FY 2028.

Technical support staff would collect data, support analysis of potential policy outcomes, provide support to the rulemaking lead and subject matter experts, and coordinate with communications staff to provide technical support for public outreach. This includes any needs for regional support. This is estimated to require 0.42 FTE ES-4 in FY 2026, 0.50 FTE in FY 2027 and 0.38 FTE in FY 2028.

Technical support staff would assist with HEAL Act requirements and act as an Environmental Justice Lead. This is estimated to require 0.20 FTE EP-4 in FY 2026, 0.20 FTE in FY 2027, and 0.20 FTE in FY 2028.

A communications lead would coordinate an outreach strategy and media engagement. This would require 0.12 FTE Communications Consultant 5 (CC-5) in FY 2026, 0.10 FTE in FY 2027, and 0.08 FTE in FY 2028.

A website lead would coordinate with the rulemaking lead on a public website for the rulemaking process. This would require 0.08 FTE Communications Consultant 3 (CC-3) in FY 2026, 0.08 FTE in FY 2027, and 0.08 FTE in FY 2028.

An outreach coordinator would organize public meetings, prepare informational materials, and respond to questions throughout the rulemaking process. This would require a Community Outreach & Environmental Education Specialist 3 (COEES-3) 0.08 FTE in FY 2026, 0.10 FTE in FY 2027, and 0.08 FTE in FY 2028.

Economic research staff would complete economic and regulatory analysis in support of the rule as required by law. This is estimated to require 0.25 FTE of an Economic Analyst 3, and 0.10 FTE of a Regulatory Analyst 2 in FY 2028.

One public meeting would be held in FY 2026, two public meetings and three public hearings would be held in FY 2027. Cost estimates include facility rental costs, estimated at \$1,000 per meeting for a total of \$1,000 in FY 2026 and \$5,000 in FY 2027 - in Object E.

A third-party facilitator would convene and facilitate the meetings. The rate per meeting is estimated to be \$3,000 for a total cost of \$3,000 in FY 2026 and \$15,000 in FY 2027 - in Object C.

Ecology would seek the expertise of the Attorney General Office (AGO) regarding interpretation clarification, rulemaking, plan review and enforcement. AGO assume the resources required are negligible. Therefore, Ecology assumes no AGO costs in this fiscal note.

PROGRAM ADMINISTRATION AND OVERSIGHT

General Oversight and Administration

Ecology assumes technical assistance would be required to field questions from the PRO and to provide support and guidance on notifying interested and impacted parties prior to plan implementation. Ecology assumes technical assistance for the PRO would occur immediately after the bill passage and the level of effort would increase during the two years prior to the plan submittal.

In addition to review of the PRO plans, Ecology assumes ongoing meetings with the PRO through the first year of plan implementation (in calendar year 2031). There would be ongoing routine technical assistance to interested parties including stewardship organizations, retailers, producers, recyclers, haulers, and members of the public. Information about the program would be constantly evolving and the need for technical assistance would be ongoing.

Additionally, Ecology assumes it would provide the PRO with information on vulnerable populations and overburdened communities to support overall program development and specifically the establishment of a collection network (section 9), and the development of outreach and education materials (section 11).

Ecology estimates that this administration and technical assistance work would require 0.40 FTE EP-4 in FY 2026 through FY 2036 during the startup of this program and would lower after three years of full program implementation to 0.25 FTE from FY 2037 and ongoing.

Website Development and Management

Sections 13 and 15 would require Ecology to create and maintain a website related to this program, and post and maintain a list of producers and brands participating in this program. Ecology estimates 0.10 FTE Communications Consultant 3 (CC-3)

in FY 2028 to initially create the website, dropping to 0.05 FTE in FY 2029 and ongoing to maintain and keep the website current.

Needs Assessment Review and Approval

Section 5 would require the PRO to complete a needs assessment to determine the steps and investment needed for covered products and achieving the requirements of this chapter. The bill requires the PRO to consult with Ecology during the needs assessment development. Ecology assumes the PRO would initiate the needs assessment by March 1, 2027, one year prior to the due date. The bill would require the PRO submit the needs assessment to Ecology by March 1, 2028, for review and approval. The bill would require the PRO to update the needs assessment every five years and submit it for Ecology review and approval. Ecology estimates 0.25 FTE EP-4 in FY 2028 would be required to provide guidance to the PRO during development of the needs assessment and review the submitted needs assessment for approval.

Plan Review and Approval

Section 7 would require the PRO submit a draft plan to Ecology by January 1, 2029. Ecology assumes one PRO would be established to operate this program and one PRO plan would be submitted for review. The bill would require Ecology to review the plan within 120 days for approval, disapproval or conditional approval. The PRO plan would be required to be approved by January 1, 2031, begin implementation by April 1, 2031, and be fully implemented by January 1, 2032. Every five years, the PRO would review the plan, and the bill would allow the PRO to submit plan revisions, or determinations that a plan revision is not required, to Ecology for review and approval. Ecology assumes there would be no revisions until the first five-year review, which would take place in FY 2037. Ecology estimates 0.19 FTE EP-4 in FY 2029, 0.37 FTE EP-4 in FY 2030 and 0.19 FTE EP-4 in FY 2031 to complete the review process for the draft PRO plan.

Annual Report and Audits

Section 12 would require each PRO to submit annual reports for the prior calendar year, including content as outlined in the bill. The bill would require Ecology establish the due date for the PRO annual reports, Ecology assumes the PRO annual reports would be required to be submitted beginning June 2032 for the calendar year 2031 and there would be one PRO submitting annual reports until 2036. The bill would require each report to include a financial audit. Ecology would determine if the annual report is compliant and Ecology would annually conduct its own audit of the PRO program. Ecology estimates 0.25 FTE EP-4 in FY 2033 and ongoing to review annual reports and conduct audits.

Enforcement

Section 12 would establish penalty provisions and authorize Ecology to conduct enforcement on producers and PRO noncompliance with the requirements of the chapter. Producers would be required to join a PRO by January 1, 2027. Ecology assumes some enforcement efforts would be required to ensure regulated producers join the PRO. Ecology would be authorized to enforce on the sales ban of noncompliant covered products on retailers, importer, distributors, or online marketplaces.

Ecology assumes the purpose of the penalty is to ensure compliance and that Ecology would issue warning letters and provide technical assistance to gain compliance. We assume minimal enforcement actions of just two warning letters per year. Ecology assumes enforcement guidance would be necessary. Ecology estimates 0.15 FTE EP-4 in FY 2026 to develop an enforcement guidance document and 0.05 FTE EP-4 in FY 2027 and ongoing to ensure compliance with the requirements of the chapter and conduct enforcement activities.

Billing and Fee Collection

Section 13 would require Ecology to estimate costs to adopt the rule, implement the program and enforce this chapter. The PRO will be required to pay fees to Ecology on a prescribed schedule to cover its incurred costs. Ecology assumes this

would require 0.04 Budget Analyst 4 (BA-4) FTE in FY 2027 and 0.02 FTE in FY 2028 and ongoing to estimate costs, develop the payment schedule and circulate incurred expenditure information to the PRO.

SUMMARY: The expenditure impact to Ecology under this bill is \$1,923,272.

Rulemaking is estimated to require:

FY 2026: \$375,751 and 2.6 FTEs.
FY 2027: \$453,850 and 3.0 FTEs.
FY 2028: \$392,392 and 2.7 FTEs.

General Oversight and Administration is estimated to require:

FY 2026: \$70,060 and 0.5 FTEs.
FY 2027: \$70,060 and 0.5 FTEs.
FY 2028: \$70,060 and 0.5 FTEs.
FY 2029: \$70,060 and 0.5 FTEs.
FY 2030: \$70,060 and 0.5 FTEs.
FY 2031: \$70,060 and 0.5 FTEs.

Website Development and Management is estimated to require:

FY 2028: \$13,260 and 0.1 FTEs.
FY 2029: \$6,630 and 0.1 FTEs.
FY 2030: \$6,630 and 0.1 FTEs.
FY 2031: \$6,630 and 0.1 FTEs.

Needs Assessment Review and Approval is estimated to require:

FY 2028: \$43,789 and 0.3 FTEs.

Plan Review and Approval is estimated to require:

FY 2029: \$33,280 and 0.2 FTEs.
FY 2030: \$64,804 and 0.4 FTEs.
FY 2031: \$33,280 and 0.2 FTEs.

Enforcement is estimated to require:

FY 2028: \$26,273 and 0.2 FTEs.
FY 2029: \$8,759 and 0.1 FTEs.
FY 2030: \$8,759 and 0.1 FTEs.
FY 2031: \$8,759 and 0.1 FTEs.

Billing and Fee Collection is estimated to require:

FY 2027: \$6,689 and 0.0 FTEs.
FY 2028: \$3,343 and 0.0 FTEs.
FY 2029: \$3,343 and 0.0 FTEs.
FY 2030: \$3,343 and 0.0 FTEs.
FY 2031: \$3,343 and 0.0 FTEs.

Total Expenditures are estimated to be:

FY 2026: \$445,811 and 3.0 FTEs.
FY 2027: \$530,599 and 3.5 FTEs.
FY 2028: \$549,117 and 3.8 FTEs.
FY 2029: \$122,072 and 0.8 FTEs.
FY 2030: \$153,596 and 1.0 FTEs.

FY 2031: \$122,072 and 0.8 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 Contracts are estimated to be \$3,000 in FY 2026, and \$15,000 in FY 2027. Professional Service Contracts include third-party facilitation.

Goods and Services are the agency average of \$5,552 per direct program FTE. Goods and Services also include facility space rental.

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
NEW-6	Textile Extended Producer Responsibility Account	Non-Appropriated	445,811	530,599	976,410	671,189	275,668
Total \$			445,811	530,599	976,410	671,189	275,668

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	3.1	3.5	3.3	2.3	0.9
A-Salaries and Wages	240,618	278,041	518,659	365,671	150,409
B-Employee Benefits	81,089	93,700	174,789	123,233	50,690
C-Professional Service Contracts	3,000	15,000	18,000		
E-Goods and Other Services	15,712	22,044	37,756	22,208	8,885
G-Travel	6,356	7,364	13,720	9,595	3,837
J-Capital Outlays	2,846	3,298	6,144	4,296	1,719
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	96,190	111,152	207,342	146,186	60,128
Total \$	445,811	530,599	976,410	671,189	275,668

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
BUDGET ANALYST 4	91,068		0.0	0.0	0.0	0.0
COMM OUTRCH & ENVIRO ED SPEC 3	67,716	0.1	0.1	0.1	0.0	
COMMUNICATIONS CONSULTANT 3	71,148	0.1	0.1	0.1	0.1	0.1
COMMUNICATIONS CONSULTANT 5	93,348	0.1	0.1	0.1	0.0	
ECONOMIC ANALYST 3	95,652				0.1	
ENVIRONMENTAL PLANNER 4	95,652	1.2	1.4	1.3	1.1	0.7
ENVIRONMENTAL SPEC 4	86,712	1.0	1.3	1.1	0.5	
FISCAL ANALYST 2		0.3	0.3	0.3	0.2	0.1
IT APP DEVELOPMENT-JOURNE\		0.1	0.2	0.2	0.1	0.0
REGULATORY ANALYST 2	88,800				0.1	
REGULATORY ANALYST 3	100,524	0.2	0.2	0.2	0.0	
Total FTEs		3.1	3.5	3.3	2.3	0.9

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.

The bill would provide Ecology authority to adopt rules in section 3. The bill would require Ecology to establish requirements in rule in sections 12, 13, 14, and 15 to implement various components of the bill.

Ecology assumes a new rule would be required for this bill in Chapter 173 Washington Administrative Code for the purpose of implementing, administering, and enforcing this chapter. Ecology assumes rules would be required for enforcement.

Individual State Agency Fiscal Note

Bill Number: 1420 HB	Title: Textile producers	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:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	0.0	0.0	0.4	0.8
Account					
General Fund-State 001-1	0	0	0	119,912	231,446
Total \$	0	0	0	119,912	231,446

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: 01/20/2025
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 01/22/2025
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 01/22/2025
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 creates a new chapter RCW establishing a statewide program for the collection, transportation, repair, sorting, recycling, and safe and proper management of apparel and textile articles. It requires producers of those items and producer responsibility organizations (PROs) to register with Ecology, pay fees, submit plans, and meet performance targets.

Registration begins January 1, 2027. Fees will begin when Ecology determines, but Ecology will estimate its costs on October 1, 2026. Ecology must adopt rules by December 31, 2027. Plans must be submitted by January 1, 2029, approved by January 1, 2031. Covered entities must meet performance targets contained in plan or, after March 1, 2033, those set by Ecology.

Sec. 14:

- Ecology may impose penalties on producers for violations of new chapter of up to \$1,000/violation per day, and up to \$10,000/violation per day for second and subsequent violations. Sec. 14(1)(a).
- Ecology may impose penalties on PROs for violations of new chapter of up to \$10,000/violation per day, and up to \$50,000/violation per day for second and subsequent violations. Sec. 14(2)(a).
- Ecology may issue orders to PRO. Sec. 14(2)(b).
- The Pollution Control Hearings Board (PCHB) granted appeal authority over penalties/orders. Sec. 14(5).

Sec. 3 - Producers must register with Ecology as PRO or join a PRO by January 1, 2027, or, by the sooner of plan-approval or July 1, 2031, producer is subject to penalties. Sec. 3(6). Nobody may sell or distribute apparel and textile articles unless they are registered and in compliance with chapter, or else can be penalized for each covered product sold. Sec. 14(4) and (4)(b).

Sec. 7 - PRO must develop and submit a plan for collection, transportation, repair, sorting, recycling, and safe and proper management of covered products by January 1, 2029 (Sec. 7(1)(a)), have a plan approved by January 1, 2031 (Sec. 7(3)(a)), and fully implement the plan by January 1, 2032 (Sec. 7(3)(b)).

Sec. 8 - Producers must meet performance standards included in PRO's plan (Sec. 8(1)(a)) and then those adopted by Ecology for covered products after March 1, 2033. (Sec. 8(1)(b) and (2)).

Sec. 13 - Ecology must adopt rules to implement, administer, and enforce chapter by December 31, 2027. (Sec. 13(1)(a)). PROs must pay fees to Ecology covering cost of implementing and enforcing program. (Sec. 13(2)(b)).

Sec. 15 - Retailers, importers, distributors, online marketplaces must monitor whether producers are on compliant list and may not introduce covered product into Washington if producer is not in compliance. (Sec. 15(2)(a)).

Sec. 18 - PCHB appeal authority added to RCW 43.21B.110.

Sec. 19 - PCHB appeal authority added to RCW 43.21B.300.

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 Environmental and Land Use Hearings Office (ELUHO) assumes the Pollution Control Hearings Board’s (PCHB) work on appeals resulting from the bill begins in FY 29.

ELUHO estimates 4 average complexity appeals per year as a result of this bill.

ELUHO estimates each appeal resulting from this bill will require approximately 230 hours of AAJ work to complete (110 pre-hearing hours + 120 hearing and post-hearing hours) x 4 appeals. This estimate is based on a current analysis of AAJ work.

230 hours/appeal x 4 appeals = 920 AAJ hours per FY, ongoing, beginning FY 29.

The PCHB will need approximately 0.5 AAJ FTE and 0.25 Paralegal 1 FTE in FY 29, ongoing. ELUHO assumes 1.0 AAJ FTEs for every 2080 hours worked and 0.5 P1 FTE for every 1.0 AAJ FTE.

AAJ FTE: The new AAJ will have knowledge of environmental law to assist with these new cases. RCW 43.21B.005(2) authorizes the ELUHO director to appoint such AAJs to assist the PCHB. The AAJ FTE will not serve as a member of the PCHB, but will conduct legal research and writing, preside over hearings, make procedural and evidentiary decisions, mediate cases, draft Board memos and materials, and perform other legal duties to assist the PCHB.

An AAJ makes \$135,000 per year, plus related benefits estimated at \$37,098 per year, at current benefits rates. The agency needs a 0.5 AAJ FTE, so the salary would be \$67,500 per FY with related benefits totaling \$18,549 for this FTE beginning FY 29, ongoing.

Paralegal 1 (P1) FTE: Paralegals provide support for ELUHO Boards, including managing all Board cases and court filings, and providing support for Board members and AAJs.

A P1 makes \$71,149 (assumed Range 51, Step L) per year, with related benefits estimated at \$26,396 per year. The agency needs a 0.25 P1 FTE, so the salary would be \$17,787 per FY with related benefits totaling \$6,599 for this FTE beginning FY 29, ongoing.

Goods and services for the total 0.75 FTE are estimated at \$4,133 in FY 29, ongoing. Goods and services include communications, payroll processing, training, and other staff costs. Estimates include some travel at the low cost per diem rates. Also included is one time equipment costs for furniture and computers of \$4,189 in FY 29.

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	0	0	0	119,912	231,446
Total \$			0	0	0	119,912	231,446

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years				0.4	0.8
A-Salaries and Wages				85,287	170,574
B-Employee Benefits				25,148	50,296
C-Professional Service Contracts					
E-Goods and Other Services				4,133	8,266
G-Travel				1,155	2,310
J-Capital Outlays				4,189	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	0	0	119,912	231,446

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
Administrative Appeals Judge	135,000				0.3	0.5
Paralegal I	71,148				0.1	0.3
Total FTEs					0.4	0.8

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1420 HB

Title: Textile producers

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

Legislation Impacts:

Cities: Cities have the option to participate.

Counties: Same as above.

Special Districts:

Specific jurisdictions only:

Variance occurs due to:

Part II: Estimates

No fiscal impacts.

Expenditures represent one-time costs:

Legislation provides local option: Allows local jurisdictions to participate in the producer responsibility program if they choose to.

Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

None

Part III: Preparation and Approval

Fiscal Note Analyst: Hailey Brown	Phone: 360-725-5035	Date: 01/23/2025
Leg. Committee Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/20/2025
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 01/23/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/28/2025

Part IV: Analysis

A. SUMMARY OF BILL

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

The proposed legislation allows local jurisdictions to participate in programs for businesses to practice sustainable textile producing.

B. SUMMARY OF EXPENDITURE IMPACTS

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

This bill provides a local option for local jurisdictions and does not have a fiscal impact on their expenditures.

Local jurisdictions can provide feedback for needs assessments in consultation with producer responsibility organizations outlined in Section 5. Section 4 clarifies that local jurisdictions will not cover the cost of these needs assessments.

Local jurisdictions can request to have a collection site under Section 10 of this act but will not cover the cost of the site.

C. SUMMARY OF REVENUE IMPACTS

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

This bill has no fiscal impact on local government revenues.



Multiple Agency Ten-Year Analysis Summary

Bill Number 1420 HB	Title Textile producers
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
Office of State Treasurer	0	0	0	0	0	0	0	0	0	0	0
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Ecology	445,811	530,599	549,117	122,072	153,596	122,072	88,792	132,581	132,581	132,581	2,409,802
Environmental and Land Use Hearings Office	0	0	0	0	0	0	0	0	0	0	0
Total	445,811	530,599	549,117	122,072	153,596	122,072	88,792	132,581	132,581	132,581	2,409,802



Ten-Year Analysis

Bill Number 1420 HB	Title Textile producers	Agency 090 Office of State Treasurer
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code												
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Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 1/20/2025 12:18:20 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 1/20/2025 12:18:20 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 HB	Title Textile producers	Agency 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 1/27/2025 5:00:55 pm
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 1/27/2025 5:00:55 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 HB	Title Textile producers	Agency 461 Department of Ecology
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
Textile Extended Producer Responsibility Fee	NEW	445,811	530,599	549,117	122,072	153,596	122,072	88,792	132,581	132,581	132,581	2,409,802
Total		445,811	530,599	549,117	122,072	153,596	122,072	88,792	132,581	132,581	132,581	2,409,802
Biennial Totals		976,410		671,189		275,668		221,373		265,162		2,409,802

Narrative Explanation (Required for Indeterminate Cash Receipts)

The cash receipts impact to Ecology under this bill is estimated to be more than \$50,000 in Fiscal Years (FYs) 2027 and onwards under section 13.

Section 13(2)(a) would require Ecology to notify the PRO of its estimated costs to implement the program and enforce the chapter by October 1, 2026.

Section 13(2)(b) would require the PRO to make scheduled payments to Ecology in the amount to cover Ecology’s incurred costs. These payments would be deposited in the Textile Extended Producer Responsibility Account (TEPRA).

As the bill is written, it would require TEPRA to operate with a negative balance until the next scheduled reimbursement would be received. This would restore the account balance, and it would subsequently be overdrawn as expenditures for the next period continue to occur. Due to the assumed reimbursement timeline, Ecology assumes revenue would match expenditures each year, but that the account would have a negative cash balance on June 30th of each biennium.

Textile Extended Producer Responsibility Account:
 FY 2026: \$445,811
 FY 2027: \$530,599
 FY 2028: \$549,117



Ten-Year Analysis

Bill Number 1420 HB	Title Textile producers	Agency 461 Department of Ecology
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp> .

Narrative Explanation (Required for Indeterminate Cash Receipts)

FY 2029: \$122,072
 FY 2030: \$153,596
 FY 2031: \$122,072
 FY 2032: \$88,792
 FY 2033: \$132,581
 FY 2034: \$132,581
 FY 2035: \$132,581

Section 14 would authorize Ecology to impose penalties on producers due to non-compliance. The revenues collected from penalties would be deposited in the Model To Control Operating Account (MTCA). Penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.

Agency Preparation: Fahad Kazi	Phone: 564-233-9372	Date: 1/24/2025 5:56:47 pm
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 1/24/2025 5:56:47 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 HB	Title Textile producers	Agency 468 Environmental and Land Use Hearings Office
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code												
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Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 1/22/2025 5:03:52 pm
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 1/22/2025 5:03:52 pm
OFM Review:	Phone:	Date: