

Multiple Agency Fiscal Note Summary

Bill Number: 1353 HB	Title: ADU self-certification
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Estimated Cash Receipts

NONE

Agency Name	2025-27		2027-29		2029-31	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	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
Department of Commerce	1.3	694,940	694,940	694,940	1.3	438,340	438,340	438,340	1.3	434,340	434,340	434,340
Department of Enterprise Services	.0	0	0	0	.0	0	0	0	.0	0	0	0
Environmental and Land Use Hearings Office	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	1.3	694,940	694,940	694,940	1.3	438,340	438,340	438,340	1.3	434,340	434,340	434,340

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
Department of Commerce	.0	0	0	.0	0	0	.0	0	0
Department of Enterprise Services	.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

Prepared by: Marie Davis, OFM	Phone: (360) 890-1163	Date Published: Final 2/ 2/2025
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Individual State Agency Fiscal Note

Bill Number: 1353 HB	Title: ADU self-certification	Agency: 103-Department of Commerce
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.3	1.3	1.3	1.3	1.3
Account					
General Fund-State 001-1	322,820	372,120	694,940	438,340	434,340
Total \$	322,820	372,120	694,940	438,340	434,340

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Kellen Wright	Phone: 360-786-7134	Date: 01/23/2025
Agency Preparation: Jodi Barnes	Phone: (564) 669-0071	Date: 01/27/2025
Agency Approval: Jodi Barnes	Phone: (564) 669-0071	Date: 01/27/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 02/02/2025

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 1353 authorizes cities planning under the Growth Management Act (GMA) to operate a new self-certification program for architects to certify building construction or development of one or more detached accessory dwelling units (ADUs) on residential property.

Section 1.1 adds a new section to Chapter 36.70A RCW to include a program allowing registered architects to self-certify compliance with applicable building code requirements for the construction or development of one or more detached ADUs.

Section 1.2 adds a new rule for the program to be created by the Department of Commerce (Department) and addresses professional architect requirements, audits, penalties with appeals, and insurance requirements.

Section 1.3 adds new forms created by the Department that provide the architect's attestation, disclaimer, hold-harmless provision for the city, and acknowledgment from the owner.

Section 1.4 requires cities utilizing a self-certification program to notify the Department regarding any penalty imposed on an architect and requires the Department to maintain a database of architects who failed local audits and received penalties that cities can check.

Section 1.5 requires those cities utilizing the program proposed under this act to provide an annual report to the Department

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 1 requires the Department to create rules for the self-certification program and the city audit program; create forms for architect attestation; receive and track city notices of penalty; create and maintain a database of architects under penalty; and receive, analyze, and report on annual reports.

0.1 FTE Washington Management Services 2 (208 hours) FY26-FY31. This staff will provide leadership, oversight, supervision, rules coordination and decision-making of the overall program elements. Staff also provides expert policy advice or consultation on a range of issues specific to the program and to areas that have agency-wide implications.

0.2 FTE Commerce Specialist 5 (416 hours) FY26-FY31 to hire staff and provide day-to-day direction of staff upon hire. This includes assigning contracts and program planning elements to staff. Staff will also provide support work to policy and rule development. Staff will present advanced technical business information to the Housing Section Manager. This position will also develop materials for rulemaking.

1.0 FTE Commerce Specialist 3 (2,088 hours) FY26-FY31 to provide the solicitation, origination, management, and monitoring of professional services contracts, notices of a penalty, and annual reporting. This staff will assist senior management with developing policy positions and coordinating the state's role with respect to the implementation of the ADU self-certification program. This staff will also create materials for rulemaking. This staff will provide technical

assistance to cities which choose to implement the program.

Salaries and benefits:

FY26-FY31: \$155,664 each fiscal year

Goods and services: In addition to the standard agency assumptions, the Department assumes the need for an Assistant Attorney General to review the rules and guidance for the self-certification program, attestation forms, city audit programs, and Department tracking. The Department estimates a need for 10 hours in FY26 and 30 hours in FY27 at \$165/hour.

FY26: \$10,643

FY27: 13,943

FY28-FY31: \$8,993 each fiscal year

Travel:

FY26-FY31: \$1,300 each fiscal year

Equipment:

FY 26: \$4,000

FY 29: \$4,000

Professional services contract assumptions: The bill creates a new program at the Department with requirements for rules, forms, tracking, and systems for reports that are specialized in nature and require specialized legal expertise. The Department assumes this will require a professional services contract to complete legal research and assist in the production of rules, forms, and systems.

FY26: \$100,000

FY27: \$150,000

Total Costs:

FY26: \$322,820

FY27: \$372,120

FY28: \$217,170

FY29: \$221,170

FY30-FY31: \$217,170 each fiscal year

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
001-1	General Fund	State	322,820	372,120	694,940	438,340	434,340
Total \$			322,820	372,120	694,940	438,340	434,340

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	1.3	1.3
A-Salaries and Wages	116,779	116,779	233,558	233,558	233,558
B-Employee Benefits	38,885	38,885	77,770	77,770	77,770
C-Professional Service Contracts	100,000	150,000	250,000		
E-Goods and Other Services	10,643	13,943	24,586	17,986	17,986
G-Travel	1,300	1,300	2,600	2,600	2,600
J-Capital Outlays	4,000		4,000	4,000	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	51,213	51,213	102,426	102,426	102,426
9-					
Total \$	322,820	372,120	694,940	438,340	434,340

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
Commerce Specialist 3	84,518	1.0	1.0	1.0	1.0	1.0
Commerce Specialist 5	98,040	0.2	0.2	0.2	0.2	0.2
WMS Band 2	126,529	0.1	0.1	0.1	0.1	0.1
Total FTEs		1.3	1.3	1.3	1.3	1.3

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Local Government Division (600)	322,820	372,120	694,940	438,340	434,340
Total \$	322,820	372,120	694,940	438,340	434,340

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 Department assumes HB 1353 will require rulemaking to add guidance under WAC 196-365.

Individual State Agency Fiscal Note

Bill Number: 1353 HB	Title: ADU self-certification	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:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Kellen Wright	Phone: 360-786-7134	Date: 01/23/2025
Agency Preparation: Michael Diaz	Phone: (360) 407-8131	Date: 01/24/2025
Agency Approval: Jessica Goodwin	Phone: (360) 819-3719	Date: 01/24/2025
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 1 adds a new section to RCW 36.70A that allows cities to operate a self-certification program to allow for registered architects to self-certify compliance with applicable building code requirements for the construction or development of one or more detached accessory dwelling units on a residential property. This section also specifies the types of rules and regulations the Department of Commerce must develop for the self-certification program, and reporting requirements for cities.

This legislation references building codes but does not make any changes to the building codes themselves. This has no fiscal impact to the Department of Enterprise Services.

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: 1353 HB	Title: ADU self-certification	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: Kellen Wright	Phone: 360-786-7134	Date: 01/23/2025
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 01/24/2025
Agency Approval: Dominga Soliz	Phone: 3606649173	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.

Sec. 1(1) adds a new section to chapter 36.70A RCW to allow cities planning under the Growth Management Act (GMA) to allow registered architects to self-certify that their permit applications for detached accessory dwelling units (ADUs) comply with the building code. Cities are allowed to accept such self-certification in lieu of further review of the application

(2) allows the Department of Commerce to promulgate regulations related to self-certification programs described in subsection (1) and establishes conditions the self-certification program must meet, including regulations for auditing and penalties.

(3) describes standardized forms the Department may promulgate for the self-certification described in subsection (1).

(4) requires cities that adopt a self-certification program under subsection (1) to notify the Department whenever an architect is penalized for failing an audit. The Department is required to maintain a database of architects subject to penalties.

(5) establishes annual reporting requirements for cities choosing to adopt a self-certification program under subsection (1) and requires to Department to post an annual summary of such reports.

(6) defines the term “building code” for purposes of the bill.

Sec. 2 provides that the self-certification program described in the bill does not affect the validity of any existing self-certification program.

The Environmental and Land Use Hearings Office (ELUHO) anticipates that any impacts as a result of this bill could be absorbed by the Growth Management Hearings Board.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1353 HB

Title: ADU self-certification

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

Legislation Impacts:

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

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: Cities planning under the Growth Management Act could establish an accessory dwelling unit self-certification program
- 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: Jordan Laramie	Phone: 360-725-5044	Date: 01/30/2025
Leg. Committee Contact: Kellen Wright	Phone: 360-786-7134	Date: 01/23/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/30/2025
OFM Review: Marie Davis	Phone: (360) 890-1163	Date: 02/02/2025

Part IV: Analysis

A. SUMMARY OF BILL

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

This proposed legislation would authorize cities planning under the Growth Management Act (GMA) to establish an accessory dwelling unit (ADU) self-certification program that allows registered architects to certify compliance with building code requirements for these units. ADU building permits with this self-certification would be in compliance with applicable building codes and could be considered procedurally complete. Additionally, a permit issued after permit review with the self-certified component must be viewed as a permit issued after full project permit review.

Sec. 1 Cities that plan under the GMA may establish self-certification programs for registered architects to certify ADU permits applications as compliant with applicable building code requirements. Requirements for the self-certification program include annual audits of at least 5% of self-certified applications, required enforcement and compliance pathways for architects enrolled in the program that fail audits, and annual reporting requirements for cities that adopt the self-certification program.

This act would take effect 90 days after the session in which it is passed.

B. SUMMARY OF EXPENDITURE IMPACTS

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

This legislation would provide cities planning under the Growth Management Act (GMA) with a local option to establish a accessory dwelling unit (ADU) self-certification program. Concurrent requirements for actions such as program adoption, annual auditing, and annual reporting would be tied to discretionary actions. Because these measures would be elective, they would not create a local government expenditure impact.

FOR CITIES THAT TAKE THE LOCAL OPTION:

If a city took the local option, there would be costs associated with adopting the self-certification program into local code, staffing requirements for annual audits of permit applications, and reporting requirements to the Department of Commerce.

Adopting Programs Through Local Ordinances:

These program start-up costs may have similar to those required to adopt a complex ordinance with a hearing of the same complexity. The Local Government Fiscal Note Program Unit Cost Model (2025) estimates that the costs to adopt a complex ordinance would start at \$10,550 for each city.

For this work: A city planner would draft the ADU self-certification code amendments, reviewed by the planning team, managers, director, and county attorney(s). Four staff reports would be prepared and reviewed by planning staff, with two sent to the city council, which would require additional review by the county administrator. Administrative staff would handle advertisements, meeting packets/agendas, and meeting minutes for at least two planning commission and two council meetings, which includes one public hearing. Meetings would be staffed by a planner, clerk, attorney, and the planning director, as well as the full city council. This work would likely combine the ADU self-certification and the new or amended enforcement mechanisms for compliance with requirements of this act.

Staffing Requirements:

Each city that adopts a self-certification program would have staffing requirements for annual audits of at least 5% permit applications, as well as the potential to make inspections of the final build and enforcement of any deviation from the permit. Depending on the number of self-certified ADUs constructed there may be minimal staff requirements or there could be significant staffing involved to conduct this work if volume is high.

Reporting Requirements:

Annual reporting is required by any city that adopts the ADU self-certification program. The report must include the number of self-certified applications submitted and approved. Average processing times for self-certified and those that are not self-certified, and the audit results. For most cities, adding a new permit tracking category for ADU self-certified permit details could be added to existing permit processing records with little cost. There may be minor administrative and programmatic work to complete the report for the Department of Commerce, which could depend on how much detail is required. Cities that take the local option are also required to report architects that are penalized for failing an audit to the Department of Commerce so that this information can be included.

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 act would not impact local government revenues.

SOURCE:

Association of Washington Cities, Salary Survey (2024)

Local Government Fiscal Note Program, FN 2746 (2020)

Local Government Fiscal Note Program, FN 1337 HB (2023)

Local Government Fiscal Note Program, Unit Cost Model (2025)

Municipal Research and Services Center, Building Codes and Permits