

Multiple Agency Fiscal Note Summary

Bill Number: 5284 S SB	Title: Solid waste management
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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 Attorney General	0	0	70,000	0	0	53,000	0	0	36,000
Department of Labor and Industries	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Ecology	0	0	4,682,789	0	0	1,863,936	0	0	1,473,827
Total \$	0	0	4,752,789	0	0	1,916,936	0	0	1,509,827

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	Fiscal note not available					
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	Fiscal note not available											
Office of Attorney General	.4	0	0	70,000	.4	0	0	53,000	.3	0	0	36,000
Department of Revenue	Fiscal note not available											
Utilities and Transportation Commission	2.0	0	0	616,883	4.0	0	0	1,196,883	3.8	0	0	1,144,076
Department of Labor and Industries	.0	0	0	0	1.1	0	0	0	.5	0	0	0
Department of Ecology	7.3	0	0	2,899,319	4.9	0	0	2,818,740	3.6	0	0	1,533,017
Environmental and Land Use Hearings Office	.0	8,948	8,948	8,948	.3	80,752	80,752	80,752	.6	159,255	159,255	159,255
Total \$	9.7	8,948	8,948	3,595,150	10.7	80,752	80,752	4,149,375	8.8	159,255	159,255	2,872,348

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	Fiscal note not available								
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	Fiscal note not available								
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Revenue	Fiscal note not available								
Utilities and Transportation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Labor and Industries	.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	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Preliminary 2/24/2025
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Individual State Agency Fiscal Note

Bill Number: 5284 S SB	Title: Solid waste management	Agency: 100-Office of Attorney General
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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
Legal Services Revolving Account-State 405-1	20,000	50,000	70,000	53,000	36,000
Total \$	20,000	50,000	70,000	53,000	36,000

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.4	0.4	0.4	0.3
Account					
Legal Services Revolving Account-State 405-1	20,000	50,000	70,000	53,000	36,000
Total \$	20,000	50,000	70,000	53,000	36,000

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:	Phone:	Date: 02/18/2025
Agency Preparation: Dan Jensen	Phone: 360-664-9429	Date: 02/21/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 02/21/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/24/2025

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.

Part One - Providing for Producer Responsibility in the Management of Packaging and Paper Products

Section 101 - New section. Findings & intent.

Section 102 - New section. Definitions, including but not limited to, defining a “producer” as a person responsible for compliance with the requirements of the chapter for covered materials, defining “covered material” as packaging and paper products introduced into the state, defining a “service provider” as an entity that provides covered services for covered materials, and defining “covered services” as collecting, transferring, transporting, sorting, processing, recovering, preparing, or otherwise managing for purposes of waste reduction, refill, reuse, recycling, composting, or disposal of contamination or residuals. Adds definitions for “beverage” and “beverage container.”

Section 103 - New section. Requires each producer to appoint a Produce Responsibility Organization (PRO) to address covered materials by January 1, 2026; a PRO must be registered with the Department of Ecology (Ecology) by March 1, 2026; PROs must submit an annual registration fee by September 1, 2026, to cover the costs of Ecology in implementing this chapter, including costs of the Department of Labor and Industries (LNI) to implement Section 304.

Section 104 - New section. Establishes the responsibilities of producers and PROs, including requiring producers to organize, implement and finance a statewide program for packaging and paper products in accordance with this chapter that encourages redesign to reduce environmental impacts and human health impacts and that reduces generation of covered material waste generation of covered material waste through waste reduction, refill, reuse, recycling, and composting and by providing for the collection, transportation, and processing of used covered materials for reuse, recycling, and composting.

Section 105 - New section. Creates an advisory council to review all activities conducted by PROs under this chapter and to advise Ecology and PROs regarding the implementation of the chapter; authorizes Ecology to establish the council and specifies the membership composition of the council; Ecology to provide administrative and operating support to the council.

Section 106 - New section. Establishes Ecology’s implementation, administration, and enforcement responsibilities related to the act, including adopting rules to administer and implement the chapter by 2028 and issue a general order until the rules are adopted. Requires Ecology to determine the one-time registration fee to be paid by July 1, 2026.

Section 107 - New section. Requires each service provider seeking reimbursement for services provided under an approved plan to register with Ecology by January 1, 2026.

Section 108 - New section. Establishes service provider responsibilities.

Section 109 - New section. Requires Ecology to develop a list of covered materials by October 1, 2026.

Section 110 - New section. Requires collection services for covered materials determined to be suitable for residential recycling collection to be available wherever residential garbage collection services are available; requires PROs to implement an alternative collection program for covered materials included on the alternative collection list.

Section 111 - New section. Requires Ecology to conduct a statewide needs assessment that must be carried out by a third-party consultant selected by Ecology. Requires the first assessment to be completed by December 31, 2026.

Section 112 - New section. Requires Ecology to complete an equity study conducted by a third party, to analyze facilities

operating in the state that manage covered materials as recycled feedstock, by January 31, 2032.

Section 113 - New section. Requires PROs to submit a plan to Ecology, by October 1, 2028, regarding their fulfillment of the chapter's requirements.

Section 114 - New section. Requires PROs to submit contingency plans to Ecology.

Section 115 - New section. Requires PROs to proposed performance targets based on the needs assessment; requires Ecology to establish statement requirements for recycling and other rates.

Section 116 - New section. Provides that a registered PRO may charge members a fee to cover the PROs costs; provides that fees collected under this section may not be used for activities that require reporting under RCW 42.17A.

Section 117 - New section. Provides that reimbursements to services providers that meet the performance standards established under an approved plan. Provides further methodology in an approved plan.

Section 118 - New section. Requires that PROs use a competitive bidding process for infrastructure investments.

Section 119 - New section. Requires PROs to maintain public websites; requires PROs implement education and outreach activities that reach diverse residents, are accessible, and support achievement of performance targets.

Section 120 - New section. Requires annual reporting of activities by PROs starting July 1, 2031.

Section 121 - New section. Requires Ecology to contract with an independent consultant to analyze the impacts of the initial seven years of program implementation by September 1, 2038, and submit a report to the legislature.

Section 122 - New section. Addresses the confidentiality of information submitted by PROs and others to Ecology.

Section 123 - New section. Authorizes Ecology to impose a civil penalty of up to \$1,000 per day on any producer or PRO who violates the chapter, and up to \$10,000 per day for subsequent violations; authorizes other Ecology enforcement actions; appeals to be heard by the Pollution Control Hearings Board (PCHB); penalties levied to be deposited in the recycling enhancement account.

Section 124 - New section. Requires future bottle deposit return systems to be harmonized with this chapter.

Section 125 - New section. Establishes procedures for exclusion of certain products from the requirements of the chapter.

Section 126 - New section. Sets forth the limitations of the act.

Section 127 - New section. Creates the responsible recycling management account, and requires receipts received by Ecology under the chapter to be deposited to the account. Clarifies and expands authorized expenditures from this account.

Part Two - Amendments to Existing Solid Waste Management Laws

Section 201 - Amends RCW 70A.205.045. Modifies the requirements of county and city programs relating to solid waste handling facilities, effective January 1, 2030.

Section 202 - Minor amendment to RCW 70A.205.500.

Section 203 - Amends RCW 81.77.030. Requires the Utilities and Transportation Commission (UTC) to review PRO reimbursement of regulated service provides consistent with the new chapter; requires UTC to require certificate holders to

deliver covered materials only to responsible markets.

Section 204 - Amends RCW 81.77.160. Incorporates new chapter.

Section 205 - Amends RCW 81.77.185. Modifies the UTC's authority to allow solid waste collection companies to retain a portion of the revenue paid to the companies for the material by exempting covered materials.

Part Three - Conforming Amendments and Miscellaneous Provisions

Section 301 - Amends RCW 43.21B.110. Includes references to new sections.

Section 302 - Amends RCW 43.21B.300. Includes references to new sections.

Section 303 - New section. Requires Ecology to study the impacts of the new chapter on litter rates and possible improvements to the litter tax and report to the Legislature by January 1, 2030.

Section 304 - New section added to RCW 49.46. Requires minimum industry standard compensation for workers at material recovery facilities; authorizing the LNI to conduct investigations to ensure compliance with this section; authorizing LNI to enforce the section by filing a court action; authorizing LNI to adopt rules; specifying statutory definitions.

Section 305 - Amends RCW 49.48.082. Amending definition of "wage payment requirement".

Section 306 - Amends RCW 70A.245.100 to add the penalties collected under Section 123 of this act to the recycling enhancement account.

Section 307 - New section. Severability clause.

Section 308 - New section. Null and void clause.

Part Four - Codification Directives

Section 401 - Providing that Sections 101 through 127 are a new chapter in Title 70A RCW.

This bill is assumed effective 90 days after the end of the 2025 legislative session.

II. B - Cash receipts Impact

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

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agencies are the Department of Ecology (Ecology) and the Utilities and Transportation Commission (UTC). The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

Ecology will be billed for non-King County rates:

FY 2026: \$5,000 for 0.1 Assistant Attorney General FTE (AAG) and 0.1 Paralegal 1 FTE (PL1)

FY 2027 and FY 2028: \$35,000 for 0.1 AAG and 0.1 PL1
FY 2029 and in each FY thereafter: \$18,000 for 0.1 AAG and 0.1 PL1

UTC will be billed for non-King County rates:
FY 2026 and FY 2027: \$15,000 for 0.1 AAG and 0.1 PL1

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.

Attorney General's Office (AGO) Agency Assumptions:

This bill is assumed effective 90 days after the end of the 2025 legislative session.

Location of staffing is assumed to be in a non-King County office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 FTE (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 Paralegal 1 FTE (PL1) and 0.4 MA.

1. Assumptions for the AGO Ecology Division's (ECY) Legal Services for the Department of Ecology (Ecology):

The AGO will bill Ecology for legal services based on the enactment of this bill.

Legal services will include advice on complex rulemaking from October 2025 to June 2028 to address Extended Producer Responsibility (EPR) program requirements for Producer Responsibility Organizations (PROs). Legal services will also include: advice and representation in support of Ecology's enforcement efforts to ensure producer participation in or as a PRO, as PROs must submit initial payment by September 2026 to cover Ecology's costs from effective date to July 2027, producers must join a PRO by January 2026, PROs must register by March 2026, PROs must submit annual registration fee to Ecology starting May 2027, and producers that have not joined a PRO may not sell products in Washington State after February 2029.

Legal services will also include advice and representation in support of Ecology's implementation of the EPR program implementation, including: selecting the most effective PRO for initial plan development (Section 106(3)); deciding confidentiality requests from producers (Section 106(2)(s)); registration of service providers to receive reimbursements from the PRO (Section 106(2)(e)); deciding alternative recycling requests (Section 106(2)(r)); deciding petitions for exclusion of products (Section 125); ensuring PRO funds and implements a reuse grant program starting 2027 (Section 104(5)(a)); evaluating sufficiency of PRO plan and contingency plan (Section 104(5)); and possible actions against PROs for failure to meet obligations (Section 123).

ECY Total workload hours:
FY 2026: 36 AAG hours and 18 PL1 hours
FY 2027 and FY 2028: 216 AAG hours and 108 PL1 hours
FY 2029 and in each FY thereafter: 108 AAG hours and 54 PL1 hours

ECY: Total non-King County workload impact:
FY 2026: \$5,000 for 0.1 AAG and 0.1 PL1
FY 2027 and FY 2028: \$35,000 for 0.1 AAG and 0.1 PL1

FY 2029 and in each FY thereafter: \$18,000 for 0.1 AAG and 0.1 PL1

2. Assumptions for the AGO Utilities and Transportation Division’s (AGO-UTC) Legal Services for the Utilities and Transportation Commission (UTC):

The AGO will bill UTC for legal services based on the enactment of this bill. Legal services will include, but are not limited to: advice on complex rulemaking that will span FY 2026 and FY 2027 to update various filing, consumer protection, and tariff rules to implement the bill; advice concerning the participation of UTC in Ecology’s producer responsibility rulemaking; advice concerning the participation of UTC in the state needs assessment run by Ecology; and advice concerning the bill’s requirement that regulated solid waste carriers must update their tariffs, although any incremental legal work associated with those tariff filings will be nominal.

AGO-UTC: total workload hours
FY 2026 and FY 2027: 90 AAG hours and 54 PL1 hours

AGO-UTC: Total non-King County workload impact:
FY 2026 and FY 2027: \$15,000 for 0.1 AAG and 0.1 PL1

3. The AGO Labor and Industries Division (LNI) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Department of Labor and Industries (L&I). LNI assumes that the limited rulemaking and expected appeals of less than one per year, that any new legal services would be nominal, and costs are not included in this request.

4. 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) or the Pollution Control Hearings Board (PCHB). This bill will likely increase appeals to the PCHB any legal advice would be nominal, and costs are not included in this request.

AGO Total Workload hours:
FY 2026: 126 AAG hours and 69 PL1 hours
FY 2027: 306 AAG hours and 162 PL1 hours
FY 2028: 216 AAG hours and 108 PL1 hours
FY 2029 and in each FY thereafter: 108 AAG hours and 54 PL1 hours

Total non-King County Workload Impact:
FY 2026: \$20,000 for 0.1 AAG and 0.1 PL1
FY 2027: \$50,000 for 0.2 AAG and 0.1 PL1
FY 2028: \$35,000 for 0.2 AAG and 0.1 PL1
FY 2029 and in each FY thereafter: \$18,000 for 0.1 AAG and 0.1 PL1

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
405-1	Legal Services Revolving Account	State	20,000	50,000	70,000	53,000	36,000
Total \$			20,000	50,000	70,000	53,000	36,000

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.4	0.4	0.4	0.3
A-Salaries and Wages	13,000	34,000	47,000	36,000	24,000
B-Employee Benefits	4,000	10,000	14,000	11,000	8,000
E-Goods and Other Services	3,000	6,000	9,000	6,000	4,000
Total \$	20,000	50,000	70,000	53,000	36,000

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
Assistant Attorney General	132,912	0.1	0.2	0.2	0.2	0.1
Management Analyst 5	98,040	0.1	0.1	0.1	0.1	0.1
Paralegal 1	71,148	0.1	0.1	0.1	0.1	0.1
Total FTEs		0.3	0.4	0.4	0.4	0.3

III. D - Expenditures By Program (optional)

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Ecology Division (ECY)	5,000	35,000	40,000	53,000	36,000
Utilities & Transportation Division (UTC)	15,000	15,000	30,000		
Total \$	20,000	50,000	70,000	53,000	36,000

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: 5284 S SB	Title: Solid waste management	Agency: 215-Utilities and Transportation Commission
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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	1.2	2.7	2.0	4.0	3.8
Account					
Public Service Revolving Account-State 111-1	194,034	422,849	616,883	1,196,883	1,144,076
Total \$	194,034	422,849	616,883	1,196,883	1,144,076

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:	Phone:	Date: 02/18/2025
Agency Preparation: Michelle Parish	Phone: 360-664-1158	Date: 02/20/2025
Agency Approval: Michelle Parish	Phone: 360-664-1158	Date: 02/20/2025
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/20/2025

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 consumer packaging producer responsibility program to facilitate the State's goal of reaching 50% recycling rate statewide as established in 1989. The program would be responsible for the collection, processing, and environmental impact mitigation of designated covered materials, and recycling outreach and education programs.

Section 103 establishes Producer Responsibility Organizations (PROs).

Section 104

(1) after July 1, 2026, each PRO will implement and finance a plan consistent with the requirements of the act.

(3)(a)(iii)

(c) by October 1, 2028, and every five years thereafter, each PRO will submit a plan that meets the requirements of this chapter to Dept. of Ecology (DOE).

(k) Assist service providers to identify and use responsible markets

(l) reimburse service providers in a timely manner, at intervals no longer than monthly unless agreed to by a service provider and PRO.

Section 107 requires service providers to register with DOE, including identification of service areas where covered services are to be provided to covered entities, identification of covered services to be provided to covered entities by service area, and the number of covered entities currently provided service, number of covered entities eligible for service, and the total amount billed for collection for covered entities processing services, transfer station operations, and tons managed during the preceding calendar year. Values must be separated by collection, transfer and processing.

Section 108

(1) requires service providers to provide covered services for covered materials included on the statewide collection lists, covered services for a refill system, or covered services for reusable covered materials, as applicable to the services offered by and service area of the provider.

(7) requires service providers to display the service provider's price, minus the reimbursement from the PRO, when invoicing customers.

The substitute version adds that service providers must pass on the applicable portion of the reimbursement through solid waste rate reductions or credits, to all customers receiving curbside collection services eligible for reimbursement.

This section will require tariffs to be revised and refiled to comply with this section. The commission currently regulates 69 solid waste tariff documents.

Section 109 requires DOE to establish a statewide collection list of covered materials to be available for the needs assessment process identified in Section 111 by October 1, 2026.

Section 111 (2)(a) and (c) directs the commission to review and submit comments to DOE on the Statewide Needs Assessment prior to its completion date of December 31, 2027.

Section 117 (s)(a) states that reimbursement rates to service providers must be updated annually to reflect the net costs for covered services, and reimbursement rates must be established equivalent to net costs.

(b) reimbursement rates must be based on:

(i) the cost to collect covered material for recycling, including administrative costs, and costs for education and outreach activities.

This section, in conjunction with Section 108 will require regulated service providers to update tariffs whenever reimbursement rates change, and (per substitute) review whether the amounts reimbursed by PROs were appropriately passed back to customers. The commission currently regulates 69 solid waste tariffs, although not all of these would be affected by this requirement.

Section 126 (4) states that nothing in this act changes or limits the authority of the commission to regulate collection of solid waste including curbside collection of residential recyclable materials, in accordance with RCW 81.77.

Section 203 rennumbers and amends 81.77.030:

- (f) adding commission review of PRO reimbursement of regulated service providers.
- (g) adding compliance with PRO plans as part of the requirement to comply with local comprehensive solid waste management plans.
- (h) requires certificate holders to deliver covered materials only to responsible markets, as that term is defined in the act (section 102).

Since the requirement of certificate holders to deliver covered materials only to responsible markets is contained in the same section that directs the commission to review PRO reimbursement of regulated service providers, this new activity would add additional hours required to the review. It is not known how the determination is to be made, or how or what costs would be excluded from PRO reimbursement if a certificated hauler did not deliver covered materials to a responsible market.

Section 204 amends 81.77.160 (1)(b) to include all known and measurable costs related to implementation of services designated by a PRO in an approved plan.

Section 205 amends 81.77.185 (1) to exclude covered products collected under an approved PRO plan from revenue sharing agreements.

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.

UTC assumes no cash receipts will go to UTC as a result of this legislation.

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 substitute version does not add any additional expense.

Complex Rulemaking

The UTC assumes Sections 108, 126, 203, and 204 require a rulemaking to update WAC 480-07 and 480-70 to review and align current commission rules with the language of this bill.

Section 108 requires service providers to display their billable rates separate from amounts reimbursed by PROs. All tariffs contain rates and billing period designations which can be monthly, bimonthly, or quarterly. It is possible for different certificated haulers operating in the same county to have different billing cycles; it is also possible that the same certificated hauler may have different billing periods for its separate operations, which may or may not be in the same county. Therefore, a complex rulemaking will be required to reconcile billing cycles and tariff rate tables with reimbursement procedures for each PRO. The commission may also need to modify its consumer rules to account for changes in billing practices.

The commission regulates over 50 solid waste collection operations and would expect extensive participation in the

rulemaking process from a significant number of participants, requiring the added cost of a complex rulemaking.

Complex Rulemaking FY26 \$119,666 and FY27 \$119,666.

(Administrative Law Judge, 0.17 FTE; Commissioner, .05 FTE; Director Regulatory Services, 0.05 FTE; Deputy Director | Telco, Water, and Transportation, 0.05 FTE; Policy Advisor/Transportation, 0.13 FTE; Director | Policy, 0.1; Regulatory Analyst 2, 0.05 FTE; Regulatory Analyst 3, 0.31 FTE; Consumer Program Specialist 3, 0.31 FTE; Paralegal 1, 0.07 FTE)

Department of Ecology Rulemaking

UTC assumes involvement with the development of EPR program rules led by Ecology. Based on lead agency assumptions, the rulemaking would commence in FY26 and conclude in FY27. UTC assumes a similar level of participation to in-house rulemakings, to be shared by Policy and Regulatory Services staff equally.

One-time Expenditure \$34,327 split across FY26 and FY27

FY26: \$17,163

FY27: \$17,164

(Director Regulatory Services, 0.02 FTE; Policy Adviser/Transportation, 0.04 FTE; Director Administrative Law & Policy, 0.02 FTE; Regulatory Analyst 3, 0.04 FTE)

Comments to Department of Ecology

UTC assumes section 111 requires the commission to provide comments to Dept. of Ecology on the Statewide Needs Assessment due in December 2027 (FY28).

FY28 One-time Expenditure \$52,807

(Commissioner, 0.02 FTE; Director, Legislative, 0.02 FTE; Director, Policy, 0.04 FTE; Director Regulatory Services, 0.02 FTE; Deputy Director/Telco, Water, and Transportation, 0.02 FTE; Policy Adviser/Transportation, 0.08 FTE; Regulatory Analyst 3, 0.11 FTE)

Additional Rate filings and Complexity

FY26: \$57,204

(Deputy Director/Telco, Water, and Transportation, 0.01 FTE; Administrative Law Judge, 0.05 FTE; Policy Adviser/Transportation, 0.05 FTE; Section Manager Water and Transportation, 0.01 FTE; Paralegal 3, 0.02 FTE; Senior Regulatory Advisor, 0.03 FTE; Regulatory Analyst 3, 0.10 FTE; Regulatory Analyst 2, 0.20 FTE)

FY 27: \$286,019

(Deputy Director/Telco, Water, and Transportation, 0.07 FTE; Administrative Law Judge, 0.24 FTE; Policy Adviser/Transportation, 0.24 FTE; Section Manager Water and Transportation, 0.07 FTE; Paralegal 3, 0.12 FTE; Senior Regulatory Advisor, 0.17 FTE; Regulatory Analyst 3, 0.50 FTE; Regulatory Analyst 2, 1.00 FTE)

FY 28-31: \$572,038

(Deputy Director/Telco, Water, and Transportation, 0.14 FTE; Administrative Law Judge, 0.48 FTE; Policy Adviser/Transportation, 0.48 FTE; Section Manager/Water and Transportation, 0.14 FTE; Paralegal 3, 0.24 FTE; Senior Regulatory Advisor, 0.34 FTE; Regulatory Analyst 3, 1.00 FTE; Regulatory Analyst 2, 2.00 FTE)

This bill will require additional rate filings for companies to recover additional investment and processing cost for recyclable materials. Rate filings will now require review of PRO reimbursements, and any over/under collection of revenues based on tariffs rates and reimbursement rates from PROs. Given the PRO interest in recycling rates, they may become an interested/intervening party in rate filings resulting in additional complexity and staff time. For companies not currently offering recycling services significant investment will be required, which may require the use of multi-year rate plans. Additionally, what are now routine filings such as pass-through disposal fee or refuse tax increases, or recycling commodity

value adjustments, will increase in complexity due to the effects of multi-year rate plans and PRO reimbursement calculations on company tariffs, which contain single, combined rates.

It is estimated that the 10% costs in FY26 would be due to training staff and implementing process changes. The commission regulates approximately 69 separate tariffs owned by 30 companies. It is expected that companies will file tariff revisions one at a time, so the commission would only expect a 50% cost increase due to the amount of time to review filings during the first year this measure is in effect. By the second year, and in subsequent years, the commission estimates filing review time to increase by 100% for all filings which will be impacted.

Update to Cost Assessment Questionnaire

Section 405 requires the inclusion of producer responsibility programs in solid waste management plans and would require the commission to update its cost assessment questionnaire.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
111-1	Public Service Revolving Account	State	194,034	422,849	616,883	1,196,883	1,144,076
Total \$			194,034	422,849	616,883	1,196,883	1,144,076

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.2	2.7	2.0	4.0	3.8
A-Salaries and Wages	131,996	287,653	419,649	814,206	778,284
B-Employee Benefits	46,198	100,678	146,876	284,972	272,398
C-Professional Service Contracts					
E-Goods and Other Services	15,840	34,518	50,358	97,705	93,394
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 \$	194,034	422,849	616,883	1,196,883	1,144,076

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 Law Judge	115,008	0.1	0.3	0.2	0.5	0.5
Attorney General	237,600	0.1	0.1	0.1		
Commissioner	149,532	0.0	0.0	0.0	0.0	
Cons Prog Spec 3	72,924	0.2	0.2	0.2		
Deputy Director, Telco, Water & Trans	126,408	0.0	0.1	0.1	0.2	0.1
Director, Legislation	128,628				0.0	
Director, Policy	133,008	0.0	0.0	0.0	0.0	
Director, Regulatory Services	144,108	0.0	0.0	0.0	0.0	
Paralegal 1	71,148	0.0	0.0	0.0		
Paralegal 3	86,712	0.0	0.1	0.1	0.2	0.2
Policy Advisor, Transportation	107,124	0.1	0.3	0.2	0.5	0.5
Regulatory Analyst 2	88,800	0.1	0.5	0.3	1.0	1.0
Regulatory Analyst 3	100,524	0.3	0.7	0.5	1.1	1.0
Section Manager, Water and Transp	110,700	0.0	0.1	0.0	0.1	0.1
Senior Regulatory Advisor, Water and Transp	115,260	0.0	0.2	0.1	0.3	0.3
Total FTEs		1.2	2.7	2.0	4.0	3.8

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.

Sections 108, 126, 203, and 204, and generally: Appropriate terms and definitions would need to be included in WAC 480-70 and 480-07.

Sections 107 and 108 Requires the commission to adopt rules for payment schedules for PROs to reimburse certificated haulers for recycling collection costs in accordance with commission approved tariffs.

Section 203 amends 81.77.030 to include review of PRO reimbursement of regulated curbside collection and would require

updates to WAC 480-70 to ensure rules conform to these changes.

A review of WAC 480-07 and 480-70 would be required to implement the language of this bill.

Individual State Agency Fiscal Note

Bill Number: 5284 S SB	Title: Solid waste management	Agency: 235-Department of Labor and Industries
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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.
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Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	0.0	0.0	1.1	0.5
Account					
Total \$					

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:	Phone:	Date: 02/18/2025
Agency Preparation: Donald Jenson Jr	Phone: 360-902-6981	Date: 02/21/2025
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 02/21/2025
OFM Review: Courtney Kinney	Phone: 360 584 5705	Date: 02/21/2025

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.

See attached.

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.

See attached.

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.

See attached.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years				1.1	0.5
A-Salaries and Wages					
B-Employee Benefits					
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 \$	0	0	0	0	0

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 Regulations Analyst 4	91,068				0.8	
Fiscal Analyst 5	76,608				0.1	
Industrial Relations Agent 2	71,148				0.3	0.5
Total FTEs					1.1	0.5

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.

See attached.

Part II: Explanation

This bill relates to improving Washington’s solid waste management outcomes.

The differences between SSB 5284 and SB 5284 include, but are not limited to:

- Including the Department of Labor and Industries (L&I) costs in the producer responsibility organization fees paid to the Department of Ecology.
- Including L&I in section 127 authorizing expenditures from the responsible recycling management account, to cover the costs for implementing and enforcing section 304 of the bill and RCW 49.48.082.
- Limiting the applicability of the wage standards to recycling plants managing at least 25,000 tons of covered materials annually.
- Stipulating that the wage requirements begin October 1, 2028.
- Changing section 304 (1) from “Owners and operators” of a material recovery facility to “employers associated with”.
- Changing section 304 (3)(a) from: If more than one collective bargaining agreement (CBA) exists that covers similar or equivalent work in the same “geographic area” to “county”. For recycling plants in a county with no equivalent CBA, clarifies that the closet geographically CBA rate applies.

II. A – Brief Description of What the Measure Does that Has Fiscal Impact

Section 127 adds a new section creating the responsible recycling management account in the state treasury. Expenditures from the account may be used by the Department of Ecology for implementing, administering and enforcing the requirement of this chapter, and by L&I to cover the cost for the implementation and enforcement of section 304 of this act and RCW 49.48.082.

Section 304 adds a section to RCW 49.46, the Wage Payment Act, stipulating that:

- (1) Employer associated with a material recovery facility that annually manages 25,000 tons or more of covered materials under RCW 70A must pay employees minimum industry standard compensation, beginning October 1, 2028.
- (2) Employers are not required to provide benefits. If employers do not provide benefits, wages paid must be at the full minimum industry standard compensation.
- (3) If multiple union facilities exist in the same county, employers must pay the highest of the collectively bargained rates. If no collective bargaining agreement exists that covers similar or equivalent work in the same county, the rate in the county with a collective bargaining agreement that is closest geographically applies.
- (4) The Department of Labor and Industries (L&I) may enforce the minimum industry standard compensation as a wage payment requirement.
- (5) In addition to investigating worker complaints of noncompliance, L&I may conduct proactive and companywide investigations of noncompliance.
- (6) L&I may adopt rules for implementing this section.
- (7) The section defines terms for “minimum industry standard compensation,” “rate of contribution,” and “usual benefits.”

II. B – Cash Receipt Impact

Receivables – Operating

L&I has the authority to issue penalties related to violations of this act. However, because the penalty amounts can vary, the cash receipt impact of this bill is indeterminate.

II. C – Expenditures

Appropriated – Operating Costs

This bill increases expenditures to the newly created Responsible Recycling Management account. The following assumptions were used to estimate the resources requested to implement this bill.

Staffing

0.5 FTE, Industrial Relations Agent 2 (IRA2), permanent, starting July 1, 2028. Duties include conducting Wage Payment Act investigations associated with noncompliance of this bill. The workload is based on the following:

- The Department of Ecology has indicated there are seven facilities that would be impacted by this bill.
- Workforce data shows that approximately 3,999 employees work for those facilities.
- The Wage Payment Act complaint rate is 0.002. (9,127 complaints in fiscal year 2024 / 3.6 million workers = 0.002)
- 8 additional complaints are expected per fiscal year. (3,999 impacted workers * 0.002 complaint rate = 8)
- While these are Wage Payment Act complaints, their complexity will mirror Prevailing Wage complaints due to:
 - Verifying the employer is a material recovery facility handling covered products;
 - Determining the highest collective bargaining agreement rate for the geographic area and occupation;
 - Verifying all fringe benefit contributions;
 - Performing complex back pay calculations that take into account the fringe benefit contributions.
- The average IRA2 in the Prevailing Wage program handles 16 investigations per fiscal year.
- Therefore, 0.5 FTE IRA2 is needed. (8 additional complaints / 16 investigations per year = 0.5)

1.0 FTE, Administrative Regulations Analyst 4, temporary, from September 1, 2027 through February 28, 2029. Duties include conducting rulemaking activities and policy development.

Rule making

\$7,500 is needed for three rule making hearings to occur during fiscal year 2028. The average cost of one rule making hearing is \$2,500. (3 hearings x \$2,500 each = \$7,500)

Indirect Costs

The amount included in this fiscal note for indirect is:

Fund Name		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
	Responsible Recycling Mgt	0	0	5,000	8,000	4,000	4,000
	Total:	\$0	\$0	\$5,000	\$8,000	\$4,000	\$4,000

The department assesses an indirect rate to cover agency-wide administrative costs. Labor and Industries' indirect rate is applied on salaries, benefits, and standard costs. For fiscal note purposes, the total indirect amount is converted into salary and benefits for partial or full indirect FTEs. Salary and benefits costs are based on a Fiscal Analyst 5 (Range 59, Step G).

These charges will initially be charged to the new fund established in section 127. Ecology and L&I will enter into an Interagency Agreement to provide reimbursement to L&I. Total costs are as follows:

	FY 2026	FY 2027	2025 27	FY 2028	FY 2029	2027 29	FY 2030	FY 2031	2029 31
FTE	0.00	0.00	0.00	0.90	1.30	1.10	0.50	0.50	0.50
A - Salaries	0	0	0	79,000	102,000	181,000	39,000	39,000	78,000
B - Benefits	0	0	0	27,000	37,000	64,000	15,000	15,000	30,000
C - Contracts	0	0	0	0	0	0	0	0	0
E - Goods and Services	0	0	0	19,000	16,000	35,000	7,000	7,000	14,000
G - Travel	0	0	0	0	2,000	2,000	1,000	1,000	2,000
J - Equipment	0	0	0	10,000	10,000	20,000	0	0	0
	0	0	0	135,000	167,000	302,000	62,000	62,000	124,000
Reimbursement	0	0	0	(135,000)	(167,000)	(302,000)	(62,000)	(62,000)	(124,000)
Final	0	0	0	0	0	0	0	0	0

Part IV: Capital Budget Impact

None.

Part V: New Rule Making Required

This legislation would result in rule changes to:

- WAC 296-128, Minimum wages

Individual State Agency Fiscal Note

Bill Number: 5284 S SB	Title: Solid waste management	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
Responsible Recycling Management Account-Non-Appropriated NEW-6		4,682,789	4,682,789	1,863,936	1,473,827
Total \$		4,682,789	4,682,789	1,863,936	1,473,827

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	7.5	7.1	7.3	5.0	3.6
Account					
Waste Reduction/Recycling/Litter Control-State 044-1	1,350,989	255,883	1,606,872	0	0
Responsible Recycling Management Account-Non-Appropriated NEW-6	0	1,292,447	1,292,447	2,818,740	1,533,017
Total \$	1,350,989	1,548,330	2,899,319	2,818,740	1,533,017

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:	Phone:	Date: 02/18/2025
Agency Preparation: Fahad Kazi	Phone: 564-233-9372	Date: 02/20/2025
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 02/20/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/20/2025

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.

Compared to SB 5284, SSB 5284 makes the following changes that would impact Ecology:

Sections 103 and 104 would require producers and the PRO to fund the cost of Labor and Industries (L&I) enforcement of the requirements in Section 304 in the annual payments to Ecology.

Section 106 would require Ecology to determine agency costs by July 2026 to implement the chapter from bill effective date through June 2027. The estimated PRO annual registration fee determined by Ecology would now include the cost of Labor and Industries enforcement of Section 304 requirements in the coming fiscal year. Until rule adoption, Ecology would issue a general order to the PRO with the notice of the annual registration fee. The March PRO registration fee calculation would be adjusted by the difference between revenue collected and cost incurred for the most recently closed fiscal year.

Section 115 would now require Ecology to develop a sliding scale alternative compliance formula for the plastic source reduction target requirements.

These changes would change the fiscal impact to Ecology.

Under current law, Chapter 70A.205 RCW, state, county, and city governments are required to provide for safe waste management, including waste reduction and source separation strategies, and to process and dispose of remaining wastes in a manner that is environmentally safe and economically sound.

Local governments are responsible for providing access to recycling services for their residents through curbside services and/or drop boxes. Department of Ecology (Ecology) provides technical assistance to local jurisdictions as they develop solid waste management plans that identify the materials considered recyclable (in the curbside bin or drop box) in their jurisdiction. Ecology also provides grant funding to support local government programs, including some recycling program

Under current law, Chapter 81.77 RCW, the Utilities and Transportation Commission (UTC) regulates solid waste collection companies that operate in unincorporated areas and in cities and towns that do not choose to contract for or provide their collection services. Solid waste collection companies must obtain a certificate from the UTC to operate. The UTC reviews and approves collection rates charged by solid waste collection companies to these areas.

This bill would create an Extended Producer Responsibility program for Packaging and Paper Products (Packaging EPR). This program would be operated by a single producer responsibility organization (PRO) for the first five years of program implementation. Additional PROs could establish programs after the first five years. Producers also have the option to register with Ecology as an individual PRO. PRO programs operate with Ecology oversight and enforcement.

Part One: Providing for Producer Responsibility in the Management of Packaging and Paper Products

Section 105 – Advisory Council

By January 1, 2026, Ecology would be required to establish the advisory council with representatives as prescribed in the bill, including a nonvoting Ecology representative. The council would meet semiannually, at minimum. Ecology would be required to provide staff support and facilitation necessary for the council to carry out its duties. Ecology would be allowed to select an impartial, third-party facilitator to provide support to the council.

Section 106 – Department Duties

By January 1, 2026, Ecology would establish and begin facilitation of semiannual meetings of the advisory council as specified in section 105.

Beginning January 31, 2026, Ecology would facilitate annual registration of service providers, as specified in section 107.

Beginning March 1, 2026, Ecology would accept annual PRO registration and select the most effective PRO if more than one registration is received. Beginning March 1, 2026, Ecology would accept annual individual producer PRO registration.

On September 1, 2026, receive registered PRO one-time payment to cover Ecology's costs to implement the chapter from the effective date through June 30, 2027.

By October 1, 2026, Ecology would develop the statewide collection lists as specified in section 109 (and may select a third-party consultant to assist with the development of the lists).

By December 31, 2026, Ecology would complete the preliminary needs assessment as specified in Section 111(3) by contracting with a third party (who is not a producer, PRO or member of the advisory council) to conduct the needs assessment.

By March 31, 2027, Ecology would determine the PRO annual registration fee adequate to cover but not exceed costs to implement, administer and enforce this chapter in the next fiscal year. This annual fee would include L&I costs to implement Section 304. The March 31, 2027 fee determination must account for the PRO one-time payment received in September 2026 to increase or decrease the payment for fiscal year 2028.

By December 31, 2027, and every five years thereafter, Ecology would complete the statewide needs assessment as specified in Section 111(4) by contracting with a third party (who is not a producer, PRO, or member of the advisory council) to conduct the needs assessment.

By 2028, Ecology would be required to adopt rules to administer and implement the chapter. Ecology assumes to complete rulemaking by June 2028.

Beginning October 1, 2028, and every five years periodically thereafter, Ecology would be required to review PRO plans. Plans would be required to be reviewed within 120 days of receipt and be made available for public review and comment for at least 45 days.

By January 31, 2029, Ecology would be required to create model comprehensive solid waste plan amendments for use by cities or counties in lieu of updating, amending, or revising the local solid waste management plans to be consistent with the requirements in RCW 70A.205.045 (7)(b)(i).

Beginning March 1, 2029, Ecology would enforce the provisions of this chapter on producers not in compliance, including notifying producers who are not registered with a PRO of the ban of sales of their products in the state.

Beginning July 1, 2031, and annually thereafter, Ecology would be required to review PRO annual reports. Annual reports would be required to be reviewed within 120 days of receipt and be made available for public review and comment for at least 30 days. Given the timeline constraints of fiscal notes, the expenditure impacts of this work in FY 2032 and ongoing are not included in this fiscal note.

By January 31, 2032, Ecology would submit an equity study to the legislature as required in section 112 of this act. Given the timeline constraints of fiscal notes, the expenditure impacts of this work in FY 2032 and ongoing are not included in this fiscal note.

By September 1, 2038, Ecology will submit the independent review of the program report to the Legislature. Given the timeline constraints of fiscal notes, the expenditure impacts of this work in FY 2032 and ongoing are not included in this fiscal note.

Section 109 – Statewide Collection Lists

By October 1, 2026, Ecology would be required to establish the statewide collection lists that identify the covered materials determined to be recyclable or compostable in residential, public place, and alternative collection programs. Ecology would consider numerous factors and get stakeholder input when creating the list. The lists would be updated and published 30 days after PRO plan approval taking into account proposed list changes in the plan. The list would allow for pilot program curbside collection of covered materials with agreement by the service provider, local government, and PRO. The PRO would propose to Ecology the addition of covered materials to the list of materials collected statewide in the PRO plan submitted for approval.

Section 111 – Statewide Needs Assessment

Ecology would be required to conduct two statewide needs assessments: preliminary needs assessment, as specified in subsection 3, and a comprehensive needs assessment, as specified in subsection 4. The scope of each needs assessment would be developed in consultation with the PRO, UTC, Advisory Council, and other interested stakeholders. The needs assessments would be informed by the findings and recommendations of the recycling studies, conducted by Ecology's consultants since 2019, and the statewide collection lists created by Ecology per Section 109. These assessments would be conducted by a third-party consultant selected by Ecology.

By December 31, 2026, Ecology would complete the preliminary needs assessment, as specified in subsection 3, that would provide analysis of covered materials introduced and processed as well as the existing system services and infrastructure.

By December 31, 2027, and every five years thereafter, Ecology would complete the comprehensive needs assessment, as specified in subsection 4, that would evaluate covered materials, estimate five-year program outcomes, recommend collection methods, propose progress metrics, conduct an existing system inventory, evaluate infrastructure investments, recommend reimbursement rates, assess covered material end markets and toxic substances, and identify education and outreach best practices.

Section 112 - Equity Study:

By January 31, 2032, Ecology would be required to complete a study of various equity aspects of facilities managing covered materials and availability of services. These aspects would include: worker conditions and wages; women and minority ownership of facilities; access to services at multifamily residences and in overburdened communities, and how much the program increased access; strategies to increase participation; and if residents and workers are exposed to emission, toxics, and other pollutants from solid waste facilities. The PRO would be required to include recommendations in future plans and service provider reimbursement adjustments.

Section 115 – Performance Targets

The PRO would be required to propose performance targets aligned to meet the statewide requirements set by Ecology, as well as methodology to measure progress towards the targets. Ecology would be required to assess and approve any alternative recycling facility used, if counting towards performance targets. Ecology would be required to set, and update every five years, statewide requirements for recycling, composting, reuse, return, plastic source reduction, and postconsumer recycled content, based on several criteria. Ecology would be required to establish a sliding scale alternative compliance formula for the PRO plastic source reduction performance targets met by switching from virgin covered material to postconsumer recycled content.

Section 121 – Independent Review of Program

By September 1, 2038, Ecology would be required to contract with an independent third party to analyze the impacts of the initial seven years of the program implementation. The report would be submitted to the appropriate committees of the legislature. The report would analyze effects of the program on solid waste or recycling costs, recycling rates, and availability and convenience of recycling and reuse services.

Section 122 – Confidential Business Information

Anyone submitting information would be able to request Ecology to hold the data confidential.

Section 123 – Enforcement Authority

Ecology would be authorized to impose a civil penalty of up to \$1,000 per violation per day for the first violation, and up to \$10,000 for second and subsequent violation on any producer or PRO for noncompliance. Ecology would be required to provide written notification of noncompliance prior to assessing a penalty. Ecology would offer producers and PROs 60 days to come into compliance. Ecology would be authorized to issue orders to the PRO, revoke the PRO plan, require PRO plan revision, and require more PRO reporting. Ecology would be authorized to ensure that noncompliant products would not continue to be sold in Washington, this authority includes penalty provisions. Ecology must consider requests for enforcement action from the Advisory Council. Penalty revenue is unknown, and Ecology does not estimate it in the fiscal note.

Section 125 - Petition for the Exclusion of Certain Products:

One year prior to submission of a plan update, a PRO, group of producers, or a producer may submit a petition to Ecology for the temporary exclusion of packaging used to contain products that may have public health or safety concerns. Ecology would have 90 days to consider the petition.

Section 303 – Litter Tax Study

Ecology and the Department of Revenue (DOR) would be required to consult with the PRO on a litter tax study. By January 1, 2030, Ecology, in consultation with DOR, would be required to provide recommendations to the Legislature on the applicability of the litter tax being applied to covered materials.

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 greater than \$50,000 beginning in FY 2026 and ongoing for the fees in sections 103, 104, 106, 113, 116, 120 and 127. Penalty revenue, as would be authorized and collected in section 125, is estimated to be limited, but unknown, and is therefore not estimated in this fiscal note.

Fees (Sections 103, 104, 106, 113, 116, 120, and 127)

Responsible Recycling Management Account (RRMA)

Section 103(4) would require registered producer responsibility organizations (PROs) to submit the first fee payment by September 1, 2026 to cover agency costs and L&I costs to implement section 304 from the effective date of the act to June 30, 2027. Section 106(4)(b) would require Ecology to adjust the March 31, 2027, PRO registration fee to account for the September 2026 PRO one-time payment by increasing or decreasing the fiscal year 2028 fee.

Section 127 would require Ecology to reimburse the state account used to cover costs prior to the PRO payment received in September 2026. Section 127 would authorize Ecology to fund L&I costs to implement Section 304 from this account.

Section 106(2)(h) and 106(4)(a) would require Ecology to determine an annual fee (for the following fiscal year) by March 31, 2027, and annually thereafter, to be paid by each registered PRO to adequately cover Ecology's implementation, administration, and enforcement costs and L&I costs to implement section 304 for the coming fiscal year for the chapters created in section 401. Section 103(3) would require the PRO to submit an annual fee payment by May 1, 2027, and annually thereafter, to fund all of Ecology's costs to implement, administer, and enforce this chapter.

Ecology assumes the first fee receipt collections would occur by September 1, 2026 (FY 2027) to fund all costs of the 2025-27 biennium. PROs would be invoiced annually to fund department activities for the following fiscal year, beginning March 31, 2027 (FY 2027) to fund anticipated costs and L&I costs for Section 304 for FY 2028. One PRO would be

subject to the annual payment to support implementation of the Packaging EPR program requirements established in the chapter created in section 401 and section 304. All receipts would be deposited in the Responsible Recycling Management Account (RRMA) as created in section 127.

Estimated RRMA Revenue

FY 2027: \$4,682,789

FY 2028: \$1,035,270

FY 2039: \$828,666

FY 2030: \$704,351

FY 2031: \$769,476

Penalties (Sections 123)

Section 123 would provide authority for Ecology to assess producer or PRO penalties of up to \$1,000 per violation per day and up to \$10,000 per violation per day for the second and each subsequent violation of the new chapters created in section 401. Section 123(3) would authorize Ecology to assess a penalty of twice the value of the covered product sold or \$500, whichever is greater, on a person that continues to sell or distribute products from producers not participating in a PRO. Any penalty collections would be deposited into the Recycling Enhancement Account established in RCW 70A.245.100.

Ecology would work with the PRO and producers to bring them into compliance; 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 is estimated to be greater than \$50,000 in Fiscal Years (FYs) 2026 and ongoing to implement the requirements of sections 103-127 and 304.

Section 127 would create the Responsible Recycling Management Account (RRMA). All fee payments received by PROs to fund the implementation, administration, and enforcement of the requirements of this bill. The first PRO payment would be received by September 1, 2026, to fund Ecology for work conducted in FY 2026 and FY 2027. Due to the timing of the first collection of the PRO fee, Ecology assumes we will initially fund the work to implement this bill out of the Waste Reduction, Recycling, and Litter Control Account (WRRLCA) through August 31, 2026.

Per Section 127, the portion of the PRO fee received by September 1, 2026, for Ecology's costs in FY 2026, would be transferred to whichever state account was used to cover Ecology's costs prior to collection of the PRO fee. For the purposes of this bill, Ecology assumes WRRLCA will get reimbursed.

Estimates of agency costs are based on Ecology's experience implementing extended producer responsibility (EPR) programs for electronics, mercury lights, photovoltaic modules, paint, and batteries, and implementing the postconsumer recycling content requirements for plastic containers (chapter 70A.245 RCW).

Ecology's fiscal impact estimates are also based on the experience of the British Columbia (BC) Ministry of Environment in the start-up and oversight of their EPR program for packaging and printed paper, and on other states implementing similar laws, including California, Colorado, Maine, Minnesota, and Oregon. Producer registration from the states where Clean Action Alliance (the PRO) is operating identified a total of 2,500 producers required to register for the California, Colorado, and Oregon Packaging EPR programs. The bill would allow only one PRO for startup (until the end of the first plan implementation), but a similar number of producers, and brands would be anticipated in Washington for the program that would be established for Part One of this bill. Experiences from other states in their respective implementation processes were also considered where there are similarities to this bill. For example, only one PRO is operating in several states with similar laws, and we anticipate the same will happen for Washington.

Part One - Providing for Producer Responsibility in the Management of Packaging and Paper Products

Administration/Oversight (Sections 106, 115, 122, 123, and 125):

The bill would require a single producer responsibility organization (PRO) to be established and register with Ecology for program startup through the completion of the first 5-year program plan. The bill (Section 106) would require Ecology to select which PRO can most effectively implement the chapter if more than one registration is received. Based on early EPR program startup experiences in California, Colorado, Maine, and Oregon, Ecology assumes one PRO would register.

Based on a recent presentation from Clean Action Alliance (PRO for Oregon, California, and Colorado Programs), Ecology assumes 2,500 producers would be required to join the PRO. For FY 2026, Ecology assumes 10 percent of these producers would require technical assistance to come into compliance during the initial start-up period (FY 2026, FY 2027 and FY 2028) and that each year 100 producers would require ongoing technical assistance. Based on experience from EPR programs in BC, Ecology assumes compliance support to the PRO and producers would be needed. Technical assistance would include providing regulatory interpretations for producers and PRO regarding the requirements of this bill and notifying producers who have not registered with the PRO of their noncompliance status. Ecology would conduct enforcement actions when necessary to ensure producer compliance. Ecology assumes technical assistance would be ongoing, heavier in first three years and would reduce in the following years. Based on the BC program and Ecology's experience with EPR programs, ongoing enforcement would be required for the PRO-operated program and 2,500 producers would be required to comply.

Section 106(2)(h) and 106(4)(a) would require Ecology to determine an annual fee (for the following fiscal year) by March 31, 2027, and annually thereafter, to be paid by each registered PRO to adequately cover Ecology's implementation, administration, and enforcement costs for coming fiscal year for the chapters created in section 401. Section 103(3) would require the PRO to submit an annual fee payment by May 1, 2027, and annually thereafter, to fund all of Ecology's costs to implement, administer, and enforce this chapter and the cost for L&I to implement Section 304.

Ecology would determine agency implementation costs for FY 2026 and FY 2027 by July 1, 2026, and invoice to registered PROs to fund Ecology's 2025-27 costs to implement this bill. Section 127 would require this initial payment, collected by September 1, 2026, to also reimburse the state account used for Ecology costs in FY 2026. By March 31, 2027, Ecology would annually estimate agency costs for the coming fiscal year and invoice registered PROs. By May 1, 2027, registered PROs would submit annual registration fees to Ecology for the coming fiscal year.

Starting in FY 2028, Ecology would enter an interagency agreement with L&I to reimburse their cost to implement Section 304.

Beginning in FY 2026, Ecology would provide outreach and technical assistance to producers, the PRO, and service providers regarding the requirements of this bill including annual PRO registration (for a statewide PRO and any individual producer PROs, required starting March 1, 2026), annual registration of service providers (starting January 31, 2026), reviewing petitions for exclusions, confidentiality requests, and enforcement efforts. Ecology would also provide technical assistance to solid waste service providers, covered material processors, and local governments regarding their registration requirements. Ecology would regularly consult with the advisory council, UTC, the PRO, and other interested stakeholders on program efforts.

Ecology would participate in PRO consultation efforts providing technical assistance, attending public events and discussions, and reviewing education and outreach materials. Ecology would consider exclusion of certain products including petitions from the PRO or producers the year prior to plan submission. Following PRO plan approval, program implementation oversight work would include ensuring producers and PRO are following program requirements. After March 1, 2029, Ecology would enforce on producers that are not members in good standing with a registered PRO to ensure compliance.

PRO annual reports would be due to Ecology starting in July 2031 for the prior calendar year, and annually thereafter. Ecology would review annual reports to ensure program implementation meets all required plan elements and provide public comment opportunity. Ecology would be required to determine, based on each annual report, if the PRO has fulfilled its plan duties.

Ecology's ongoing compliance efforts would include, as needed, follow-up with the PRO and producers with technical assistance, and conducting enforcement for the PRO or producers not meeting the program requirements. Enforcement would include warning letters to non-compliant producers or the PRO and listing non-compliant producers on a website. Ecology would work with the producers and the PRO to come into compliance.

Ecology would need to annually register service providers, including outreach to make sure all service providers and material recovery facilities know of this requirement for PRO reimbursement. A database would be needed to store and annually update service provider registration data.

Ecology estimates 1.25 full time equivalent (FTE) Environmental Planner 4 (EP-4) would be required in FY 2026 and ongoing to administer the overall program. Program duties include: provide technical assistance to producers and the PRO regarding the requirements of this bill, notifying producers who have not registered with the PRO of their noncompliance status and conducting enforcement actions when necessary to ensure producer compliance; outreach to and registration of service providers; work with the PRO and producers on product exclusion petitions; ensure the PRO conducts their duties with sufficient efforts to consult and provide service to overburdened communities and vulnerable populations; work with local jurisdictions and other interested parties to resolve questions about the program, and regularly coordinate with other states with similar laws to aid in harmonized implementation.

Ecology estimates 0.05 FTE EP-4 would be required in FY 2028 and ongoing to establish and manage the interagency with L&I for implementation of Section 304.

Ecology assumes L&I interagency agreement costs would be \$135,000 (for 0.9 FTE) in FY 2028, \$167,000 (for 1.3 FTE) in FY 2029, \$62,000 (for 0.5 FTE) in FY 2030 and ongoing. Interagency agreement costs are aggregated under Object E in the fiscal note cost summary.

Ecology assumes the PRO would submit assessments of alternative recycling technology proposed to be considered towards the recycling performance rates starting in July 2031 with the submittal of the first annual report.

Ecology estimates 0.20 FTE EP-4 would be required each year in FY 2032 and ongoing to conduct the review of the PRO proposal to use alternative recycling processes, this work would include consultation with overburdened communities, advisory council, service providers, municipalities, state agencies, alternative recycling technology providers, and others on the review of the PRO submitted assessment. Ecology would review the PRO assessment and proposal against specific criteria and publish the results of the agency determination for a 60-day public comment period. For any approved PRO proposal, Ecology would require updated information every five years. Given the fiscal note is a 6-year estimate, anticipated costs in FY 2032 and onwards will not be aggregated in the expense summary below.

Ecology estimates 0.05 FTE Budget Analyst 4 (BA-4) would be required in FY 2027 and 0.02 FTE in FY 2028 and ongoing to determine the PRO fees to fund all Ecology costs to implement, administer, and enforce this chapter in the coming fiscal year.

Ecology estimates 0.85 FTE Environmental Specialist 3 (ES-3) would be required each year in FY 2026 and FY 2027, and 0.50 FTE in FY 2028 and ongoing to: register the PRO on March 1, 2026 (and every March after until submittal of annual reports); annual registration of service providers (starting January 31, 2026); collect and manage submitted information; inform the PRO of their fee payments by April 1, 2027 (and every April after); invoice the PRO and collect PRO payments due May 1, 2027 (and every May after); consider requests from the PRO or producers to hold data confidential; review of

annual report data regarding recycling and reuse rates; provide enforcement support to the EP-4; and regularly update information posted on the agency's website.

Ecology assumes a database would need to be developed for service provider registration and material recovery facility reporting in section 107.

Ecology estimates 0.25 FTE IT Business Analyst – Journey in FY 2026 to coordinate with technical lead and IT developers to collect system requirements, coordinate user system testing, and provide user guidance for the database system to be used for service providers to annually register and provide the required information to qualify for PRO reimbursement. 0.02 FTE IT Business Analyst – Journey in FY 2027 and onwards is estimated to improve original database.

Ecology estimates 0.30 FTE IT Application Developer – Journey in FY 2026 to develop the new service provider database in consultation with the technical lead and the IT Business Analyst. 0.10 FTE IT Application Developer is estimated in FY 2027 to improve original database and 0.05 FTE IT Application Developer – Journey afterwards on an ongoing basis for database maintenance.

Section 110 would require Ecology to approve the form and format for reporting from material recovery facilities receiving covered products in accordance with this chapter to report certain data on an annual basis.

Ecology assumes new updates to the current online reporting database would need to be developed for material recovery facilities to include the required data under this law and submit responsible market certifications for each covered material destination. A database would need to be developed to house and track this data, including for confidential business information, exemptions and compliance purposes.

Ecology estimates 0.25 FTE IT Business Analyst – Journey in FY 2030 to coordinate with technical lead and IT developers to collect system requirements, coordinate user system testing, and provide user guidance for the annual reporting form and database used to track the information provided in the annual report from material recovery facilities. 0.02 FTE IT Business Analyst is estimated in FY 2031 and ongoing for database maintenance.

Ecology estimates 0.30 FTE IT Application Developer – Journey in FY 2030 to update the current online reporting form and database to track the information required in the form by material recovery facilities, in consultation with the technical lead and the IT Business Analyst. 0.05 FTE IT Application Developer is estimated in FY 2031 and ongoing for database maintenance.

Ecology estimates 0.10 FTE Communications Consultant 3 (CC-3) would be required in FY 2026 to create a public website and 0.05 FTE in FY 2027 and ongoing to update the website. The website would provide information about PRO, member producers, and covered materials, service providers, and provide all required public notices and input opportunities.

Ecology estimates 0.25 FTE Environmental Specialist 4 (ES-4) each year in FY 2027 and ongoing, would be required for regional staff work across the state to provide technical assistance to local jurisdictions regarding the PRO and impacts on local planning, support the PRO, conduct stakeholder consultations, and to answer questions from residents, businesses, and local agency staff and elected officials regarding the program. Ecology assumes the PRO would start working with local jurisdictions beginning in FY 2027 and Ecology would provide ongoing statewide technical support to cities, counties, and the local solid waste collection companies beyond program implementation.

Plan Review (Sections 106, 113, 114)

The bill would require one PRO to submit a program plan to Ecology by October 1, 2028. The PRO would be required to submit a draft plan to the Advisory Council 60 days prior, or by August 1, 2028, to solicit the council's review and comment. Ecology would review that pre-draft plan as a member of the advisory council.

Additional technical, policy, and communications expertise would be required by Ecology to conduct reviews of the PRO submitted plan. Based on Ecology experience, technical assistance would be provided to the PRO prior to plan submittal and for any needed plan amendments.

The bill would require Ecology to approve the PRO submitted plan, received October 1, 2028, within 120 days including a public comment period of 45 days. Based on EPR plan review experience in Washington and in other states, Ecology assumes at least one PRO plan amendment would be required, where the PRO would have 60 days to resubmit, and Ecology would approve the amended plan in 120 days (total of eight months from initial submittal of the plan). Ecology assumes the PRO plan would be approved by June 2029, and the PRO would implement the plan by January 2030 (FY 2030). Plan review and approval work would occur again in FY 2034 for the first plan update due within five years and be repeated every five years thereafter. After the first plan, more than one PRO would be able to submit plans. Ecology assumes only one PRO would submit a plan in 2034. Given the fiscal note is a 6-year estimate, costs incurring FY 2032 and onwards will not be computed in the fiscal note.

Ecology estimates 0.40 FTE EP-4 would be required in FY 2029 to review one PRO plan, work with the advisory council, work with the PRO on at least one plan revision, incorporate public comments, and approve the plan.

Ecology estimates 0.40 FTE ES-4 would be required in FY 2029 to assist in plan review, work with topic and policy experts, work with the advisory council comments on the plan, and assist with the PRO plan public comment periods.

Ecology estimates 0.10 FTE EP-5 topic and policy expert would be required in FY 2029 to review and approve the submitted PRO plan, review of any advanced technology, responsible management practices, eco-modulation fees, collection service, and other technical issues.

Ecology estimates 0.10 FTE COEES-3 in FY 2029, supported by the ES-4, to manage the public comment review of the PRO plan, work with the advisory council comments on the plan, and prepare presentations for interested groups. They would manage the agency online comment platform, review comments, and provide a summary of council and public comments. They would also help draft the required responses to advisory council comments. The plan would require a 30-day public comment period.

Statewide Needs Assessment (Section 106, 111)

A needs assessment was completed for a similar law in Colorado and similar needs assessments have been scoped for Maryland and Illinois. Minnesota's law has a similar two needs assessment requirement (preliminary and post-preliminary), however that work has not yet been initiated.

This bill would require Ecology to contract for two statewide needs assessments: a preliminary needs assessment (Section 111 subsection 3) focused on existing services that would be completed by December 31, 2026 and a second needs assessment (Section 111 subsection 4) covering a variety of criteria, including service and infrastructure needs, impacts of different materials, toxic substances in packaging, that would be completed by December 31, 2027. This work would rely on Ecology studies completed after 2019, the statewide collection lists developed in Section 109, and in consultation with the Advisory Council, UTC, and PRO.

The bill would require the preliminary needs assessment to cover services and data from the prior year to three prior years to complete the existing system analysis of: covered materials introduced, collected, processed; processing capacity, recycling/composting program characteristics, material recovery facility and compost processing capacity, existing collection system, contracts analysis, collection and processing costs, markets and capacity, covered materials sales by volume, weight, and types. The preliminary needs assessment would incorporate findings and recommendations from prior Ecology contracted studies and consider the statewide collection lists. To complete the preliminary assessment by December 2026, a consultant would need to be hired by the fall of 2025.

Beginning January 2026, Ecology would consult with the Advisory Council, UTC, and PRO on the scope of the preliminary needs assessment (Section 111 subsection 3). The PRO, UTC, and Advisory Council would provide review and comment the draft preliminary needs assessment report. Ecology would request information and data from producers, PRO, and service providers for the preliminary needs assessment, they would have the option to request confidential treatment of that data.

The second needs assessment (subsection 4) would conduct an evaluation of existing covered material waste reduction, reuse, recycling, composting rates, including adding postconsumer recycled content; what covered material is in disposal, recycling, composting streams; proposal for rates (outcomes) to be met in five years that consider waste hierarchy, greenhouse gas emissions, continuous improvement, PRO input; among other additional criteria. The results from this needs assessment would be used by Ecology to determine statewide requirements (Section 115(10)) and to assess when the PRO meets performance targets in the annual report (section 120). Ecology would consult with the Advisory Council, UTC, and PRO on the scope of this needs assessment. The PRO, UTC, and Advisory Council would provide review and comment on the draft needs assessment report. Ecology would request information and data from the PRO and service providers for this needs assessment, and they would have the option to request confidential treatment of that data.

Ecology assumes a consultant would be hired by September 2025 (FY 2026) to conduct the preliminary needs assessment by December 2026 and the second needs assessment by December 2027. Ecology would hire and oversee the consultant conducting the needs assessments. The consultant would work with the UTC, advisory council, and PRO on the scope of both needs assessments, and review of the two draft needs assessment reports, and offer opportunities for public comment. Based on our experience implementing the finance study (E2SHB 1799, 2022 legislative session), the requirements for the city and county assessment, and the experience of other states who have completed are in the process of performing a needs assessment, Ecology assumes the time required to complete the analysis and conduct the outreach would be significant. The Section 111 subsection 4 needs assessment would be required to be updated every five years. That assessment would be reinitiated in consultation with the Advisory Council, PRO, and UTC in FY 2033 and require Ecology to hire a contractor. Given fiscal note is a 6-year estimate, Ecology will not compute costs to perform the second post-preliminary needs assessment as it occurs after FY 2031.

This work would require 0.25 FTE EP-4 in FY 2026 and FY2027, and 0.15 FTE in FY 2028 to hire the consultant, manage the contract, assist the consultant with contacts for local governments, solid waste service providers, material recovery facilities, ensure sufficient outreach conducted with overburdened communities, and vulnerable populations, identify socially vulnerable populations, coordinate with subject matter experts when needing assistance, participate in consultation discussions with the consultant to ensure technical questions resolved by Ecology experts, review two draft reports, and coordinate both draft report reviews and consultations with the advisory council, PRO, and UTC, including participation in advisory council meeting presentations/consultations.

This work would require 0.25 FTE EP-5 in FY 2026 and 2027 to provide technical assistance to the EP-4, providing subject matter expertise on socially vulnerable populations, supporting consultant outreach to local governments, solid waste service providers, material recovery facilities, and residents, provide technical review draft reports, and provide input on comments from the advisory council, PRO, and UTC.

Ecology assumes the two needs assessment efforts would each be significantly greater than the combined effort to complete the 2023 consumer packaging target study and community input process and the local government solid waste financing study. Based on costs for needs assessments completed in Colorado and initiated in Maryland and Illinois, Ecology estimates \$300,000 would be required to complete the preliminary needs assessment by December 2026 and \$700,000 would be required to complete the full needs assessments by December 1, 2027: \$300,000 in FY 2027 and \$700,000 in FY 2028, shown in Object C – Professional Service Contracts.

Ecology assumes the needs assessment would be updated in five years, with a more focused scope. Ecology estimates \$300,000 for a consultant contract, and 0.25 FTE EP-4 would be needed in FY 2033 to conduct a needs assessment update. Given fiscal note is a 6-year estimate, the cost of needs assessment development for FY 2033 is not aggregated in the

summary below.

Statewide Collection Lists (Section 106, 109)

Ecology assumes work on the statewide collection lists would start in September 2025. Ecology assumes a consultant would be hired by September 2025 (FY 2026) to support Ecology's efforts to complete the statewide collection lists.

Ecology would review collection lists developed by other states implementing Packaging EPR laws (such as those developed in California, Colorado, Oregon, Maine, and Minnesota) and recyclable material lists published by Ecology and the Washington Association of County Solid Waste Managers, the Washington Refuse and Recycling Association, as well as the results of the recycling, reuse, and source reduction target study and community input process published in December 2023. Ecology assumes the list would be published in June 2026 for public comment, and a final list published in October 2026.

Ecology assumes the consultant would assist with the analysis of available data, identification of recyclable and compostable materials suitable for curbside (either commingled or in a separate container), public place, drop-off, or alternative collection, and stakeholder outreach during list development. This work involves analysis of local collection service methods in consultation with each local solid waste planning jurisdiction and solid waste service provider. It also involves consultation with MRFs, recyclers, packaging producers, and trade associations for consumer-packaged goods. The draft and final list would identify lists for curbside, public place, drop off, alternative-site collection, as well as which collection methods would be required for specific covered materials in each jurisdiction across the state.

This work would require 0.50 FTE EP-4 in FY 2026 and 0.13 FTE FY 2027 to hire the consultant, manage the contract, and lead the work with the consultant's support to develop the list of materials and methods of collection across the state. Local governments, solid waste service providers, producers of consumer packaging, PRO, Advisory Council, UTC, and the public would be consulted on the list development. This would involve monthly meetings from September 2025 to June 2026, preparation of draft lists and recommendations, consideration of comments, publishing the draft list in June 2026 for public comment, and publishing the final list in October of 2026.

Ecology assumes the cost of developing the statewide collection lists would be similar to the level of effort provided for the 2022 consumer packaging study (Senate Bill 5693 Section 58, 2021 legislative session). Ecology estimates \$300,000 would be required to support the development of the statewide collection lists: \$200,000 in FY 2026 and \$100,000 FY 2027, shown in Object C – Professional Service Contracts.

Ecology assumes the statewide collection lists would be updated as the PRO updates their plan and expands collection to more materials. Ecology estimates \$100,000 for a consultant contract, and 0.25 FTE EP-4 would be needed in FY 2034 to update the statewide collection lists. Given fiscal note is a 6-year estimate, the cost for collection list development in FY 2034 is not aggregated in the summary below.

Advisory Council (Section 105, 106)

Ecology assumes the advisory council would be established in FY 2026 (January 2026), and Ecology would consult with this advisory council during program startup efforts and ongoing. The work to establish the council would be conducted by Ecology and would begin soliciting potential members in September 2025. Facilitation of the council would be conducted by a third-party facilitator hired and overseen by Ecology. Members of the council or their designee who represent tribes or tribal and indigenous services and community-based and environmental nonprofit organizations would be reimbursed for travel expenses to the extent allowed per RCW 43.03.050 and 060, or RCW 70A.02.050.

Ecology estimates 0.50 FTE EP-4 in FY 2026, 0.25 FTE EP-4 in FY 2027 and FY 2028, and 0.20 FTE EP-4 in FY 2029 and ongoing. Beginning in FY 2026, Ecology would help plan and attend council meetings, oversee the third-party facilitator, manage the facilitator contract, provide reimbursements to council members as requested, and provide other staff support to the council. This work would be higher for the first three years (FY 2026 to FY 2029) of quarterly council meetings and less

in the second half of FY 2029 and ongoing for semiannual meetings. Ecology anticipates the level of effort to convene and manage this advisory council would be similar to the plastic stakeholder effort conducted in 2021 (ESSB 5022, section 9, 2021 legislative session).

Ecology assumes a contract with a professional facilitator would be required for the advisory council meetings to ensure all council members have a voice in the efforts detailed in the bill. Ecology further assumes that the third-party facilitator would, with Ecology staff oversight, coordinate council meetings, set agendas, schedule meeting, prepare materials, take notes, prepare council comments on Ecology and PRO activities, and assist the council in development of bylaws and charter. The facilitator would work with the council's diverse membership to provide comments and recommendations to Ecology and the PRO on the implementation of the EPR program, the statewide collection lists, the needs assessment, and PRO prepared plans and annual reports. Ecology assumes all advisory council meetings would be held remotely. Ecology assumes the facilitator would provide reimbursement for lived experience according to the HEAL Act (RCW 70A.02).

Based on Ecology's experience with a third-party facilitator hired for the plastic stakeholder advisory committee in 2021, Ecology estimates the cost of this professional services contract would be \$15,000 per advisory council meeting. Ecology assumes quarterly meetings would be required for the first three years to provide review and comment on program startup efforts. The advisory council would begin meetings in January 2026, meet quarterly for at least three years from January 2026 to December 2028, and continue semiannual meetings ongoing after January 2029. Consultant costs are estimated at \$15,000 per meeting: \$30,000 in FY 2026 for two meetings, \$60,000 each year in FY 2027 and FY 2028 for four meetings, \$45,000 for three meetings in FY 2029, and \$30,000 for two meetings in FY 2030 and ongoing. These meetings will be held virtually, eliminating the need for travel reimbursement for staff and space rental expenses.

Section 112 - Equity Study:

Ecology assumes a consultant would be hired by January 1, 2031, to complete the study (due January 1, 2032) of various equity aspects of facilities managing covered materials and availability of services. Report recommendations would be used by the PRO in future plans, including the first plan update in 2034. Recommendations might also be used for service provider reimbursement adjustments.

This work would require 0.20 FTE EP-4 in FY 2031 and FY 2032 to hire the consultant, manage the contract, and work with the consultant on the analysis of equity in the solid waste system. The final report would be published by January 1, 2032. Given fiscal note is a 6-year estimate, Ecology would not be aggregating the FY 2032 portion of EP-4 work in the summary below.

Ecology assumes the cost of conducting the equity study of the solid waste system and the EPR program would be similar to the level of effort required for the 2022 consumer packaging study (Senate Bill 5693 Section 58, 2021 legislative session). Ecology estimates \$300,000 would be required for this study: \$150,000 in FY 2031 and \$150,000 FY 2032, shown in Object C – Professional Service Contracts. Given fiscal note is a 6-year estimate, Ecology would not be aggregating FY 2032 portion of consultant work.

Section 121 – Independent Review of Program

Ecology assumes a consultant would be hired by July 1, 2037, to conduct the analysis of the first seven years of EPR program impacts on the solid waste system, recycling costs, availability of recycling and reuse services. Ecology assumes the PRO, Advisory Council, UTC, and the public would review the draft report. The final report would be submitted to the appropriate committees of the legislature by September of 2038.

This work would require 0.20 FTE EP-4 in FY 2037 and 0.10 FTE EP-4 FY 2038 to hire the consultant, manage the contract, work with the consultant on the analysis, and prepare a report to the legislature by September 2038.

This work would require 0.05 FTE EP-5 in FY 2038 to provide policy review of the consultant's study report, advise the project lead, and coordinate with Ecology's government relations on the recommendations. This position would provide policy review of the contracted study and advise the lead coordinator on legislative report requirements.

In addition to the efforts identified above, preparation of the report for submittal to the legislature would require staffing time for communications review for content clarity and key messages, and accessibility and plain talk review. Ecology estimates 0.05 FTE CC-5, 0.05 FTE CC-2, and 0.05 FTE Regulatory Analyst-3 in FY 2038.

Ecology assumes the cost of conducting the impact analysis of the first seven years of the EPR program would be similar to the level of effort required for the 2022 consumer packaging study (Senate Bill 5693 Section 58, 2021 legislative session). Ecology estimates \$300,000 would be required for this study: \$250,000 in FY 2037 and \$50,000 FY 2038, shown in Object C – Professional Service Contracts.

Given fiscal note is a 6-year estimate, Ecology will not be listing Section 121 costs in the summary below. It will also not be factored in the 10-year revenue estimates.

AAG Support – EPR Program

Our Assistant Attorney General (AAG) has estimated that the following staff time in the Office of the Attorney General (ATG) would be needed to provide legal support for rulemaking, and advice and representation in support of Ecology’s enforcement to ensure producer participation (i.e., registration and annual fee payments starting May 2026, determining responsible parties starting January 2025, enforcement letters, penalties) in FY 2026 through FY 2029. In addition, ATG advice and representation would be needed in support of Ecology’s enforcement of program implementation.

Estimated workload and costs are 0.02 FTE AAG and 0.01 Legal Assistant (LA) in FY 2026, 0.12 FTE AAG and 0.06 FTE LA in each year in FY 2027 and FY 2028, and 0.06 FTE AAG and 0.03 FTE LA each year in FY 2029 and FY 2030. Ecology and the ATG estimate costs of \$5,000 in FY 2026, \$35,000 each in FY 2027 and FY 2028, and \$18,000 each in FY 2029 and ongoing. Costs are included in Object E – Goods and Services.

PART ONE RULE DEVELOPMENT

EPR Program Rulemaking – Part One (Section 106, entire chapter)

Rulemaking would be required for the EPR program in this bill created in Part One. Ecology assumes rulemaking would be highly technical with high public interest and require extensive public engagement. Ecology would establish a rule advisory committee to assist with rule development and consult with the advisory committee throughout the rulemaking process. Ecology assumes twice monthly meetings with the rule advisory committee during the rule drafting phase (January 2026 to June 2028). Ecology assumes three public meetings when developing draft rule language and three public hearings for the proposed rule language. Ecology would conduct targeted outreach and consult with overburdened communities and vulnerable populations across the state throughout the rulemaking process. Based on the requirements in this bill and prior experience with extended producer responsibility programs and rulemaking, Ecology assumes this initial rulemaking would take 2.5 years to complete, beginning January 2026 (FY 2026) and completed by June 2028 (FY 2028). Information provided in the statewide collection lists (Section 109) and needs assessment (Section 111) would be incorporated into the rulemaking effort.

Initial rule development for this program would include: clarifying definitions; identifying additional plan and annual report content requirements necessary to fulfill the intent of the bill; establishing material categories and rules for measuring performance rates for each material category; establishing the process for third party assessments of alternative recycling processes to count toward the recycling performance rates; establishing a sliding scale alternative compliance formula for the PRO plastic source reduction performance targets met by switching from virgin covered material to postconsumer recycled content, establishing third-party audit and verification requirements; establishing processes for plan approvals; and many other requirements.

The following would be required:

A rule coordinator to oversee the rulemaking process to comply with the Administrative Procedures Act; oversee the rule development and communication plan; review and file the CR-101; coordinate and conduct public meetings; file the CR-102 and hold public hearings with webinar access; work with an economist on economic impact analysis; work with technical staff to finalize rule language; and file the CR-103 for adoption. This would require 0.15 FTE Regulatory Analyst 3 (RA-3) in FY 2026, 0.20 FTE RA-3 FY 2027, and 0.08 FTE RA-3 in FY 2028 to complete a 2.5-year complex rule.

A rulemaking lead would oversee rule timeline management, lead rule development, manage stakeholder engagement, consult with the advisory council, incorporate results from the needs assessment, conduct targeted outreach and consult with overburdened communities and vulnerable populations across the state, conduct the rulemaking environmental justice assessment, and conduct other tasks as necessary. This would require as follows: 0.80 FTE EP-4 in FY 2026; 0.95 FTE EP-4 FY 2027; and 0.76 FTE EP-4 in FY 2028.

Subject matter experts would advise on criteria for: establishing plan content requirements, annual reporting requirements and processes for plan approvals; developing criteria for measuring material performance rates; and providing expert advice on extended producer responsibility programs in Washington State, the US, and internationally. This would require 0.60 FTE EP-5 in FY 2026, 0.75 FTE EP-5 FY 2027, and 0.56 FTE EP-5 in FY 2028.

Technical support staff would collect data, support analysis of potential policy outcomes, provide support to the EP-4 rulemaking lead and EP-5 subject matter experts, and coordinate with communications staff to provide technical support for public outreach. This includes any needs for regional support. This would require a 0.42 FTE ES-4 in FY 2026, 0.50 FTE ES-4 in FY 2027, and 0.38 FTE ES-4 in FY 2028.

Based on previous rulemaking experience and the magnitude of interested parties and affected stakeholders, the requirement to consult with the advisory council, communications and outreach support is included to ensure robust public engagement in the rulemaking process. The following positions would support public engagement:

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

A Communications Consultant would develop the website, outreach documents, assist with interpretive language needs for the entire rulemaking. This would require a Communications Consultant 3 (CC-3) 0.08 FTE in FY 2026, 0.08 FTE in FY 2027, and 0.08 FTE in FY 2028.

An outreach coordinator would organize rule advisory committee meetings, public meetings, prepare informational materials, and respond to stakeholder 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.

The following positions would complete an economic and regulatory analysis of the rule and subsequent updates as required by law: Economic Analyst 3 (EA-3) 0.25 FTE in FY 2028; and Regulatory Analyst 2 (RA-2) 0.10 FTE in FY 2028.

Three public meetings would be held in FY 2027 and three public hearings would be held in FY 2028. Cost estimates include facility rental costs, estimated at \$1,000 per meeting for a total of \$3,000 each year in FY 2027 and FY 2028 in Object E – Goods and Services. Based on the complexity of the rule and prior experience with other complex rulemakings, Ecology assumes a contract with a professional facilitator would be required for these public meetings. Ecology estimates the facilitator cost would be \$3,000 per meeting or hearing. Cost estimates include professional services contract costs for facilitation, estimated at \$9,000 in FY 2027 and \$9,000 in FY 2028 in Object C – Professional Service Contracts.

Part Three – Miscellaneous Provisions Litter Tax Study (Section 303)

The bill would require Ecology to contract for a study of the impacts of the EPR on litter rates in the state. The study would identify improvements to the structure of the litter tax (under chapter 82.19 RCW) including administration, compliance, and

distribution of the tax and application of the tax to certain products.

Ecology, in consultation with the Department of Revenue, would provide recommendations on the applicability of the litter tax on EPR covered materials and improvements to the structure of the litter tax. The recommendations would be delivered to the appropriate committees of the legislature by January 2030.

Ecology assumes a consultant would be hired by July 2028 (FY 2029) to conduct the study. The study would be completed by August 2029 (FY 2030). Ecology and Revenue would provide recommendations to the legislature by January 2030 (FY 2030).

This work would require 0.25 FTE EP-4 in FY 2029 and FY 2030. Ecology would hire and oversee the consultant conducting the litter tax study and work with the PRO and advisory council on the draft study review and comment. This position would consult with the Department of Revenue regarding the litter tax recommendations to be submitted to the legislature. Ecology assumes this position would serve as the agency coordinator on the recommendations report to the legislature.

This work would require 0.25 FTE EP-5 in FY 2030 to provide policy review of the consultant's study report, advise the project lead, and coordinate with Ecology's government relations on the recommendations. This position would provide policy review of the contracted study and provide assistance in consultation with the Department of Revenue. Ecology assumes this position would advise the lead coordinator on legislative report requirements.

In addition to the efforts identified above, preparation of the report for submittal to the legislature would require staffing time for communications review for content clarity and key messages, and accessibility and plain talk review. Ecology estimates, 0.05 FTE CC-5, 0.05 FTE CC-2, and 0.05 FTE RA-3 in FY 2030.

The cost of the study would be more complicated than the 2022 consumer packaging study conducted under Senate Bill 5693 Section 58 due to the complexity and scope of the study. Ecology estimates \$200,000 would be required for the litter tax study in FY 2029 and \$100,000 in FY 2030, shown in Object C – Professional Service Contracts.

Ecology estimates collection of \$1,350,989 in fees from the PRO in FY 2027 into the RRMA to fund FY 2026 costs incurred in WRRLCA to fund the implementation of this bill. Per section 127, Ecology assumes WRRLCA will be reimbursed for FY 2026 activity via a transfer, that would be directed by the budget bill, from the RRMA, after September 1, 2026.

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

Administration / Oversight of Extended Producer Responsibility Program is estimated to require:

FY 2026: \$457,491 and 3.2 FTEs.

FY 2027: \$415,230 and 3.0 FTEs.

FY 2028: \$495,633 and 2.5 FTEs.

FY 2029: \$527,633 and 2.5 FTEs.

FY 2030: \$529,947 and 3.2 FTEs.

FY 2031: \$436,291 and 2.6 FTEs.

Plan Review is estimated to require:

FY 2029: \$165,818 and 1.2 FTEs.

Preliminary and Statewide Needs Assessment is estimated to require:

FY 2026: \$91,902 and 0.6 FTEs.

FY 2027: \$391,897 and 0.6 FTEs.

FY 2028: \$726,273 and 0.2 FTEs.

Statewide Collection Lists is estimated to require:

FY 2026: \$287,574 and 0.6 FTEs.

FY 2027: \$122,770 and 0.1 FTEs.

Advisory Council is estimated to require:

FY 2026: \$117,574 and 0.6 FTEs.

FY 2027: \$103,786 and 0.3 FTEs.

FY 2028: \$103,789 and 0.3 FTEs.

FY 2029: \$80,030 and 0.2 FTEs.

FY 2030: \$65,030 and 0.2 FTEs.

FY 2031: \$65,030 and 0.2 FTEs.

Equity Study is estimated to require:

FY 2031: \$185,030 and 0.2 FTEs.

Office of Attorney General costs are estimated to be:

FY 2026: \$5,000.

FY 2027: \$35,000.

FY 2028: \$35,000.

FY 2029: \$18,000.

FY 2030: \$18,000.

FY 2031: \$18,000.

Rulemaking is estimated to require:

FY 2026: \$391,448 and 2.6 FTEs.

FY 2027: \$479,647 and 3.1 FTEs.

FY 2028: \$422,775 and 2.7 FTEs.

C009 - Litter Tax Study is estimated to require:

FY 2029: \$243,789 and 0.3 FTEs.

FY 2030: \$215,689 and 0.7 FTEs.

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be:

FY 2026: \$1,350,989 and 7.5 FTEs.

FY 2027: \$1,548,330 and 7.1 FTEs.

FY 2028: \$1,783,470 and 5.7 FTEs.

FY 2029: \$1,035,270 and 4.2 FTEs.

FY 2030: \$828,666 and 4.1 FTEs.

FY 2031: \$704,351 and 3.1 FTEs.

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L. Salaries include indirect costs.

Benefits are the agency average of 33.7% of salaries.

Personal Service Contract include consultant costs for statewide need assessments, statewide collection list development, equity study, litter study, and third-party facilitation for advisory council and rulemaking.

Goods and Services is an agency average of \$5,552 per direct program FTE. Goods and Services also include Office of Attorney General and L&I interagency agreements, and Public hearing space rental costs.

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
044-1	Waste Reduction/Recycling /Litter Control	State	1,350,989	255,883	1,606,872	0	0
NEW-6	Responsible Recycling Management Account	Non-Appropriated	0	1,292,447	1,292,447	2,818,740	1,533,017
Total \$			1,350,989	1,548,330	2,899,319	2,818,740	1,533,017

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	7.5	7.1	7.3	5.0	3.6
A-Salaries and Wages	608,792	567,727	1,176,519	788,317	579,584
B-Employee Benefits	205,164	191,322	396,486	265,663	195,320
C-Professional Service Contracts	230,000	469,000	699,000	1,014,000	310,000
E-Goods and Other Services	41,088	72,035	113,123	405,749	194,703
G-Travel	15,589	14,705	30,294	20,628	14,993
J-Capital Outlays	6,982	6,585	13,567	9,239	6,717
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	243,374	226,956	470,330	315,144	231,700
Total \$	1,350,989	1,548,330	2,899,319	2,818,740	1,533,017

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		0.1	0.0	0.0	0.0
COMM OUTRCH & ENVIRO ED SPEC 3	67,716	0.1	0.1	0.1	0.1	
COMMUNICATIONS CONSULTANT 2	64,440					0.0
COMMUNICATIONS CONSULTANT 3	71,148	0.2	0.1	0.2	0.1	0.1
COMMUNICATIONS CONSULTANT 5	93,348	0.1	0.1	0.1	0.0	0.0
ECONOMIC ANALYST 3	95,652				0.1	
ENVIRONMENTAL PLANNER 4	95,652	3.3	2.8	3.1	2.3	1.7
ENVIRONMENTAL PLANNER 5	105,612	0.9	1.0	0.9	0.3	0.1
ENVIRONMENTAL SPEC 3	74,724	0.9	0.9	0.9	0.5	0.5
ENVIRONMENTAL SPEC 4	86,712	0.4	0.8	0.6	0.6	0.3
FISCAL ANALYST 2		0.7	0.6	0.6	0.4	0.3
IT APP DEVELOPMENT-JOURNEY	107,148	0.6	0.4	0.5	0.3	0.4
IT BUSINESS ANALYST-JOURNEY	107,148	0.3	0.0	0.1	0.0	0.2
REGULATORY ANALYST 2	88,800				0.1	
REGULATORY ANALYST 3	100,524	0.2	0.2	0.2	0.0	0.0
Total FTEs		7.5	7.1	7.3	5.0	3.6

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 104 (2)(h) would require Ecology to adopt rules as necessary to implement, administer, and enforce this chapter.

Ecology assumes one rulemaking would be required. The rulemaking to implement the new Packaging EPR program would begin January 1, 2026, and the rule would be adopted by June 30, 2028.

Individual State Agency Fiscal Note

Bill Number: 5284 S SB	Title: Solid waste management	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	0.1	0.0	0.3	0.6
Account					
General Fund-State 001-1	0	8,948	8,948	80,752	159,255
Total \$	0	8,948	8,948	80,752	159,255

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:	Phone:	Date: 02/18/2025
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 02/21/2025
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 02/21/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/24/2025

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.

The purpose of this bill is to reduce environmental and human health impacts of packaging and paper products (PPPs) ("covered materials"), improve design of covered materials, and expand and increase waste reduction, refill, reuse, collection, recycling, and composting services to covered entities. Producers of PPPs, producer responsibility organizations (PROs), and service providers must comply with chapter. They can't sell or distribute PPPs in Washington if out of compliance.

Sec. 115. PROs must propose performance targets to be used in an approved plan for reuse rates, return rates, recycling rates, composting rates, plastic source reductions, and post-consumer recycled content. Ecology must approve or deny the PRO's proposal (Sec. 115(5)(d)(ii)). Ecology's approval/denial decisions may be appealed to the Pollution Control Hearings Board (PCHB). Sec. 115(5)(e).

Sec. 123. Ecology can penalize up to \$1,000 per violation of chapter per day and up to \$10,000 per violation of chapter per day for each subsequent violation. Ecology can also issue orders to PROs for corrective action, to implement the program if PRO has no approved plan, to revoke the PRO's plan approval, to require the PRO to revise/resubmit the plan, and to require additional reporting. Ecology penalties/orders may be appealed to the PCHB. Sec. 123(4).

Sec. 301. Adds references to Sec. 123 and Sec. 115 in RCW 43.21B.110, confirming the PCHB's authority to hear appeals.

Sec. 302. Adds only Sec. 123 reference to RCW 43.21B.300 (does not mention Sec. 115).

The regulatory program will begin with a less complex layer of regulation that requires registration and fees but will become more complex with the addition of plan evaluations, approvals/denials, and compliance enforcement with plans, all decisions of which will be appealable to 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.

ELUHO assumes the PCHB's work on appeals resulting from the bill begins in January 2027.

ELUHO estimates 4 low complexity appeals per year (enforcement as to penalties and orders related to registration/fees) beginning in January 2027, with low complexity appeals dissipating after the first two years.

January 2027- January 2029:

We assume the low complexity appeals will likely resolve before hearing and estimate the number of Administrative Appeals Judge (AAJ) hours at 50 prehearing hours per appeal.

50 hours/appeal x 4 appeals = 200 AAJ hours per FY from January 2027-January 2029.

The PCHB will need approximately 0.1 AAJ FTE from January 2027 – January 2029. ELUHO assumes 1.0 AAJ FTEs for every 2,080 hours worked.

January 2029 – ongoing:

We assume the bill will result in 4 average complexity appeals beginning in January 2029, ongoing (appeals of plan approvals/denials (January 2029), compliance with plans (July 2030), and annual reporting/fees (January 2032)). Average complexity appeals are estimated to require approximately 200 AAJ hours to complete (100 prehearing hours + 100 hearing and post-hearing hours).

200 hours/appeal x 4 appeals = 800 AAJ hours from January 2029, ongoing.

The PCHB will need approximately 0.4 AAJ FTE beginning January 2029, ongoing.

We assume 0.5 Legal Assistant 3 (LA3) FTE for every 1.0 AAJ FTE. The PCHB will need approximately 0.2 LA3 from January 2029, ongoing.

AAJ FTE: The new AAJ will have knowledge of environmental law to assist with these new cases, based on the estimated number of AAJ hours per year. 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 0.1 AAJ FTE, so the salary would be \$13,500 per FY with related benefits totaling \$3,710 for this FTE from January 2027-January 2029. The AAJ FTE would increase to 0.4 FTE in January 2029, so the salary would be \$54,000 per FY with related benefits of \$14,839 per FY from January 2029, ongoing.

Legal Assistant 3 (LA3) FTE: Legal Assistants provide support for ELUHO Boards, including managing all Board cases and court filings, and providing support for Board members and AAJs. ELUHO assumes 0.5 LA3 FTE for every 1.0 AAJ FTE.

An LA3 makes \$59,844 (assumed Range 44, Step L) per year, with related benefits estimated at \$24,502 per year. The agency needs a 0.2 LA3 FTE from January 2029, ongoing, so the salary would be \$11,969 per FY with related benefits totaling \$4,900 for this FTE from January 2029, ongoing.

Goods and services for the total FTEs are estimated at \$532 in FY27 and FY28, and \$3,288 in FY29. 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 \$3,351 (based on 0.6 FTE) in in FY29 because that is likely when we would hire staff.

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	8,948	8,948	80,752	159,255
Total \$			0	8,948	8,948	80,752	159,255

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		0.1	0.0	0.3	0.6
A-Salaries and Wages		6,750	6,750	59,984	108,000
B-Employee Benefits		1,855	1,855	17,290	39,480
C-Professional Service Contracts					
E-Goods and Other Services		266	266	2,708	6,576
G-Travel		77	77	770	1,848
J-Capital Outlays					3,351
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	8,948	8,948	80,752	159,255

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		0.1	0.0	0.2	0.4
Legal Assistant 3	59,844				0.1	0.2
Total FTEs			0.1	0.0	0.3	0.6

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.



Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
5284 S SB	Solid waste management

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 Attorney General	0	0	0	0	0	0	0	0	0	0	0
Utilities and Transportation Commission	0	0	0	0	0	0	0	0	0	0	0
Department of Labor and Industries Indeterminate Impact	0	0	0	0	0	0	0	0	0	0	0
Department of Ecology	0	4,682,789	1,035,270	828,666	704,351	769,476	928,235	728,235	584,446	584,446	10,845,914
Environmental and Land Use Hearings Office	0	0	0	0	0	0	0	0	0	0	0
Total	0	4,682,789	1,035,270	828,666	704,351	769,476	928,235	728,235	584,446	584,446	10,845,914



Ten-Year Analysis

Bill Number 5284 S SB	Title Solid waste management	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: Dan Jensen	Phone: 360-664-9429	Date: 2/21/2025 5:07:40 pm
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 2/21/2025 5:07:40 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 5284 S SB	Title Solid waste management	Agency 215 Utilities and Transportation Commission
---------------------------------	--	--

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: Michelle Parish	Phone: 360-664-1158	Date: 2/20/2025 8:59:40 am
Agency Approval: Michelle Parish	Phone: 360-664-1158	Date: 2/20/2025 8:59:40 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 5284 S SB	Title Solid waste management	Agency 235 Department of Labor and Industries
---------------------------------	--	---

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											
Total												

Biennial Totals

Narrative Explanation (Required for Indeterminate Cash Receipts)

The Department of Labor and Industries has the authority to issue penalties related to violations of this act. However, because the penalty amounts can vary, the cash receipt impact of this bill is indeterminate.

Agency Preparation: Donald Jenson Jr	Phone: 360-902-6981	Date: 2/21/2025 6:58:22 am
Agency Approval: Trent Howard	Phone: 360-902-6698	Date: 2/21/2025 6:58:22 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 5284 S SB	Title Solid waste management	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
Producer Responsibility Organization Registration Fee	NEW		4,682,789	1,035,270	828,666	704,351	769,476	928,235	728,235	584,446	584,446	10,845,914
Total			4,682,789	1,035,270	828,666	704,351	769,476	928,235	728,235	584,446	584,446	10,845,914
Biennial Totals			4,682,789	1,863,936		1,473,827		1,656,470		1,168,892		10,845,914

Narrative Explanation (Required for Indeterminate Cash Receipts)

The cash receipts impact to Ecology under this bill is greater than \$50,000 beginning in FY2026 and ongoing for the fees in sections 103, 104, 106, 113, 116, 120 and 127. Ecology assumes no penalty collections for the penalty authority established in section 125. Penalty revenue is unknown and therefore not estimated in this fiscal note.

Fees (Sections 103, 104, 106, 113, 116, 120, and 127)

Responsible Recycling Management Account (RRMA)

Section 103(4) would require registered producer responsibility organizations (PROs) to submit by September 1, 2026, a one-time payment to Ecology to cover agency costs and L&I costs to implement section 304 from the effective date of the act to June 30, 2027. Section 106(4)(b) would require Ecology to adjust the March 31, 2027, PRO registration fee to account for the September 2026 PRO one-time payment by increasing or decreasing the fiscal year 2028 fee.

Section 127 would require Ecology to reimburse the state account used to cover costs prior to the PRO payment received in September 2026. Section 127 authorizes Ecology to fund L&I costs to implement Section 304 from this account.

Section 106(2)(h) and 106(4)(a) would require Ecology to determine an annual fee (for the following fiscal year) by March 31, 2027, and annually thereafter, to be paid by



Ten-Year Analysis

Bill Number	Title	Agency
5284 S SB	Solid waste management	461 Department of Ecology

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)

each registered PRO to adequately cover Ecology's implementation, administration, and enforcement costs and L&I costs to implement section 304 for the coming fiscal year for the chapters created in section 401 and section 304. Section 103(3) would require the PRO to submit an annual fee payment by May 1, 2027, and annually thereafter, to fund all of Ecology's costs to implement, administer, and enforce this chapter.

Ecology assumes the first fee receipt collections would occur in FY2027 (September 2026) to fund all costs of the 25-27 biennium. Annual costs would be invoiced for the coming fiscal year each March 31 starting in 2027 for FY 2028 (billed in FY 2027). One PRO would be subject to the annual payment to support implementation of the Packaging EPR program requirements established in the chapter created in section 401. All receipts would be deposited in the Responsible Recycling Management Account (RRMA) as created in section 127.

Estimated RRMA Revenue

FY 2027: \$4,682,789

FY 2028: \$1,035,270

FY 2039: \$828,666

FY 2030: \$704,351

FY 2031: \$769,476

FY 2032: \$928,235

FY 2033: \$728,235

FY 2034: \$584,446

FY 2035: \$584,446

Penalties (Sections 123)

Section 123 would provide authority for Ecology to assess producer or PRO penalties of up to \$1,000 per violation per day and up to \$10,000 per violation per day for the second and each subsequent violation of the new chapters created in section 401. Section 123(3) would authorize Ecology to assess a penalty of twice the value of the covered product sold or \$500, whichever is greater, on a person that continues to sell or distribute products from producers not participating in a PRO. Any penalty collections would be deposited into the Recycling Enhancement established in RCW 70A.245.100.

Ecology would work with the PRO and producers to bring them into compliance; Penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.



Ten-Year Analysis

Bill Number	Title	Agency
5284 S SB	Solid waste management	461 Department of Ecology

Agency Preparation: Fahad Kazi	Phone: 564-233-9372	Date: 2/20/2025 11:23:14 an
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 2/20/2025 11:23:14 an
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 5284 S SB	Title Solid waste management	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: 2/21/2025 9:15:47 am
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 2/21/2025 9:15:47 am
OFM Review:	Phone:	Date: