

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1422 S HB	<b>Title:</b> Drug take-back program
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## Estimated Cash Receipts

Agency Name	2025-27			2027-29			2029-31		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Department of Health	0	0	1,036,000	0	0	1,036,000	0	0	1,036,000
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>1,036,000</b>	<b>0</b>	<b>0</b>	<b>1,036,000</b>	<b>0</b>	<b>0</b>	<b>1,036,000</b>

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

## Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Health	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

## Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

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

Estimated Capital Budget Breakout

NONE

Prepared by: Amy Hatfield, OFM	Phone: (360) 280-7584	Date Published: Final 2/27/2025
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1422 S HB	<b>Title:</b> Drug take-back program	<b>Agency:</b> 090-Office of State Treasurer
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## Part I: Estimates

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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:

NONE

### Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☐

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☒

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/20/2025
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 02/20/2025
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/20/2025
OFM Review: Megan Tudor	Phone: (360) 890-1722	Date: 02/26/2025

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

SHB 1422 modifies the drug take-back program by modifying fee and enforcement regulations and addressing program operator performance.

Under section 3, fees collected must be deposited in the secure drug take-back program account. The general fund is the recipient of the earnings from investments under RCW 43.84.092(4).

There will be some de-minimis work for OST which can be completed within current practices and resources.

II. B - Cash receipts Impact

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

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

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

**IV. C - Capital Budget Breakout**

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

NONE

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

NONE

**Part V: New Rule Making Required**

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

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1422 S HB	<b>Title:</b> Drug take-back program	<b>Agency:</b> 303-Department of Health
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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
Secure Drug Take-back Program Account-State 22u-1	518,000	518,000	1,036,000	1,036,000	1,036,000
<b>Total \$</b>	518,000	518,000	1,036,000	1,036,000	1,036,000

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

☒

If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

☐

If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☐

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 02/20/2025
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 02/21/2025
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 02/21/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	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 fiscal impact has not changed from the previous fiscal note provided for house bill 1422. This substitute bill removes the requirement that collection goals for the next year must meet or exceed the reporting years collection goals and the requirement to report to the Department of Health (department) if the estimated budget for the next year is less than 80% of the prior budget periods. This substitute removes the ability to initiate enforcement action if revisions submitted by the program operator do not comply with the applicable law or the program’s operator’s department-approved plan and removes the additional authority for the department to assess civil fines and suspend, restrict or impose reasonable conditions on a program operator’s drug-take back program as established in house bill 1422.

This legislation amends RCW 69.48.100 (Annual Program Report) to add additional reporting components, and amends RCW 69.48.120 (Department to Set Program Fees) to remove restrictions that limit the department’s program operation fee to ten percent of the program’s annual expenditures as reported to the department.

The department expects the amendment to RCW 69.48.120 (Department to Set Program Fees) to increase cash receipts to align with historical levels, which would allow the department to set fees at a level sufficient to recover the costs associated with administration, oversight, and enforcement of this program.

The department does not expect this legislation to increase expenditures.

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.

Under current statute, the department collects a fee to support administrative, oversight, and enforcement costs for the drug take-back program in accordance with RCW 69.48.120 (Department to set program fees). The department shall not impose any fees in excess of its actual administrative, oversight, and enforcement costs and may not exceed ten percent of the program operator’s annual expenditures as reported to the department. The department supports two program operators and bases the fee off the lowest annual operation costs.

The department assumes spending for the program operator with the lowest annual operating costs to remain around 1,110,000, therefore restricting revenue to \$222,000 per year. The department assumes that expenditure authority for the Safe Medication Return Program Account to remain at \$740,000 per fiscal year.

The projected revenue increase is the disparity between the current projected revenue and the department’s expenditure authority for this fund.

Net change in revenue to the department:  
FY 2026: \$518,000  
FY 2027: \$518,000  
FY 2028: \$518,000  
FY 2029: \$518,000

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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



# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1422 S HB	Title: Drug take-back program
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**Part I: Jurisdiction**-Location, type or status of political subdivision defines range of fiscal impacts.

**Legislation Impacts:**

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

**Part II: Estimates**

- ☒ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

**Estimated revenue impacts to:**

None

**Estimated expenditure impacts to:**

None

**Part III: Preparation and Approval**

Fiscal Note Analyst: Alice Zillah	Phone: 360-725-5035	Date: 02/24/2025
Leg. Committee Contact:	Phone:	Date: 02/20/2025
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 02/24/2025
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 02/25/2025

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

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

#### **CHANGES BETWEEN THIS VERSION AND PRIOR VERSION OF THE BILL:**

The changes made in the substitute version do not create fiscal impacts for local governments.

#### **SUMMARY OF THE BILL:**

The legislation modifies the reporting requirements, penalty schedule, and other elements of oversight of the drug take-back program managed by the Department of Health.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

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

The legislation would have no expenditure impacts for local governments. Prosecutors and court-appointed defense attorneys would not be involved in adjudication processes for the civil fines created by the bill.

### **C. SUMMARY OF REVENUE IMPACTS**

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

The legislation would have no revenue impacts for local governments.

Please note that court impacts, including judicial costs, clerk costs, and court fees are described in fiscal notes prepared by the Administrative Office of the Courts. Local government fiscal notes include city and county expenditures for law enforcement investigations and arrests, indigent defenders, prosecutors, and jail costs.



# Multiple Agency Ten-Year Analysis Summary

Bill Number	Title
1422 S HB	Drug take-back program

This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

## Estimated Cash Receipts

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
Office of State Treasurer	0	0	0	0	0	0	0	0	0	0	0
Department of Health	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	5,180,000
<b>Total</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>5,180,000</b>



# Ten-Year Analysis

<b>Bill Number</b> 1422 S HB	<b>Title</b> Drug take-back program	<b>Agency</b> 090 Office of State Treasurer
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

## Estimates

☒ **No Cash Receipts**      ☐ **Partially Indeterminate Cash Receipts**      ☐ **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											
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Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 2/20/2025 4:59:56 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 2/20/2025 4:59:56 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1422 S HB	<b>Title</b> Drug take-back program	<b>Agency</b> 303 Department of Health
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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
Drug-take back program	22U	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	518,000	5,180,000
<b>Total</b>		<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>518,000</b>	<b>5,180,000</b>
<b>Biennial Totals</b>		<b>1,036,000</b>		<b>1,036,000</b>		<b>1,036,000</b>		<b>1,036,000</b>		<b>1,036,000</b>		<b>5,180,000</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

Under current statute, the department collects a fee to support administrative, oversight, and enforcement costs for the drug take-back program in accordance with RCW 69.48.120 (Department to set program fees). The department shall not impose any fees in excess of its actual administrative, oversight, and enforcement costs and may exceed ten percent of the program operator's annual expenditures as reported to the department. The department supports two program operators and bases the fee off lowest annual operation costs.

The department assumes spending for the program operator with the lowest annual operating costs to remain around 1,110,000, therefore restricting revenue to \$222,000 year. The department assumes that expenditure authority for the Safe Medication Return Program Account to remain at \$740,000 per fiscal year.

The projected revenue increase is the disparity between the current projected revenue and the department's expenditure authority for this fund.

Net change in revenue to the department:

FY 2026: \$518,000

FY 2027: \$518,000

FY 2028: \$518,000

FY 2029: \$518,000



# Ten-Year Analysis

Bill Number	Title	Agency
1422 S HB	Drug take-back program	303 Department of Health

Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 2/21/2025 8:52:13 am
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 2/21/2025 8:52:13 am
OFM Review:	Phone:	Date: