Multiple Agency Fiscal Note Summary

Bill Number: 1912 E 2S HB	**Title:** Agricultural fuel/CCA ex.

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Commerce	Fiscal note not available											
Department of Licensing	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Department of Ecology	1.0	0	0	275,709	.0	0	0	0	.0	0	0	0
Environmental and Land Use Hearings Office	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total $	**1.0**	**0**	**0**	**275,709**	**0.0**	**0**	**0**	**0**	**0.0**	**0**	**0**	**0**

Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Department of Commerce	Fiscal note not available								
Department of Licensing	.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**

Estimated Capital Budget Breakout

NONE

Prepared by: Lisa Borkowski, OFM	**Phone:** (360) 742-2239	**Date Published:** Preliminary 3/26/2025

Individual State Agency Fiscal Note

Bill Number: 1912 E 2S HB	Title: Agricultural fuel/CCA ex.	Agency: 100-Office of Attorney General

Part I: Estimates

[X] **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

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

[ ] Capital budget impact, complete Part IV.

[ ] Requires new rule making, complete Part V.

Legislative Contact:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Dave Merchant	Phone: 360-753-1620	Date: 03/18/2025
Agency Approval:	Joe Zawislak	Phone: 360-586-3003	Date: 03/18/2025
OFM Review:	Val Terre	Phone: (360) 280-3073	Date: 03/19/2025

Part II: Narrative Explanation

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

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

1. The Attorney General's Office (AGO) Ecology Division (ECY) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Ecology (Ecology). ECY anticipates that during the first six months of FY 2026, minimal legal support will be required to support the development of Ecology guidance required under Section 1 of this bill, and to support rulemaking required to implement Section 2 of this bill. This bill is significantly reworked from the 1912 SHB version and no longer has a substantial rulemaking for Ecology. This engrossed substitute version has only website posting, development of some agricultural fuel user-oriented guidance about the availability of exempt fuels for purchase, and a very straightforward rulemaking to update Ecology's cap and invest rules to extend the public highways ag fuel exemption for additional years. ECY estimates that the legal support for this bill will require approximately 30 Assistant Attorney General FTE (AAG) hours total in FY 26. New legal services are nominal, and costs are not included in this request.

2. The AGO Agriculture & Health Division (AHD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Commerce (Commerce). Commerce provision of financial incentives and/or removal of barriers to retail fuel sellers regarding exempt agricultural fuel is not expected to require more than minimal legal advice. New legal services are nominal, and costs are not included in this request.

3. The AGO Solicitor General's Office (SGO) has reviewed this bill and determined it will not increase or decrease the division's workload in advice or litigation. Therefore, no costs are included in this request.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Individual State Agency Fiscal Note

Bill Number: 1912 E 2S HB	Title: Agricultural fuel/CCA ex.	Agency: 240-Department of Licensing

Part I: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

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

Estimated Capital Budget Impact:

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:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Gina Rogers	Phone: 360-634-5036	Date: 03/25/2025
Agency Approval:	Gerrit Eades	Phone: (360) 902-3931	Date: 03/25/2025
OFM Review:	Kyle Siefering	Phone: (360) 995-3825	Date: 03/25/2025

Part II: Narrative Explanation

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

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

Section 1(6) states the Legislature's intent for the Department of Licensing (DOL) to continue the payment remittance program through the 2025-2027 biennium, using unspent funds from the 2024 Supplemental Omnibus Operating Appropriations Act (ESSB 5950). This act directs DOL to make payments to eligible farm fuel users and agricultural transporters who purchased fuel that included the CCA surcharge in the price paid but are exempt under RCW 70A.65.080(7)(e)(i)-(ii).

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 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.

See attached fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

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

III. B - Expenditures by Object Or Purpose

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

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

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

Agency 240 – Department of Licensing

Bill Number: E2SHB 1912 Bill Title: Agriculture Fuel CCA exemption

Part 1: Estimates

☐ **No Fiscal Impact**

Estimated Cash Receipts:
NONE

Estimated Expenditures:
INDETERMINATE; PLEASE SEE NARRATIVE

Check applicable boxes and follow corresponding instructions.

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

☒ 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.

☐ Capital budget impact, complete Part IV.

☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date:
Agency Preparation: Gina Rogers	Phone: (360) 634-5036	Date: 03/24/2025
Agency Approval: Gerrit Eades	Phone: (360) 867-8233	Date: 03/24/2025

Request #	1
Bill #	1912 E2SHB

Part 2 – Explanation

This aims to clarify and support the exemption of agriculture fuel from the Climate Commitment Act (CCA).

2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

Section 1(6) states the Legislature's intent for the Department of Licensing (DOL) to continue the payment remittance program through the 2025-2027 biennium, using unspent funds from the 2024 Supplemental Omnibus Operating Appropriations Act (ESSB 5950). This act directs DOL to make payments to eligible farm fuel users and agricultural transporters who purchased fuel that included the CCA surcharge in the price paid but are exempt under RCW 70A.65.080(7)(e)(i)-(ii).

If appropriated, DOL will implement the following payment structure for gallons used:

Payment Amount	Reported Fuel Usage
$600	Less than 1,000 gallons
$2,300	Greater than or equal to 1,000 gallons and less than 4,000 gallons
$3,400	Greater than or equal to 4,000 gallons and less than 10,000 gallons
$4,500	Greater than or equal to 10,000 gallons

If appropriated, DOL will utilize the existing platform established following the passage of ESSB 5095. These amounts are subject to unused funds appropriated in the prior biennium, reappropriated in the 2025-2027 biennium.

2.B - Cash receipts Impact

No revenue impact for DOL. The payments made under the remittance program would be from a budget appropriation and not DOL revenue collections.

2.C – Expenditures

The impact to expenditures is indeterminate. The amount of funding for this program is subject to appropriation contingent on the Legislature's continuation of the program.

If DOL is required to continue the program, DOL will provide application and process to access these remittance funds for annual fuel purchases to those that qualify. DOL estimates 4 FTEs at the Customer Service Specialist 2 level will be needed to process the anticipated number of applications and support customer inquiries by phone, email, and mail. The conclusion on the FTEs needed is based on the assumptions below:

- 2,400 applications per year + 10% growth year over year.
- 10% of all applications require in-depth potential fraud review.
- 28% of applicants require additional follow-up or information collection to complete review process.
- Average 90 customer contacts per week by phone, email, or mail.

Indeterminate for payout: DOL estimates

	Fuel Purchase Year				ESTIMATED
Fiscal Year	**2023**	**2024**	**2025**	**2026**	**Fiscal Impact****
FY25*	4,000,000	3,000,000			7,000,000
FY26		1,400,000	3,400,000		4,800,000
FY27			1,440,000	5,324,000	6,764,000
Grand Total	**$4,000,000**	**$ 4,400,000**	**$4,840,000**	**$5,324,000**	**$18,564,000**

*Current year, not included in the 25-27 payout projections
**Not included in the fiscal note as this is indeterminate, DOL's projection based on history

Note: This table does not include DOL's estimated administrative costs. Those amounts are located in section 3.

FTE Salary and Benefits
DOL estimates 5.2 FTEs consisting of 4 Customer Service Specialist 2, 1 Licensing Services Manager and 0.2 WMS management of the program $446,000 (details in 3.C)

Goods and Services:
General office supplies, telecommunications, employee training and development, print services, general data processing services, standard software, and misc. goods and services estimated at $54,520 per year.

Postage and printing for outreach services estimated at $5,200 per year.

Attorney fees estimated at $22,000 per year.

Contracted Services:
Avantpage Translation Services estimated at $2,500 per year.

Carahsoft standard contract: $639,400 per year.
Contract details:

- License to use program, $550,000 per year.
- Project Management 750 hours at $200 from contractor, $75,000 per year.
- Customer Service Program w/contractor, 5 licenses at $240 per month, $14,400 per year

Carahsoft Contract for payout and required 1% transaction fee are indeterminate as the number of applicants cannot be identified.

Travel: Outreach Services estimate at $5,000 per year.

Support Services:
Agency Administrative Overhead is included at a rate of 24.8 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees. These indirect costs are shown under object E. $132,380 per year (contracted work is exempt from Indirect).

Part 3 – Expenditure Detail

3.A – Operating Budget Expenditures

Operating Expenditures	Fund	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
Climate Investment Account	26B	1,307,000	1,307,000	2,614,000	-	-
Account Totals		**1,307,000**	**1,307,000**	**2,614,000**	**-**	**-**

Note: These cost estimates represent DOL's administrative costs if the Legislature elects to continue the program. The estimated payout amounts are referenced in the table in section 2.C

3.B – Expenditures by Object or Purpose

Object of Expenditure		FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
FTE Staff Years		5.2	5.2	5.2	0.0	0.0
Salaries and Wages		315,000	315,000	630,000	-	-
Employee Benefits		131,000	131,000	262,000	-	-
Goods and Services		856,000	856,000	1,712,000		-
Travel		5,000	5,000	10,000	-	-
Total By Object Type		**1,307,000**	**1,307,000**	**2,614,000**	**-**	**-**

3.C – FTE Detail

Staffing	Salary	FY 26	FY 27	25-27 Total	27-29 Total	29-31 Total
LICENSING SERVICES MANAGER	78,474	1.0	1.0	1.0	0.0	0.0
Customer Service Specialist 2	50,330	4.0	4.0	4.0	0.0	0.0
Management Nygard	165,120	0.1	0.1	0.1	0.0	0.0
Management Clawson	187,968	0.1	0.1	0.1	0.0	0.0
-		0.0	0.0	0.0	0.0	0.0
Total FTE		**5.2**	**5.2**	**5.2**	**0.0**	**0.0**

Totals may differ due to rounding.

Qty	Title	Job description	Ongoing or Project
1	Licensing Services Manager	Supervise and oversee day to day operation of application processing and customer support. Collects and monitors program metrics and manages payment processing.	Project for 25-27 biennium
4	Customer Service Specialist 2	Processes applications, reviews for qualifications, and evaluates submissions to mitigate fraud risks. Provides customer service support on phones, email, and written correspondence.	Project for 25-27 biennium
0.1	Program Management	Provides overall program management, budget oversight, policy decisions, long term goals, strategic direction, and program support.	Project funding, perm FTE
0.1	Executive Program Management	Provides long term goals. strategic direction and program support.	Project funding, perm FTE

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

None.

Individual State Agency Fiscal Note

Bill Number: 1912 E 2S HB	Title: Agricultural fuel/CCA ex.	Agency: 461-Department of Ecology

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	1.5	0.5	1.0	0.0	0.0
Account					
Climate Investment Account-State 26B-1	210,409	65,300	275,709	0	0
Total $	210,409	65,300	275,709	0	0

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:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Kelcy Shaffer	Phone: 564-200-3781	Date: 03/18/2025
Agency Approval:	Garret Ward	Phone: 360-789-7938	Date: 03/18/2025
OFM Review:	Lisa Borkowski	Phone: (360) 742-2239	Date: 03/19/2025

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 2SHB 1912, E2SHB 1912 makes the following changes related to Ecology:

Section 1 no longer requires Ecology to create a new fuel seller registration program. It is updated to required Ecology to publish a registry of participating fuel retailers who sell exempt fuel by October 1, 2025, and publish a guide for obtaining a DOL remittance from the Agriculture Support Program and a guide of ways to purchase exempt fuel. It extends DOL's Agriculture Support Program through the 2025-27 Biennium. It requires Commerce to provide financial incentives to remove financial barriers to companies making exempt fuel available for purchase. The rulemaking language from Section 1(4) from previous versions is no longer in this version of the bill.

Section 2 changes the date for the expiration of the exemption from CCA compliance obligations for emissions from fuels used to transport agricultural products on public highways from December 31, 2027 to December 31, 2029.

Section 3 is added to include an emergency clause.

These changes to the bill would change the fiscal impact to Ecology.

The Climate Commitment Act (CCA), RCW 70A.65, is designed to help ensure that Washington State meets greenhouse gas limits established under RCW 70A.45.020 by directing Ecology to implement the Cap-and-Invest Program. This program creates compliance obligations for entities that emit over 25,000 metric tons of carbon dioxide equivalent and requires them to acquire compliance instruments equal to their emissions. The law states that fuel used for agricultural purposes by a farm fuel user is exempt from compliance. Many regulated fuel suppliers in Washington pass on their compliance costs to customers through “CCA surcharges” added to the price of fuel.

Section 1 would amend 70A.65 RCW to develop a voluntary registration process for retail fuel providers who elect to register with the Department of Ecology. Ecology will need to register fuel retail stations, provide a list and map online, and provide new guidance on purchasing agricultural exempt fuels and obtaining remittances by October 2025. Since there is no longer a registration program required, Ecology assumes no IT impacts for this section.

This section would also require Ecology to publish on its website, a list of all retail locations where CCA-exempt agricultural fuels can be purchased if they voluntarily notify Ecology.

Ecology, in partnership with WA DOL, would provide guidance on how farmers can get remittances or buy fuel from retail stations. Ecology would also advise WA Dept of Commerce on providing financial incentives or removing financial barriers for retail stations moving into cardlock or membership programs for the purpose of selling ag exempt fuels.

Section 2 would amend RCW 70A.65.080 to extend the exemption for the on-road transportation of agricultural products from December 31, 2027, until December 31, 2029. This change would prompt rulemaking to extend the exemption for fuels used to transport agricultural products on highways until 2029. Ecology anticipates a level 1 rulemaking. The rulemaking language from Section 1(4) from previous versions is no longer in the bill.

II. B - Cash receipts Impact

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

II. C - Expenditures

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

The expenditure impact to Ecology under this bill is estimated to be greater than $50,000 in Fiscal Year 2026, and Fiscal Year 2027 to implement the requirements of sections 1 and 2.

Implementation

Section 1 would no longer require Ecology to build a new fuel reporting system. This change would remove the need for IT related costs because Ecology would no longer be required to build a registration system. Section 1 would require Ecology to establish a registry and searchable directory of retail fuel sellers who sell exempt agricultural fuel and who voluntarily elect to register with the Department of Ecology.

Ecology assumes 0.80 FTE Management Analyst 4 in FY 2026 and 0.40 FTE Management Analyst 4 in FY 2027 would serve as the project manager to set up the website directory. This position would establish a webpage to capture information from retail fuel sellers such as name, address, latitude, longitude, and types of exempt fuel. This position would also work closely with communications staff to create the guidance and required map.

Rulemaking

Section 2 would extend the exemption for the on-road transportation of agricultural products until December 31, 2029, and Ecology assumes rulemaking would be necessary to implement this change.

Ecology estimates that rulemaking would be minimally complex. It would require six months, from July 2025 to December 2025. This type of rulemaking would include one public hearing to accept comments on the rule proposal.

Rulemaking Lead: Ecology estimates 0.5 FTE of an Environmental Planner 3 would spend 6 months coordinating the rulemaking effort.

Ecology would hold one public hearing in FY 2026 for rulemaking. Ecology estimates no costs for facility rental costs since hearing(s) would be held virtually.

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

Implementation is estimated to require:
FY 2026: $130,598 and 1.5 FTEs
FY 2027: $65,300 and 0.5 FTEs
FY 2028: $0 and 0.0 FTEs
FY 2029: $0 and 0.0 FTEs
FY 2030: $0 and 0.0 FTEs
FY 2031: $0 and 0.0 FTEs

Rulemaking is estimated to require:
FY 2026: $79,811 and 0.6 FTEs
FY 2027: $0.00 and 0.0 FTEs
FY 2028: $0.00 and 0.0 FTEs
FY 2029: $0.00 and 0.0 FTEs
FY 2030: $0.00 and 0.0 FTEs
FY 2031: $0.00 and 0.0 FTEs

THE TOTAL EXPENDITURE IMPACT to Ecology under this bill is estimated to be:
FY 2026: $210,409 and 1.5 FTEs
FY 2027: $65,300 and 0.5 FTEs
FY 2028: $0.00 and 0.0 FTEs
FY 2029: $0.00 and 0.0 FTEs
FY 2030: $0.00 and 0.0 FTEs
FY 2031: $0.00 and 0.0 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.
Benefits are the agency average of 33.7% of salaries.
Goods and Services are the agency average of $5,552 per direct program FTE.
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
26B-1	Climate Investment Account	State	210,409	65,300	275,709	0	0
		Total $	210,409	65,300	275,709	0	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	1.5	0.5	1.0		
A-Salaries and Wages	114,396	35,520	149,916		
B-Employee Benefits	38,551	11,970	50,521		
C-Professional Service Contracts					
E-Goods and Other Services	7,218	2,221	9,439		
G-Travel	3,117	959	4,076		
J-Capital Outlays	1,396	430	1,826		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	45,731	14,200	59,931		
Total $	210,409	65,300	275,709	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
ENVIRONMENTAL PLANNER 3	86,712	0.5		0.3		
FISCAL ANALYST 2		0.1	0.0	0.1		
IT APP DEVELOPMENT-JOURNEY		0.1	0.0	0.1		
MANAGEMENT ANALYST 4	88,800	0.8	0.4	0.6		
Total FTEs		1.5	0.5	1.0		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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

Section 2 would amend RCW 70A.65.080 to extend the exemption for the on-road transportation of agricultural products from December 31, 2027, until December 31, 2029. This change would prompt rulemaking to extend the exemption for fuels used to transport agricultural products on highways until 2029. Ecology anticipates a level 1 rulemaking. The rulemaking language from Section 1(4) from previous versions is no longer in the bill.

Individual State Agency Fiscal Note

Bill Number: 1912 E 2S HB	Title: Agricultural fuel/CCA ex.	Agency: 468-Environmental and Land Use Hearings Office

Part I: Estimates

[X] **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:
NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

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

[ ] Capital budget impact, complete Part IV.

[ ] Requires new rule making, complete Part V.

Legislative Contact:	Dan Jones	Phone: 360-786-7118	Date: 03/13/2025
Agency Preparation:	Dominga Soliz	Phone: 3606649173	Date: 03/14/2025
Agency Approval:	Dominga Soliz	Phone: 3606649173	Date: 03/14/2025
OFM Review:	Lisa Borkowski	Phone: (360) 742-2239	Date: 03/14/2025

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 adds a new section to chapter 70A.65 RCW and makes permanent a temporary five-year exemption from Climate Commitment Act (CCA) compliance obligations for fuel used to transport agricultural products to market. The bill creates a program for tracking and ensuring that the fuel sold is actually exempt (because exemption will provide remittance payments to the fuel seller), requiring registration and reporting from fuel sellers.

The portion of the bill stating penalties could be issued for violations of the bill was struck from this version. Therefore, the Environmental and Land Use Hearings Office (ELUHO) estimates no impacts to the Pollution Control Hearings Board (PCHB).

II. B - Cash receipts Impact

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

II. C - Expenditures

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

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

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

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

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

NONE

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

NONE

Part V: New Rule Making Required

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