

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1409 2S HB AMS ENET S2524.2	<b>Title:</b> Clean fuels 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 Attorney General	0	0	58,000	0	0	58,000	0	0	30,000
Department of Ecology	0	0	1,115,086	0	0	441,028	0	0	320,986
Department of Ecology	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.								
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>1,173,086</b>	<b>0</b>	<b>0</b>	<b>499,028</b>	<b>0</b>	<b>0</b>	<b>350,986</b>

## 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	.3	0	0	58,000	.3	0	0	58,000	.3	0	0	30,000
Department of Ecology	3.1	0	0	1,115,086	1.5	0	0	441,028	1.1	0	0	320,986
Department of Ecology	In addition to the estimate above,there are additional indeterminate costs and/or savings. Please see individual fiscal note.											
Environmental and Land Use Hearings Office	.1	36,909	36,909	36,909	.2	71,584	71,584	71,584	.0	0	0	0
<b>Total \$</b>	<b>3.5</b>	<b>36,909</b>	<b>36,909</b>	<b>1,209,995</b>	<b>2.0</b>	<b>71,584</b>	<b>71,584</b>	<b>570,612</b>	<b>1.4</b>	<b>0</b>	<b>0</b>	<b>350,986</b>

## 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 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
<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>

# Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Lisa Borkowski, OFM	<b>Phone:</b> (360) 742-2239	<b>Date Published:</b> Final 4/ 7/2025
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1409 2S HB AMS ENET S2524.2	<b>Title:</b> Clean fuels program	<b>Agency:</b> 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	29,000	29,000	58,000	58,000	30,000
<b>Total \$</b>	29,000	29,000	58,000	58,000	30,000

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
<b>Account</b>					
Legal Services Revolving Account-State 405-1	29,000	29,000	58,000	58,000	30,000
<b>Total \$</b>	29,000	29,000	58,000	58,000	30,000

### 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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 03/31/2025
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 04/03/2025
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 04/03/2025
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 04/03/2025

## 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: Amends RCW 70A.535.025 by adjusting the dates for the adoption of certain rules by the Department of Ecology (Ecology) along with the schedule by which greenhouse gas emissions attributable to each unit of fuels must be reduced. Provides that the rules must reduce the greenhouse gas emissions attributable to each unit of fuels to 55 percent rather than 20 percent below 2017 levels.

Section 2: Amends RCW 70A.535.060. Minor additional to what rule making shall consider.

Section 3: New Section. Requires regulated parties and credit generators to submit reports under RCW 70A.535.070. Making the failure to retire a credit by a registered party at the end of a compliance period a violation and authorizes Ecology to issue corrective action orders and penalties. Specifies various penalties to be issued by Ecology for specified violations, including misreporting, failing to submit a report, and a regulated party's failing to register with Ecology, among other violations. Authorizes the Pollutions Control Hearings Board (PCHB) to hear appeals of penalties and orders issued under this section and provides the penalties collected be deposited to the carbon emissions reduction account.

Section 4: New section. Requires Ecology to provide analysis and forecasts of the credit markets created by the chapter and consider this analysis in adopting rules and otherwise implementing the chapter.

Section 5: Amends RCW 70A.535.010 by adding "registered party" to the list of definitions.

Section 6: Amends RCW 43.21B.110 by expanding the jurisdiction of PCHB consistent with Section 3 of the Act.

Section 7: Amends RCW 70A.15.3150 by removing RCW 70A.535 as a violation subject to a fine or imprisonment.

Section 8: Amends RCW 70A.15.3160 by removing RCW 70A.535 as a violation subject to civil penalty.

Section 9: Amends RCW 70A.535.130 by removing language requiring receipt from penalties to be deposited into the clean fuels program account.

Section 10: New section. Severability clause.

### 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 agency is the Department of Ecology (Ecology). 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 agency's fiscal note. Appropriation authority is necessary in the AGO budget.

#### AGO AGENCY ASSUMPTIONS:

Ecology will be billed for non-King County rates:  
 FY 2026 through FY 2029: \$29,000 for 0.1 Assistant Attorney General FTE (AAG), and 0.1 Paralegal 1 FTE  
 FY 2030 and in each FY thereafter: \$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 180 AAG hours for support of rulemaking and defending appeals of penalties issued to regulated entities for non-compliance with the statute pursuant to updated enforcement authority in FY 2026 through FY 2029, and 90 AAG hours for support of rulemaking in FY 2030 and in each FY thereafter.

ECY total workload hours:  
 FY 2026 through FY 2029: 180 AAG hours  
 FY 2030 and FY 2031: 90 AAG hours

ECY total non-King County workload impact:  
 FY 2026 through FY 2029: \$29,000 for 0.1 AAG, and 0.1 PL1  
 FY 2030 and in each year thereafter: \$15,000 for 0.1 AAG, and 0.1 PL1

2. The AGO Licensing & Administrative Law Division (LAL) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Environmental and Land Use Hearings Office (ELUHO) and the Pollution Control Hearings Board (PCHB). New legal services are nominal, and costs are not included in this request.

**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	29,000	29,000	58,000	58,000	30,000
Total \$			29,000	29,000	58,000	58,000	30,000

**III. B - Expenditures by Object Or Purpose**

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
A-Salaries and Wages	20,000	20,000	40,000	40,000	20,000
B-Employee Benefits	6,000	6,000	12,000	12,000	6,000
E-Goods and Other Services	3,000	3,000	6,000	6,000	4,000
<b>Total \$</b>	29,000	29,000	58,000	58,000	30,000

**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	0.1	0.1	0.1	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
<b>Total FTEs</b>		0.3	0.3	0.3	0.3	0.3

**III. D - Expenditures By Program (optional)**

Program	FY 2026	FY 2027	2025-27	2027-29	2029-31
Ecology Division (ECY)	29,000	29,000	58,000	58,000	30,000
<b>Total \$</b>	29,000	29,000	58,000	58,000	30,000

**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

Revised

<b>Bill Number:</b> 1409 2S HB AMS ENET S2524.2	<b>Title:</b> Clean fuels program	<b>Agency:</b> 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
Clean Fuels Program Account-State 25Q-1	631,908	483,178	1,115,086	441,028	320,986
<b>Total \$</b>	631,908	483,178	1,115,086	441,028	320,986

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.8	3.4	3.1	1.5	1.1
<b>Account</b>					
Clean Fuels Program Account-State 25Q-1	631,908	483,178	1,115,086	441,028	320,986
<b>Total \$</b>	631,908	483,178	1,115,086	441,028	320,986

In addition to the estimates above, there are additional indeterminate costs 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.
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- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 03/31/2025
Agency Preparation: Kelcy Shaffer	Phone: 564-200-3781	Date: 04/03/2025
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 04/03/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/03/2025

## 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 1409, 1409 2S HB AMS ENET S2524.2 makes the following changes related to Ecology:

Section 2 is changed to allow the department to adopt rules that harmonize with the regulatory standards, exemptions, reporting obligations, rule updates, and other jurisdictions that are implementing clean fuels programs.

Section 4, was previously labeled section 3, adds a new section to chapter 70A.535, and specifies that Ecology must publish on its website analysis and forecasts of the credit markets created in by this chapter. The analysis must be considered when adopting rules to implement the requirements of this chapter.

Section 5 was previously section 4 and keeps that content the same.

The above changes would not change the fiscal impact to Ecology.

RCW 70A.535 directs Ecology to implement the Clean Fuel Standard Program intended to reduce greenhouse gas emissions from transportation fuels in Washington. Under the Clean Fuel Standard Program Ecology assesses the carbon intensity of transportation fuels produced in and supplied to Washington. Fuel producers and importers report fuel transactions to Ecology on a quarterly basis. Reported fuels are assigned either credits or deficits depending on their greenhouse gas emissions. Fuels with high carbon emissions generate deficits, and fuels with low carbon emissions generate credits. Participants with deficits must purchase credits each year to come into compliance, driving investment in low-carbon transportation fuels. Each year, carbon intensity must be reduced by a greater percentage to generate credits which drives the decarbonization of transportation fuel in Washington.

This bill would increase the annual reduction in carbon intensity required to comply with the Clean Fuel Standard and add specific penalty authority for compliance violations. Ecology would be required to amend current rules and expand enforcement and technical support under the Clean Fuels Program.

Section 1 would amend RCW 70A.535.025 to update the carbon intensity reduction schedule to:

An additional 5% in 2026.

An additional 4% each year beginning 2027.

These requirements take effect immediately without the need for a rulemaking.

Section 2 would allow Ecology to amend rules to align the regulatory standards, exemptions, reporting obligations, rule updates, and other jurisdictions that are implementing clean fuels programs.

Section 3 which was Section 2, would amend RCW 70A.535 and require Ecology to initiate a rulemaking to update and add specific penalties for noncompliance with the Clean Fuel Standard under WAC 173-424. This section also would allow Ecology to issue a corrective action for noncompliance, except in cases where the registered party demonstrates a violation of third-party verification requirements was due to an error made by the third-party verifier.

Section 4 which was previously Section 3 would add a new section to RCW 70A.535 requiring Ecology to publish on its website analysis and forecasting related to the credit market. When adopting rules, this section would require Ecology to consider:

- The price of credits in Washington and the price of credits as compared to other jurisdictions implementing similar clean fuels policies
- Trends in credit supply and demand
- Activities in the credit markets, including volume of credits transferred and price per credit, categorized by fuel type

- Deficits and credits generated by categories of registered parties
- Trends in in-state biofuel feedstock production types and volumes

Section 5 was previously section 4 and keeps that content the same.

These changes in the bill would not create additional fiscal impact to Ecology from the previous version because Ecology is already anticipating rulemaking and implementation costs that would be covered by the requirements in sections 1, 2, 3, 4 and 5.

## 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 under this bill is estimated to be greater than \$50,000 each year in FY 2026 and ongoing. Chapter 173-455-150 directs Ecology to calculate a fee for the Clean Fuels Program registrants that is equal to the costs to run the Clean Fuels Program.

Ecology would reflect the costs to implement this bill in each annual workload analysis and subsequent fee assessment to fund total costs to administer the Clean Fuels Program. Ecology assumes there could be indeterminate cash receipt impacts if ongoing rulemaking is necessary in FY 2030 and ongoing. Please see expenditure narrative for more information.

Ecology estimates the following revenue to be collected into the Clean Fuels Program Account:

FY 2026: \$631,908  
FY 2027: \$483,178  
FY 2028: \$280,535  
FY 2029: \$160,493  
FY 2030: \$160,493  
FY 2031: \$160,493

Section 3 would authorize Ecology to assess penalties for violations of Chapter 173-424 and penalty revenue would be deposited into the Carbon Emissions Reduction Account. Penalty revenue is assumed to be limited, but unknown, and therefore is 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 Year (FY) 2026 and 2027 to implement the requirements of sections 1, 2, 3, 4, and 5.

### Analysis

Section 4 would require Ecology to perform an analysis and forecast of the credit markets created by this chapter and use that analysis to inform the rulemaking and implementation of chapter 70A.535 RCW. Ecology assumes the analysis would begin October 1, 2025, and be completed by March 31, 2026, and would be conducted concurrently with rulemaking. Ecology assumes the following staffing support to fulfill this section:

0.25 FTE Environmental Specialist 3 would be required in FY 2026. This position would perform market analysis on credit prices and other credit market activities and help manage an economic forecasting contract. This position would ensure data accuracy that informs the market analysis by providing technical support to reporting parties and auditing reported data.

Section 4 would require Ecology to hire a contractor to conduct economic forecasting required by the bill. Based on previous experience in contracting for economic modeling and forecasting for the Clean Fuel Standard in calendar year, 2022, Ecology assumes the expected contracting cost to meet the requirements of section 4 would be \$225,000.

## IT Implementation

Ecology estimates 0.25 FTE IT App Dev – Journey in FY 2026. This position would integrate code from the California Air Resources Board (CARB) into Ecology’s software that would allow third party verifier functionality, which would eventually inform rulemaking and ongoing implementation. Because the Ecology and CARB versions of the application have changed since inception, the integration testing will be complex.

## Initial rulemaking

Sections 1, 2, 3, 4, and 5 would require Ecology to conduct rulemaking to amend current rules and expand enforcement and technical support under the Clean Fuels Program (Chapter 173-424 WAC). Ecology would need to consider the market analysis required in subsection 4 in adopting rules for this chapter and would need to consider the definition of “registered party” contained in section 5.

The substitute would incur a more complex rulemaking process to adopt the carbon intensity standard. This change is more significant than the current standard. The current standard requires a reduction in carbon intensity of 20% by 2038. The substitute would require 55% by 2038. This change would increase the need for outreach, and technical complexity of the rulemaking. Ecology has the ability to update the ongoing schedule of carbon intensity reduction if certain conditions are met.

Ecology estimates that rulemaking would be highly complex and generate substantial public interest and input. It would require at least 2 years, from October 2025 to September 2027. This type of rulemaking would include three preproposal meetings to gather input from community partners and develop the Environmental Justice Assessment and then three public hearings to accept comments on the rule proposal.

## Rulemaking Lead

Ecology estimates 0.64 FTE Environmental Planner 3 for FY 2026, 0.85 FTE in FY 2027, and 0.21 FTE in FY 2028. This position would lead the rulemaking effort.

## Technical Leads

Ecology estimates 0.56 FTE Environmental Specialist 3 for FY 2026, 0.75 FTE in FY 2027, and 0.19 FTE in FY 2028. This position would be the primary subject matter expert providing knowledge on market analysis and providing technical support to the rulemaking crucial to maintaining a healthy credit market and providing technical support.

Ecology estimates 0.36 FTE Environmental Specialist 4 for FY 2026, 0.5 FTE in FY 2027, and FTE in 0.13 FY 2028 and ongoing. This position would be the secondary subject matter expert providing knowledge of certifying and managing accredited verification bodies and reviewing verification reports. This would directly inform any enforcement actions to be sure they are accurate and justified.

Ecology estimates 0.19 FTE Financial Examiner 2 for FY 2026, 0.25 FTE in 2027, and 0.06 FTE in FY 2028 and ongoing. This position would serve as a subject matter expert providing knowledge of the credit market and changes to the carbon intensity standard.

Ecology estimates 0.19 FTE Community Engagement and Environmental Education Specialist 3 would be required in FY

2026, 0.25 FTE in FY 2027, and 0.06 FTE in FY 2028 and ongoing to implement the Environmental Justice assessment. Ecology anticipates it to be a high-profile rulemaking. Outreach and engagement would be performed statewide. This position would organize rule advisory committee meetings, public meetings, prepare informational materials, and respond to questions from interested parties throughout rulemaking.

The following positions would complete an economic and regulatory analysis of the rule:

Ecology estimates 0.25 FTE Economic Analyst 3 in FY 2027.

Ecology estimates 0.10 FTE Regulatory Analyst 2 in FY 2027.

Attorney General (AG) costs are estimated to be \$22,000, for 0.08 FTE in FY 2026 through FY 2028 to provide legal consultation during rulemaking.

## Implementation

Section 1 would determine the annual reduction in carbon intensity for the Clean Fuel Standard.

Section 2 would require Ecology to enforce updated timelines to the carbon intensity schedule and issue penalties for non-compliance. Section 3 would require Ecology to perform an analysis and forecast of the credit markets created by this chapter and use that analysis to inform the rulemaking. Ecology assumes the following staffing support to fulfill these sections:

Ecology estimates 0.33 FTE Environmental Specialist 3 would be required in FY 2028 and ongoing. This position would perform ongoing market analysis and forecast trends in credit prices and other credit market activities, as Section 3 directs. This position would ensure data accuracy that informs the market analysis by providing technical support to reporting parties and auditing reported data. This position would also provide additional technical support to ensure registered parties are meeting the updated carbon intensity standard and would directly inform any enforcement actions to be sure they are accurate and justified.

Ecology estimates 0.33 FTE Environmental Specialist 4 would be required in FY 2028 and ongoing. This position would ensure data accuracy and program performance by certifying and managing accredited verification bodies and reviewing verification reports from fuel producers and suppliers that ensures registered parties are meeting the updated carbon intensity standard and informs any needed enforcement actions.

Ecology estimates 0.33 FTE Financial Examiner 3 would be required in FY 2028 and ongoing. This position would perform market analysis and forecast trends in credit prices and other credit market activities. In addition, this position would monitor credit availability, the cumulative credit bank, and compare credit price in other clean fuels jurisdictions as well as perform general market analysis to ensure the health of the credit market.

## Ongoing rulemaking

Section 1 of the bill would allow Ecology to adopt rules that may become effective no earlier than January 1, 2032, to adjust the carbon intensity reduction schedule to meet a 55% reduction by 2038 if certain conditions are met:

- If the zero-emission vehicle program is not being implemented as of January 1, 2030,
- If Ecology determines that the statewide greenhouse gas emissions reduction limits for transportation are not on track to meet an overall reduction of 70% reduction by 2040.

Ecology anticipates periodic rulemakings would be necessary beginning in 2030 and ongoing. Ecology may adopt rules at any time between now and 2038 to require an additional 2% reduction in the carbon intensity standard in a given year if Ecology deems it necessary to avoid a compliance deferral as indicated by the annual fuel supply forecast. This is not expected to be a regular occurrence but would be an emergency mechanism available to the agency.

Ecology assumes one or more of these conditions would likely be triggered, considering the possibility of the EPA revoking the waiver that allows states to implement a zero-emissions vehicle policy; the anticipated lack of federal support for other policies and grants to decarbonize the transportation sector; and that reducing carbon emissions as future emission limits become more challenging to meet.

Rulemaking for the 2030 through 2038 budgets would continue through September 30, 2038 (beyond the scope of this fiscal note). Due to the timeline scope of rulemaking Ecology assumes ongoing costs for rulemaking beginning in 2030, but the costs and frequency are indeterminate. Ecology would request needed funding for future rules through the budget process.

Section 1 outlines conditions under which Ecology may increase the carbon intensity standard to as much as 55 percent by 2038 and conduct period rulemaking if these conditions are met. For the purposes of this fiscal note, Ecology estimates the following could be necessary to support ongoing rulemaking; though as these costs are indeterminate, they are not included in the expenditure summary and revenue estimates.

#### Rulemaking lead

Ecology estimates 0.64 FTE Environmental Planner 3 beginning in FY 2030 and in subsequent odd years.

#### Technical lead

Ecology estimates 0.56 FTE Environmental Specialist 3 in FY 2030 and ongoing. This position would be the primary subject matter expert providing knowledge on market analysis and providing technical support to the rulemaking crucial to maintaining a healthy credit market and providing technical support.

Ecology estimates 0.36 FTE Environmental Specialist 4 in FY 2030 and ongoing. This position would be the secondary subject matter expert providing knowledge of certifying and managing accredited verification bodies and reviewing verification reports. This would directly inform any enforcement actions to be sure they are accurate and justified.

Ecology estimates 0.19 FTE Financial Examiner 2 in FY 2030 and ongoing. This position would serve as a subject matter expert providing knowledge of the credit market and changes to the carbon intensity standard.

Ecology estimates 0.19 FTE Community Engagement and Environmental Education Specialist 3 would be required in FY 2030 and ongoing to implement the Environmental Justice assessment. Ecology anticipates it to be a high-profile rulemaking. Outreach and engagement would be performed statewide. This position would organize rule advisory committee meetings, public meetings, prepare informational materials, and respond to questions from interested parties throughout rulemaking.

The following positions would complete an economic and regulatory analysis of the rule:

Ecology estimates 0.25 FTE Economic Analyst 3 in in FY 2030 and subsequent odd years.

Ecology estimates 0.10 FTE Regulatory Analyst 2 in in FY 2030 and subsequent odd years.

Ecology estimates the costs could amount to approximately \$371,732 and 2.6 FTEs per year of rulemaking; however, these costs are ultimately indeterminate.

Ecology assumes the following costs of implementing the requirements of this bill. There are additional costs not reflected below that are indeterminate. Please see the discussion above.

Analysis is estimated to require:

FY 2026: \$259,701 and 0.3 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

Rulemaking is estimated to require:

FY 2026: \$323,428 and 2.2 FTEs  
FY 2027: \$483,178 and 3.4 FTEs  
FY 2028: \$120,042 and 0.7 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

IT Implementation is estimated to require:

FY 2026: \$48,779 and 0.3 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

Implementation is estimated to require:

FY 2026: \$0.00 and 0.0 FTEs  
FY 2027: \$0.00 and 0.0 FTEs  
FY 2028: \$160,493 and 1.1 FTEs  
FY 2029: \$160,493 and 1.1 FTEs  
FY 2030: \$160,493 and 1.1 FTEs  
FY 2031: \$160,493 and 1.1 FTEs

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

FY 2026: \$631,908 and 2.81 FTEs  
FY 2027: \$483,178 and 3.39 FTEs  
FY 2028: \$280,535 and 1.89 FTEs.  
FY 2029: \$160,493 and 1.14 FTEs  
FY 2030: \$160,493 and 1.14 FTEs  
FY 2031: \$160,493 and 1.14 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
25Q-1	Clean Fuels Program Account	State	631,908	483,178	1,115,086	441,028	320,986
Total \$			631,908	483,178	1,115,086	441,028	320,986

Clean fuels program

Form FN (Rev 1/00) 206,292.00

FNS063 Individual State Agency Fiscal Note

461-Department of Ecology

Request # 25-171-1

Bill # 1409 2S HB AMS ENET S2524.2

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	2.8	3.4	3.1	1.5	1.1
A-Salaries and Wages	203,763	245,026	448,789	227,606	174,534
B-Employee Benefits	68,668	82,574	151,242	76,704	58,818
C-Professional Service Contracts	225,000		225,000		
E-Goods and Other Services	44,547	47,378	91,925	36,601	10,992
G-Travel	5,853	7,076	12,929	6,306	4,746
J-Capital Outlays	2,621	3,170	5,791	2,822	2,124
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead	81,456	97,954	179,410	90,989	69,772
<b>Total \$</b>	<b>631,908</b>	<b>483,178</b>	<b>1,115,086</b>	<b>441,028</b>	<b>320,986</b>

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### 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
COMM OUTRCH & ENVIRO ED SPEC 3	67,716	0.2	0.3	0.2	0.0	
ECONOMIC ANALYST 3	95,652		0.3	0.1		
ENVIRONMENTAL PLANNER 3	86,712	0.6	0.9	0.8	0.1	
ENVIRONMENTAL SPEC 3	74,724	0.8	0.8	0.8	0.4	0.3
ENVIRONMENTAL SPEC 4	86,712	0.4	0.5	0.4	0.4	0.3
FINANCIAL EXAMINER 2	88,800	0.2	0.3	0.2	0.0	
FINANCIAL EXAMINER 3	103,008				0.3	0.3
FISCAL ANALYST 2		0.2	0.3	0.3	0.1	0.1
IT APP DEVELOPMENT-JOURNEY	107,148	0.4	0.2	0.3	0.1	0.1
REGULATORY ANALYST 2	88,800		0.1	0.1		
<b>Total FTEs</b>		<b>2.8</b>	<b>3.4</b>	<b>3.1</b>	<b>1.5</b>	<b>1.1</b>

### 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.*

This bill would increase the annual reduction in carbon intensity required to comply with Clean Fuel Standard and add specific penalty authority for compliance violations. Ecology would be required to amend current rules and expand enforcement and technical support under the Clean Fuels Program (Chapter 173-424 WAC).

Section 1 would amend RCW 70A.535.025 updating the timeframe of the program so that the program rules would reduce the carbon intensity of transportation fuels by 55% no earlier than January 1, 2038. The annual carbon intensity reduction schedule would also be updated.

Section 2 would allow Ecology to amend rules to align the regulatory standards, exemptions, reporting obligations, rule updates, and other jurisdictions that are implementing clean fuels programs.

Section 3 would add a new chapter to RCW 70A.535 that would require Ecology to initiate a rulemaking to update and add specific penalties for noncompliance with the Clean Fuel Standard under WAC 173-424.

Section 4 would add a new chapter to RCW 70A.535 directing Ecology to set up analysis and forecasting of the credit markets.

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1409 2S HB AMS ENET S2524.2	<b>Title:</b> Clean fuels program	<b>Agency:</b> 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	0.2	0.1	0.2	0.0
<b>Account</b>					
General Fund-State 001-1	0	36,909	36,909	71,584	0
<b>Total \$</b>	0	36,909	36,909	71,584	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: Matthew Shepard-Koningsor	Phone: 360-786-7627	Date: 03/31/2025
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 04/02/2025
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 04/02/2025
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 04/03/2025

## 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.*

Changes only to section numbers from previous version.

This bill amends the Clean Fuels Program at chapter 70A.535 RCW, prescribing penalties.

Section 3: Adds a new section to chapter 70A.535 RCW to allow penalties for a number of different violations:

Subsection (1): Reporting requirements for registered parties are outlined and include “recordkeeping, reporting, transacting credits, obtaining a carbon intensity calculation,” etc.; Ecology may issue corrective actions.

Subsection (2): Deficits for which a registered party fails to retire a corresponding credit at the end of a compliance period constitutes a separate violation of chapter 70A.535 RCW unless that registered party participates in a credit clearance market as required under RCW 70A.535.030(8). For each violation, Ecology may issue a penalty of up to four times the maximum posted price of the most recent credit clearance market;

Subsection (3): Ecology may issue a penalty for any misreporting by a party that results in the claim of credits that does not meet the requirements of chapter 70A.535 RCW or the failure to report a deficit. The penalty may be up to \$1,000 per credit or deficit in violation of the requirements of the chapter;

Subsection (4): Ecology may issue a penalty of up to \$10,000 per day each day a registered party does not submit a report required under RCW 70A.535.070 by the reporting deadline;

Subsection (5): Ecology may issue a penalty for credits generated in exceedance of the carbon intensity standard adopted by Ecology for that year of up to \$1,000 per credit for each illegitimate credit generated as a result of an incorrect carbon intensity score;

Subsection (6): Ecology may issue a penalty of up to \$25,000 per month that a regulated party is not registered with Ecology in violation of RCW 70A.535.070;

Subsection (7): Ecology may issue to any participating electric utility a penalty of up to four times the credit revenue improperly spent in violation of RCW 70A.535.080;

Subsection (8): Ecology may issue a penalty of up to \$50,000 or \$10,000 per day for violation of the third-party verification requirements adopted by Ecology under RCW 70A.535.030(3)(c) for as long as the registered party remains out of compliance;

Subsection (9): For violations other than those in Subsections (2) through (8), Ecology may issue a penalty of up to \$10,000 per day per violation for each day any registered party violates the terms of this chapter or an order issued by Ecology.

Section 6: Amends the PCHB jurisdictional statute, RCW 43.21B.110, to include Section 3.

### 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.

No changes from previous version.

The Environmental and Land Use Hearings Office (ELUHO) assumes the Pollution Control Hearings Office (PCHB) could receive appeals as a result of the bill as soon as January 2026, however we assume an initial impact start time of FY27. We assume the overall number of appeals will dissipate to 0-1 after 3 years, beginning in FY30. We assume the PCHB can absorb any impacts FY30, ongoing.

We anticipate Sec. 2(1)-(8) will generate approximately 1 low complexity appeal per year. We assume the low complexity appeals will likely resolve before hearing and, therefore, estimate the number of Administrative Appeals Judge (AAJ) hours at 50 prehearing hours per appeal.

1 low complexity appeal x 50 hours = 50 AAJ hours.

Because the PCHB already has authority to review penalties under the chapter and Sec. 2(9) gives new review authority only over orders, we estimate the new grant of authority in this section will generate 2 average complexity appeals to the PCHB per year. Average complexity appeals are estimated to require approximately 200 AAJ hours to complete (100 prehearing hours + 100 hearing and post-hearing hours). We assume 50% of average complexity appeals will resolve before hearing. Therefore, 1 avg. complexity appeal per year will require 100 AAJ hours and 1 will require 200 AAJ hours = 300 AAJ hours total for this section.

Assume 350 AAJ hours per FY from FY27 through FY29.

The PCHB will need approximately 0.2 AAJ FTE in FYs 27, 28, and 29. ELUHO assumes 1.0 AAJ FTEs for every 2,080 hours worked.

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

An AAJ makes \$135,000 per year, plus related benefits estimated at \$37,098 per year, at current benefits rates. The agency needs a 0.2 AAJ FTE, so the salary would be \$27,000 per FY with related benefits totaling \$7,420 for this FTE FY27 through FY29.

Goods and services for the total 0.2 FTE are estimated at \$1,064 in FY 27, 28, and 29. 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 \$1,117 in FY 27.

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	36,909	36,909	71,584	0
Total \$			0	36,909	36,909	71,584	0

### III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		0.2	0.1	0.2	
A-Salaries and Wages		27,000	27,000	54,000	
B-Employee Benefits		7,420	7,420	14,840	
C-Professional Service Contracts					
E-Goods and Other Services		1,064	1,064	2,128	
G-Travel		308	308	616	
J-Capital Outlays		1,117	1,117		
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
<b>Total \$</b>	0	36,909	36,909	71,584	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 Appeals Judge	135,000		0.2	0.1	0.2	
<b>Total FTEs</b>			0.2	0.1	0.2	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.*



# Multiple Agency Ten-Year Analysis Summary

<b>Bill Number</b>	<b>Title</b>
1409 2S HB AMS ENET S2524.2	Clean fuels program

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

## Estimated Cash Receipts

	<b>Fiscal Year 2026</b>	<b>Fiscal Year 2027</b>	<b>Fiscal Year 2028</b>	<b>Fiscal Year 2029</b>	<b>Fiscal Year 2030</b>	<b>Fiscal Year 2031</b>	<b>Fiscal Year 2032</b>	<b>Fiscal Year 2033</b>	<b>Fiscal Year 2034</b>	<b>Fiscal Year 2035</b>	<b>2026-35 TOTAL</b>
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Ecology Partially Indeterminate Impact	631,908	483,178	280,535	160,493	160,493	160,493	160,493	160,493	160,493	160,493	2,519,072
Environmental and Land Use Hearings Office	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>631,908</b>	<b>483,178</b>	<b>280,535</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>2,519,072</b>



# Ten-Year Analysis

<b>Bill Number</b> 1409 2S HB AMS ENET S2524.2	<b>Title</b> Clean fuels program	<b>Agency</b> 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: Amy Flanigan	Phone: 509-456-3123	Date: 4/3/2025 2:16:24 pm
Agency Approval: Leah Snow	Phone: 360-586-2104	Date: 4/3/2025 2:16:24 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1409 2S HB AMS ENET S2524.2	<b>Title</b> Clean fuels program	<b>Agency</b> 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
Clean Fuels Program Fee	25Q	631,908	483,178	280,535	160,493	160,493	160,493	160,493	160,493	160,493	160,493	2,519,072
<b>Total</b>		<b>631,908</b>	<b>483,178</b>	<b>280,535</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>160,493</b>	<b>2,519,072</b>
<b>Biennial Totals</b>		<b>1,115,086</b>		<b>441,028</b>		<b>320,986</b>		<b>320,986</b>		<b>320,986</b>		<b>2,519,072</b>

## Narrative Explanation (Required for Indeterminate Cash Receipts)

The cash receipts impact under this bill is estimated to be greater than \$50,000 each year in FY 2026 and ongoing. Chapter 173-455-150 directs Ecology to calculate a fee for the Clean Fuels Program registrants that is equal to the costs to run the Clean Fuels Program.

Ecology would reflect the costs to implement this bill in each annual workload analysis and subsequent fee assessment to fund total costs to administer the Clean Fuels Program. Ecology assumes there could be indeterminate cash receipt impacts if ongoing rulemaking is necessary in FY 2030 and ongoing. Please see expenditure narrative for more information.

Ecology estimates the following revenue to be collected into the Clean Fuels Program Account:

FY 2026: \$631,908  
 FY 2027: \$483,178  
 FY 2028: \$280,535  
 FY 2029: \$160,493  
 FY 2030: \$160,493  
 FY 2031: \$160,493  
 FY 2032: \$160,493



# Ten-Year Analysis

Bill Number	Title	Agency
1409 2S HB AMS ENET S2524.2	Clean fuels program	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)

FY 2033: \$160,493  
FY 2034: \$160,493  
FY 2035: \$160,493  
FY 2036: \$160,493

Section 3 would authorize Ecology to assess penalties for violations of Chapter 173-424 and penalty revenue would be deposited into the Carbon Emissions Reduction Account. Penalty revenue is assumed to be limited, but unknown, and therefore is not estimated in this fiscal note.

Agency Preparation: Kelcy Shaffer	Phone: 564-200-3781	Date: 4/3/2025 2:15:17 pm
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 4/3/2025 2:15:17 pm
OFM Review:	Phone:	Date:



# Ten-Year Analysis

<b>Bill Number</b> 1409 2S HB AMS ENET S2524.2	<b>Title</b> Clean fuels program	<b>Agency</b> 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: 4/2/2025 3:54:10 pm
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 4/2/2025 3:54:10 pm
OFM Review:	Phone:	Date: