

Multiple Agency Fiscal Note Summary

Bill Number: 1420 2S HB	Title: Textile producers
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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 Ecology	0	0	657,390	0	0	126,802	0	0	0
Total \$	0	0	657,390	0	0	126,802	0	0	0

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
Office of Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Ecology	.7	0	0	259,393	1.2	0	0	524,799	.0	0	0	0
Environmental and Land Use Hearings Office	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.7	0	0	259,393	1.2	0	0	524,799	0.0	0	0	0

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

Estimated Capital Budget 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
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
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

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

Estimated Capital Budget Breakout

NONE

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Prepared by: Lisa Borkowski, OFM	Phone: (360) 742-2239	Date Published: Final 2/ 9/2026
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Individual State Agency Fiscal Note

Bill Number: 1420 2S HB	Title: Textile producers	Agency: 090-Office of State Treasurer
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

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

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: 02/02/2026
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 02/02/2026
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 02/02/2026
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/03/2026

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.

2SHB 1420 creates the textile and apparel coordinating organization account, coupled with the general fund as the recipient of the earnings from investments under RCW 43.79A.040(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

Bill Number: 1420 2S HB	Title: Textile producers	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact:	Phone:	Date: 02/02/2026
Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 02/04/2026
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 02/04/2026
OFM Review: Val Terre	Phone: (360) 280-3073	Date: 02/05/2026

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). SHB 1420 would have created and implemented a statewide Extended Producer Responsibility (EPR) program for textiles and apparel products. All EPR program provisions have been removed in this version, 2SHB 1420. 2SHB 1420 requires textile and apparel producers to form a Textile and Apparel Coordinating Organization (Organization) that will fund Ecology's costs. The Organization will conduct a needs assessment to evaluate whether an EPR program should be adopted in the future for textiles and apparel sold in Washington State. This bill requires Ecology to approve the needs assessment, prepare a report for the legislature, and manage an advisory council. The work in 2SHB 1420 ends in October 2028, according to Ecology's assumption, after the legislature report is submitted in September 2028. This bill has a sunset date of July 1, 2030. New legal services are nominal, and costs are not included in this request.

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.

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: 1420 2S HB	Title: Textile producers	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2026	FY 2027	2025-27	2027-29	2029-31
Textile and Apparel Coordinating Organization Account-Non-Appropriated NEW-6		657,390	657,390	126,802	
Total \$	0	657,390	657,390	126,802	0

Estimated Operating Expenditures from:

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years	0.0	1.5	0.7	1.2	0.0
Account					
Waste Reduction/Recycling/Litter Control-State 044-1	0	241,583	241,583	0	0
Textile and Apparel Coordinating Organization Account-Non-Appropriated NEW-6	0	17,810	17,810	524,799	0
Total \$	0	259,393	259,393	524,799	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:	Phone:	Date: 02/02/2026
Agency Preparation: Fahad Kazi	Phone: 564-233-9372	Date: 02/06/2026
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 02/06/2026
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/09/2026

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 SHB 1420 (2677.2), 2SHB 1420 makes the following changes that would impact Ecology:

SHB 1420 would have created and implements a statewide extended producer responsibility (EPR) program for textiles and apparel. The EPR program provisions is removed. 2SHB 1420 requires textile and apparel producers to form a Textile and Apparel Coordinating Organization (Organization). The Organization will conduct a needs assessment to evaluate whether an EPR program should be adopted in the future.

Section 1 changes the intent to better understand current and needed systems for managing textiles and apparel.

Section 2 removes and amends definitions.

Section 3 replaces the Producer Responsibility Organization with the Textile and Apparel Coordinating Organization and set registration and reporting dates for the Organization for 2027 and 2028. The PRO duties related to the EPR program are removed.

Section 4 describes the information that each Organization must share with Ecology. The PRO EPR program responsibilities are removed.

Section 5 revised the Organization needs assessment to focus on determining the steps and investment necessary for the successful implementation of an EPR program for textiles and apparel. Separately it requires Ecology to submit an evaluation of the needs assessment including a recommendation to the legislature by September 15, 2028. The PRO duties related to updating the needs assessment every five years is removed.

Sections 6 through 14 relating to PRO EPR program duties are entirely removed. Section 27 is also removed, related to amending RCW 70A.208.270.

Section 6 replaces the previous Section 10 and requires the Organization to cover all Ecology costs required to implement, administer, and enforce the chapter. Each Organization must cover Ecology costs through an initial payment on May 1, 2027 to cover costs from bill effective date to June 30, 2028. Each organization must submit a registration fee on May 1, 2028 to cover Ecology costs for fiscal year 2029.

Section 7 replaces the previous Section 14 and reflects Ecology oversight duties including determining payments for the Organization to cover costs in the initial payment. Ecology to be determine initial payment by March 15, 2027 and annual registration fee each March 15 thereafter.

Section 8 replaces the previous Section 15 and reflects Ecology's enforcement authority. Authority for Ecology to enforce compliance on the PRO, producers, and retail sale of noncompliant covered products is removed.

Section 9 replaces the previous Section 16 and requires online marketplace reporting to Ecology for sales of covered products over \$1 million.

Section 10 replaces the previous Section 17 and prohibits certain uses of Organization funds. Language referring to the PRO is replaced by the Organization.

Section 11 replaces the previous Section 18 and reflects the textiles and apparel advisory council. Language referring to the PRO is replaced by the Organization.

Section 12 replaces the previous Section 19 and reflects the confidential information request process. Language referring to the PRO is replaced by the Organization.

Section 13 replaces the previous Section 24 and reflects the textiles and apparel coordinating organization account. Language referring to the PRO is replaced by the Organization.

Section 14 replaces the previous Section 25 and reflects a conforming amendment for 43.21B.110.

Section 15 replaces the previous Section 26 and reflects a conforming amendment for 43.21B.300.

Section 16 replaces the previous Section 28 and codifies sections 1-13 in a new chapter within 70A RCW.

Section 17 sets a sunset date of July 1, 2030 for sections 1-13 of this chapter.

Section 18 replaces the previous Section 29 and establishes all valid parts of the act will remain valid, if a portion of the act becomes invalid.

Under current law, chapter 70A.205 RCW, state, county, and city governments are required to provide for safe waste management, including waste textiles and apparel. There is no specific law dictating the management of discarded textiles and apparel in Washington.

The following summarizes each section of the bill:

Section 2: Definitions – This section would define covered products as apparel or textiles. It would define producers as their initial manufacturers or sellers, while exempting second-hand retailers. It would establish Textile and Apparel Coordinating Organization (Organization) to be selected by a group of producers to fulfill the requirements of this bill.

Section 3: Organization Registration - Producers would be required to appoint an Organization by January 31, 2027. The Organization would register with Ecology by March 1, 2027. Individual producers would be able to register as Organizations. Ecology could register multiple Organizations, including individual producer registered as an Organization, by March 31, 2027, to complete a needs assessment. Additional Organizations would be able to register after January 31, 2036. The registered Organization would submit producer, brand, and covered product data to Ecology on June 15, 2027.

Section 4: Organization Responsibilities – Would require the Organization to fund the needs assessment and comply with the chapter. The Organization would be required to notify Ecology of any producer compliance issues.

Section 5: Needs Assessment - The Organization would be required to complete a needs assessment to determine the steps and investment needed for covered products (textiles and apparel) to achieve the requirements of this chapter. The needs assessment would be submitted to Ecology by March 1, 2028, for review and approval within 90 days of receipt. The Organization would have the option to hire a consultant to conduct the needs assessment. The Organization would be required to provide information required in this section with guidance from Ecology and in consultation with local stakeholders.

Section 6: Fees and Reimbursement – Would require Ecology to calculate and receive an initial payment by May 1, 2027, covering agency costs through June 30, 2028, and a subsequent registration fee by May 31, 2028, for the following fiscal year.

Section 7: Oversight – Ecology would be authorized to adopt rules but for the work required in the chapter rules will not be needed. Ecology would determine the initial annual payment by March 15, 2027, to cover the costs through June 30, 2028, due to Ecology by May 1, 2027. Ecology would determine on March 15, 2028, the Organization registration fee would submit a registration fee by May 31, 2028 for the coming fiscal year. Ecology would deposit all receipts in the new textile and apparel coordinating organization account (section 13) to be spent on actual regulatory costs.

Section 8: Enforcement – Ecology would be authorized to impose penalties on any person out of compliance of up to \$1,000 per violation per day and up to \$10,000 per violation per day for second and subsequent violations. Separately Ecology could impose penalties on any Organization up to \$50,000 per violation per day for the second and subsequent violations.

Section 9: Data handling – Online marketplaces would be required to notify Ecology and the Organization of all third party sellers with sales of covered products over \$1,000,000 sold in calendar year 2026 by June 30, 2027.

Section 11: Advisory Council – By January 31, 2027, Ecology would be required to establish an 18-member advisory council and Ecology would provide administrative and operational support for a minimum of two meetings a year. Ecology would be authorized to contract with a third-party facilitator.

Section 12: Confidential Information - Producers and Organizations would be authorized to request confidential treatment of information or records submitted to Ecology.

Section 13: Account Creation – This section would create a textile and apparel coordinating organization account. All receipts received by Ecology under this chapter would be required to be deposited into this account. Furthermore, this section would establish the legislative intent to transfer funds to whichever state account was used to implement the chapter prior to receipt of the first Organization fee in 2027, in the amount equivalent to costs incurred in that state account.

Section 18 would set an expiration date of July 1, 2030 for sections 1 through 13 of this act.

II. B - Cash receipts Impact

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

The cash receipts impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year (FY) 2027 and FY 2028 for revenue under sections 6 and 13.

Per section 6 (3), the PRO would submit an initial payment to Ecology by May 1, 2027 (FY 2027) to cover the actual and estimated costs of the department from the effective date through June 30, 2028 (FY 2028).

Per section 13 (2), Ecology would use a portion of the initial payment to reimburse the state accounts that funded the department's costs prior to the initial payment. Specifically, the majority of FY 2027 costs incurred (spanning July 1, 2026 to May 31, 2027) would be transferred to the Waste Reduction, Recycling, and Litter Control Account (WRRLCA). This transfer is not included in the cash receipts summary or the expenditure summary below.

Per section 6 (3), the PRO would submit a registration fee to cover the department's cost for the coming fiscal year (FY 2029) by May 31, 2028 (FY 2028).

Section 8 would allow Ecology to impose civil penalties for non-compliance. Section 15 would direct all penalty revenue collected under this section to be deposited into the Model Toxics Control Operating Account. Penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.

Section 13 would create a Textile and Apparel Coordinating Organization Account (TACO) where all receipts collected under this chapter would be deposited.

Estimated TACO Revenue:

FY 2027: \$657,390

FY 2028: \$126,802

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.

Ecology assumes the costs associated with implementing this bill would be greater than \$50,000 per fiscal year in FY 2027 through FY 2029 for the work detailed below.

Ecology assumes the costs to implement this bill would initially be funded out of Waste Reduction, Recycling, and Litter Control Account (WRRLCA) until June 30, 2027 (FY 2027) when the initial payment from PRO is received. Per section 24, WRRLCA would be reimbursed for its costs via transfer. Beginning July 1, 2027, expenditures would come out of Textile Extended Producer Responsibility Account (TEPRA) (FY 2028 and ongoing).

PROGRAM ADMINISTRATION AND OVERSIGHT (Sections 3, 4, 5, 6, 7, 8, 9, 11, 12)

General Oversight and Administration

Ecology assumes technical assistance would be required to field questions from the Organization, program partners, and the public and to provide support and guidance. Ecology assumes technical assistance for the Organization and interested parties would occur immediately after the bill passage (FY 2027) and continue until September 2028 (FY 2029).

Sections 3, 4, 6, and 7 would require Ecology to estimate costs to implement, administer, and enforce this chapter from bill effective date through September 2028. The Organization would be required to pay an initial payment by May 1, 2027, and a registration fee by May 1, 2028, to Ecology to cover agency costs from bill effective date to September 2028.

Ecology estimates that the administration and technical assistance work would require 0.40 FTE Environmental Planner 4 (EP-4) in FY 2027, 0.40 FTE EP-4 FY 2028 and 0.2 FTE EP-4 in FY 2029.

Ecology estimates the calculation of program implementation, administration and enforcement costs would require 0.04 Budget Analyst 4 (BA-4) FTE in FY 2027 and 0.02 FTE in FY 2028 to estimate costs and circulate incurred expenditure information to the PRO.

Needs Assessment Review and Approval

Section 5 would require the Organization to complete a needs assessment to determine the steps and investment needed for covered products and achieving the requirements of this chapter. The bill would require the Organization to submit the needs assessment to Ecology by March 1, 2028 (FY 2028), for review and approval.

Ecology estimates 0.25 FTE EP-4 in FY 2027 and FY 2028 would be required to provide guidance to the Organization during development of the needs assessment and review the submitted needs assessment for approval.

Legislative Report

Section 5 would require Ecology to prepare an evaluation of EPR programs, identify best practices for an EPR program for textiles and apparel and submit a report to the legislature by September 15, 2028 (FY 2029).

Ecology assumes a contractor would provide consulting, technical expertise, research, outreach, and assistance in the EPR program evaluations and best practices for a textiles and apparel EPR program. Contract costs would be aggregated under Professional Service Contracts (Object C). Ecology estimates contract costs to be \$100,000 in FY 2028.

An Environmental Specialist 5 (ES-5) would lead the legislative report writing effort, manage consultant contracts, and oversee legislative report writing completion, with an estimate workload of 0.15 FTE in FY 2028, and 0.10 FTE in FY 2029.

An Environmental Specialist 3 (ES-3) would provide guidance, subject matter expertise, review report, and offer feedback, with an estimate workload of 0.10 FTE in FY 2028, and 0.05 FTE in FY 2029.

A Communication Consultant 5 (CC-5) would review communications for content clarity and key messages, with an estimate workload of 0.05 FTE in FY 2028 and FY 2029.

A Communication Consultant 2 (CC-2) would review communications for plain talk and accessibility, with an estimate workload of 0.05 FTE in FY 2028 and FY 2029.

An Environmental Planner 5 (EP-5) would advise the project lead and coordinate with the agency Governmental Relations Office, with an estimate workload of 0.05 FTE in FY 2028 and FY 2029.

Online Marketplace

Section 9 would require Ecology to conduct outreach to online marketplaces to inform them of the reporting requirement. Technical assistance would be required in FY 2027 to inform online marketplaces and identify the sellers of over \$1 million in covered products in calendar year 2026. Ecology assumes the seller's information would be provided in email or other correspondence and not require development of a database for this single reporting requirement.

Ecology estimates 0.20 FTE EP-4 in FY 2027 would be required to identify online marketplaces, provide technical assistance, and receive reports of the sellers of over \$1 million in covered products.

Enforcement

Section 8 would establish penalty provisions and authorize Ecology to conduct enforcement on any person out of compliance with the requirements of the chapter. Producers would be required to join the Organization by June 1, 2027. Ecology assumes some enforcement efforts would be required to ensure regulated producers join the Organization.

Ecology assumes the purpose of the penalty is to ensure compliance and that Ecology would issue warning letters and provide technical assistance to gain compliance. Ecology assumes minimal enforcement actions of just two warning letters per year. Ecology assumes enforcement guidance would be necessary.

Since the Organization's primary duty of submitting the needs assessment ends on March 1, 2028, Ecology assumes no enforcement would be necessary from FY 2029 until the Act expires on July 1, 2030.

Ecology estimates 0.15 FTE EP-4 in FY 2027 to develop an enforcement guidance document and 0.05 FTE EP-4 in FY 2028 to ensure compliance with the requirements of the chapter and conduct enforcement activities.

Advisory Council

Section 11 would require Ecology to establish the advisory council by January 31, 2027 (FY 2027). Ecology would consult with this advisory council. The work to establish the council would be conducted by Ecology through solicitation of potential members in October 2026 (FY 2027). Facilitation of the council would be conducted by a third-party facilitator hired and overseen by Ecology.

Since the advisory council's primary role is to guide the needs assessment and legislative report, Ecology expects meetings to cease after Ecology's submittal of reports to the legislature on September 15, 2028 (FY 2029), rather than continuing twice-yearly until the Act expires on July 1, 2030.

Beginning in FY 2027, Ecology would solicit for council membership, contract for the third-party facilitator, manage the facilitator contract, help plan and attend council meetings, and provide other staff support to the council. Ecology assumes the advisory council would meet quarterly until September 2028.

Ecology anticipates the level of effort to convene and manage this advisory council would be similar to the plastic stakeholder effort conducted in 2021 (ESSB 5022, section 9, 2021 legislative session). Ecology estimates 0.25 FTE EP-4 in FY 2027 and 0.25 FTE EP-4 in FY 2028 and 0.15 FTE EP-4 in FY 2029.

Ecology assumes a contract with a professional facilitator would be required to coordinate council meetings, set agendas, schedule meetings, prepare materials, take notes, prepare council comments on Ecology and Organization activities, and assist the council in development of the bylaws and charter. The facilitator would work with the council members to provide comments and recommendations to Ecology and the Organization the development of the needs assessment and Ecology prepared plans report to the legislature. Ecology assumes all advisory council meetings would be held remotely. Ecology assumes the facilitator would provide reimbursement for lived experience required in Section 109 and according to the HEAL Act (RCW 70A.02).

Ecology assumes quarterly meetings would be required through the duration of advisory council oversight, from January 2027 to August 2028 to provide review and comment. The advisory council would meet at least 7 times over that period. Ecology estimates the cost of this professional services contract would be \$15,000 per advisory council meeting and assumes \$30,000 in FY 2027 (2 meetings), \$60,000 in FY 2028 (four meetings), and \$15,000 in FY 2030 (one meeting). These meetings would be held virtually, eliminating the need for travel reimbursement for staff and space rental expenses.

Office of Attorney General

The Office of Attorney General assumes their costs to provide guidance regarding the implementation of their bill are insignificant and, therefore, not estimated in this fiscal note.

SUMMARY: The 6-year expenditure impact on Ecology under this bill is estimated to be \$679,191. Details by component are listed below:

General Oversight and Administration is estimated to require:

FY 2027: \$78,026 and 0.51 FTEs

FY 2028: \$74,629 and 0.48 FTEs

FY 2029: \$35,616 and 0.23 FTEs

Needs Assessment Review and Approval is estimated to require:

FY 2027: \$44,519 and 0.29 FTEs

FY 2028: \$44,520 and 0.29 FTEs

Legislative Report is estimated to require:

FY 2028: \$165,423 and 0.46 FTEs

FY 2029: \$49,474 and 0.35 FTEs

Online Marketplace is estimated to require:

FY 2027: \$35,617 and 0.23 FTEs

Enforcement is estimated to require:

FY 2027: \$26,712 and 0.17 FTEs

FY 2028: \$8,905 and 0.06 FTEs

Advisory Council is estimated to require:

FY 2027: \$74,519 and 0.29 FTEs

FY 2028: \$104,520 and 0.29 FTEs

FY 2029: \$41,712 and 0.17 FTEs

Total expenditures and FTE per fiscal year (FY) are:

FY 2027: \$259,394 and 1.48 FTEs

FY 2028: \$397,997 and 1.58 FTEs
 FY 2029: \$126,802 and 0.75 FTEs

Notes on costs by object:

Salary estimates are current biennium actual rates at Step L.

Benefits are the agency average of 31.3% of salaries.

Goods and Services are the agency average of \$5,531 per direct program FTE and also include off-site meeting space rental cost to support rulemaking.

Contracts includes consulting costs for legislative reporting.

Travel is the agency average of \$1,931 per direct program FTE.

Equipment is the agency average of \$605 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 28.85% of direct program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT App Development - Journey.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2026	FY 2027	2025-27	2027-29	2029-31
044-1	Waste Reduction/Recycling /Litter Control	State	0	241,583	241,583	0	0
NEW-6	Textile and Apparel Coordinating Organization Account	Non-Appropriated	0	17,810	17,810	524,799	0
Total \$			0	259,393	259,393	524,799	0

III. B - Expenditures by Object Or Purpose

	FY 2026	FY 2027	2025-27	2027-29	2029-31
FTE Staff Years		1.5	0.7	1.2	
A-Salaries and Wages		129,441	129,441	197,124	
B-Employee Benefits		40,516	40,516	61,701	
C-Professional Service Contracts		30,000	30,000	175,000	
E-Goods and Other Services		7,135	7,135	11,177	
G-Travel		2,491	2,491	3,905	
J-Capital Outlays		780	780	1,221	
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Administrative Overhead		49,030	49,030	74,671	
Total \$	0	259,393	259,393	524,799	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
BUDGET ANALYST 4	95,680		0.0	0.0	0.0	
COMMUNICATIONS CONSULTANT 2	67,699				0.1	
COMMUNICATIONS CONSULTANT 5	98,067				0.1	
ENVIRONMENTAL PLANNER 4	100,490		1.3	0.6	0.7	
ENVIRONMENTAL PLANNER 5	110,956				0.1	
ENVIRONMENTAL SPEC 3	78,507				0.1	
ENVIRONMENTAL SPEC 5	100,490				0.1	
FISCAL ANALYST 2			0.1	0.1	0.1	
IT APP DEVELOPMENT-JOURNEY			0.1	0.0	0.1	
Total FTEs			1.5	0.8	1.2	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.

Individual State Agency Fiscal Note

Revised

Bill Number: 1420 2S HB	Title: Textile producers	Agency: 468-Environmental and Land Use Hearings Office
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact:	Phone:	Date: 02/02/2026
Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 02/06/2026
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 02/06/2026
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/09/2026

Part II: Narrative Explanation

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

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

This bill creates a new chapter RCW for the purpose of gathering information to be used towards establishing a future statewide responsibility program for apparel and textile articles. Sec. 1. It creates and uses textile and apparel coordinating organizations (COs) to manage producers of those items. There is likely to be only one CO, unless a producer chooses to act as its own CO. Thus, the number of regulated entities is expected to be few. The program will require COs to register with Ecology, pay fees, and conduct a needs assessment. Registration and fee requirements will begin in mid-2027. Sec. 3. The needs assessment(s) must be submitted by March 2028. Sec. 5.

Sec. 8 – Ecology may assess penalties for violations/lack of compliance and may issue orders. These penalties and orders can be appealed to the Pollution Control Hearings Board (PCHB). The grant of authority is memorialized by updating RCW 43.21B.110 and RCW 43.21B.300. Sec. 14; Sec. 15.

This bill is different from previous versions in that it does not create producer responsibility organizations (PRO) that need to register with Ecology, pay fees, submit plans, and meet performance targets. Instead, this version of the bill creates a program for preliminary gathering of information that might then be used in a future PRO program.

The Environmental and Land Use Hearings Office (ELUHO) anticipates little to no impact to the PCHB as a result of this bill because the only appealable actions would come from a very small number of regulated entities and regard only registration, fees, and whether the CO has conducted the needs assessment. This is unlike PRO programs in that there is no provision for program plan approvals/denials and ongoing compliance with those plans. Any appeals are expected to be low in number and complexity and will regard penalties and orders relating to registration/fees/completion of assessments. ELUHO assumes the PCHB can complete any such appeals within existing 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.

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: 1420 2S HB

Title: Textile producers

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

Legislation Impacts:

Cities: Cities have the option to participate.

Counties: Same as above.

Special Districts:

Specific jurisdictions only:

Variance occurs due to:

Part II: Estimates

No fiscal impacts.

Expenditures represent one-time costs:

Legislation provides local option: Allows local jurisdictions to participate in the producer responsibility program if they choose.

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: Kate Fernald	Phone: 564-200-3519	Date: 02/05/2026
Leg. Committee Contact:	Phone:	Date: 02/02/2026
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/05/2026
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 02/06/2026

Part IV: Analysis

A. SUMMARY OF BILL

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

The proposed legislation would allow local jurisdictions to participate in a producer responsibility program if they choose, and require an organization to complete a needs assessment for the management of apparel and textile products.

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 proposed legislation would not impact local government expenditures because it would establish local options.

The proposed legislation would allow local jurisdictions to provide feedback for needs assessments in consultation with producer responsibility organizations for the management of apparel and textile products. While local governments would not be required to complete the assessment, nor be responsible for the costs of the assessment, the Washington State Association of Counties (WSAC) reports that most counties would incur varying levels of additional administrative effort to provide data to producer responsibility organizations for the assessments. The time required, however, is unknown and would vary by county, according to WSAC. Because the proposed legislation would establish the option for counties to provide this data, the proposed legislation would have no impact on local government expenditures.

Please note that local jurisdictions would also be allowed to request one or more collection sites where the proposed legislation's covered products could be collected and prepared for transport, but the producer responsibility program would be responsible for the cost of the site(s), not the local jurisdictions.

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 proposed legislation would not impact local government revenue.

SOURCES:

HB 1420 (2025) Local Government Fiscal Note

Washington State Association of Counties



Multiple Agency Ten-Year Analysis Summary

Bill Number 1420 2S HB	Title Textile producers
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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
Office of Attorney General	0	0	0	0	0	0	0	0	0	0	0
Department of Ecology	0	657,390	126,802	0	0	0	0	0	0	0	784,192
Environmental and Land Use Hearings Office	0	0	0	0	0	0	0	0	0	0	0
Total	0	657,390	126,802	0	0	0	0	0	0	0	784,192



Ten-Year Analysis

Bill Number 1420 2S HB	Title Textile producers	Agency 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											

Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 2/2/2026 3:54:23 pm
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 2/2/2026 3:54:23 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 2S HB	Title Textile producers	Agency 100 Office of Attorney General
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code											

Agency Preparation: Cassandra Jones	Phone: 360-709-6028	Date: 2/4/2026 3:32:53 pm
Agency Approval: Joe Zawislak	Phone: 360-586-3003	Date: 2/4/2026 3:32:53 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 2S HB	Title Textile producers	Agency 461 Department of Ecology
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	Fiscal Year 2034	Fiscal Year 2035	2026-35 TOTAL
Textile and Apparel Coordinating Fee	NEW		657,390	126,802								784,192
Total			657,390	126,802								784,192
Biennial Totals		657,390		126,802								784,192

Narrative Explanation (Required for Indeterminate Cash Receipts)

The cash receipts impact to Ecology under this bill is estimated to be greater than \$50,000 in Fiscal Year (FY) 2027 and FY 2028 for revenue under sections 6 and 13.

Per section 6 (3), the PRO would submit an initial payment to Ecology by May 1, 2027 (FY 2027) to cover the actual and estimated costs of the department from the effective date through June 30, 2028 (FY 2028).

Per section 13 (2), Ecology would use a portion of the initial payment to reimburse the state accounts that funded the department's costs prior to the initial payment. Specifically, the majority of FY 2027 costs incurred (spanning July 1, 2026 to May 31, 2027) would be transferred to the Waste Reduction, Recycling, and Litter Control Account (WRRLCA). This transfer is not included in the cash receipts summary or the expenditure summary below.

Per section 6 (3), the PRO would submit a registration fee to cover the department's cost for the coming fiscal year (FY 2029) by May 31, 2028 (FY 2028).

Section 8 would allow Ecology to impose civil penalties for non-compliance. Section 15 would direct all penalty revenue collected under this section to be deposited into the Model Toxics Control Operating Account. Penalties are assumed to be limited, but unknown, and therefore are not estimated in this fiscal note.



Ten-Year Analysis

Bill Number 1420 2S HB	Title Textile producers	Agency 461 Department of Ecology
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp> .

Narrative Explanation (Required for Indeterminate Cash Receipts)

<p>Section 13 would create a Textile and Apparel Coordinating Organization Account (TACO) where all receipts collected under this chapter would be deposited.</p> <p>Estimated TACO Revenue: FY 2027: \$657,390 FY 2028: \$126,802</p>
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Agency Preparation: Fahad Kazi	Phone: 564-233-9372	Date: 2/6/2026 5:47:46 pm
Agency Approval: Garret Ward	Phone: 360-789-7938	Date: 2/6/2026 5:47:46 pm
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 1420 2S HB	Title Textile producers	Agency 468 Environmental and Land Use Hearings Office
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Name of Tax or Fee	Acct Code											

Agency Preparation: Dominga Soliz	Phone: 3606649173	Date: 2/6/2026 9:06:00 am
Agency Approval: Dominga Soliz	Phone: 3606649173	Date: 2/6/2026 9:06:00 am
OFM Review:	Phone:	Date: