

Multiple Agency Fiscal Note Summary

Bill Number: 1086 HB	Title: Impact statements/two years
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Transportation	.0	0	0	.0	0	0	.0	0	0
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.								
State Parks and Recreation Commission	.0	0	0	.0	0	0	.0	0	0
Department of Fish and Wildlife	.0	0	0	.0	0	0	.0	0	0
Department of Natural Resources	.0	0	0	.0	0	0	.0	0	0
Total	0.0	\$0	\$0	0.0	\$0	\$0	0.0	\$0	\$0

Local Gov. Courts *									
Loc School dist-SPI									
Local Gov. Other **	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Impact

NONE

Prepared by: Linda Steinmann, OFM	Phone: 360-902-0573	Date Published: Final 1/18/2017
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 44772

Individual State Agency Fiscal Note

Bill Number: 1086 HB	Title: Impact statements/two years	Agency: 461-Department of Ecology
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

Estimated Capital Budget Impact:

NONE

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

Check applicable boxes and follow corresponding instructions:

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

Legislative Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/10/2017
Agency Preparation: Jessica Moore	Phone: 360-407-6994	Date: 01/17/2017
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 01/17/2017
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 01/17/2017

Part II: Narrative Explanation

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

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

Under current law, the State Environmental Policy Act (SEPA), RCW 43.21C, provides a way to identify possible environmental impacts that may result from governmental decisions.

RCW 43.21C.033 requires that the SEPA threshold determination be made within 90 days after the application and supporting documentation are complete. (A threshold determination means the decision by the responsible office of the lead agency as to whether or not an Environmental Impact Statement (EIS) is required for a proposal that is not categorically exempt.)

If there is an EIS required, then the time it takes to complete the EIS is dependent on the complexity of the project and the degree of public interest. There is no set deadline for completing the EIS.

This bill would require lead agencies under the State Environmental Policy Act (43.21C RCW) to attempt to complete environmental impact statements within two years, wherever possible.

Section 1 states the intent of the legislature would be to promote more timely completion of state environmental policy act processes, including analysis of environmental impacts.

Section 2 would amend the State Environmental Policy Act (43.21C RCW) to require a lead agency to aspire to prepare a final impact statement as quickly as possible, within 24 months of a threshold determination. Lead agencies would be required to submit a brief report to the legislature no later than 30 days after the 24 months aspirational time goal to explain the mitigating circumstances, estimate date of completion, and a plan of action to ensure future environmental impact statements are prepared within 24 months.

Ecology assumes no rulemaking to the State Environmental Policy Act (SEPA) Rules (Chapter 197-11 WAC) would be required. The new section to the State Environmental Policy Act (43.21C RCW) would not conflict with existing rule language.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Statewide, cities, counties, state agencies and special districts such as ports and school districts are the lead agency for preparing environmental impact statements. Each year statewide, the process is started by different lead agencies for approximately 27 environmental impact statements on average. The amount of time to complete an environmental impact statement varies. On average, 18 environmental impact statements are completed each year. Some proposals do not move forward due to factors external to the environmental impact statement process.

Statewide, Ecology assumes that some environmental impact statement processes will not meet the 2-year goal and those lead agencies would need to provide a report to the legislature.

Over the last six years, Ecology started the process for approximately two environmental impact statements each year. Approximately half are for governmental proposals (such as rulemaking, plans, or projects) and half are for private project proposals.

Ecology estimates that some future EIS's for projects where Ecology is lead agency will be so complex that they will not meet the 2-year goal and that a report to the legislature would need to be provided to the legislature. The length of an EIS process is dependent on many factors, some of which include level of public interest, number of comments, complexity of the proposal, and level of contention. Ecology cannot predict which factors will be present in future projects. Due to the unique nature of each proposed project over the last six years, past projects are not a good predictor of future projects. Therefore, there is no basis for estimating how many environmental impact statements would not meet the two year goal and therefore no basis for estimating in which years legislative reports would need to be written, or how many would be required. Therefore, expenditures to implement this bill are indeterminate.

Based on previous experience with writing legislative reports, Ecology estimates that 40 hours of staff time (Environmental Planner 5) would be required to write each brief report, as required by section 2. Given that Ecology only starts the process for approximately two environmental impact statements each year, Ecology estimates that the number would be low. Depending on competing work demands, the effort required might be accomplished with existing resources , with some delay in progress on the EIS.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1086 HB	Title: Impact statements/two years
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Cities failing to complete environmental impact statements within 24 months
- Counties: Counties failing to complete environmental impact statements within 24 months
- Special Districts: Special districts failing to complete environmental impact statements within 24 months
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: Annual average number of environmental impact statement processes NOT complete within 24 months

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Larry Leveen	Phone: 360-725-5030	Date: 01/17/2017
Leg. Committee Contact: Jacob Lipson	Phone: 360-786-7196	Date: 01/10/2017
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 01/17/2017
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 01/18/2017

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

This bill requires lead agencies failing to complete an environmental impact statement (EIS) within 24 months to submit a report to the Legislature. The report must address why the lead agency failed to meet the time limit, when the tardy environmental impact statement will be completed, and how the agency will ensure that future environmental impact statements will not exceed the 24-month time limit.

BACKGROUND:

An EIS is a document required by the National Environmental Policy Act (NEPA) and State Environmental Policy Act (SEPA) for certain actions "significantly affecting the quality of the human environment." The agency that completes an EIS process is known as a "lead agency."

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

The cost of complying with this legislation are indeterminate but potentially minor. No estimate is available for the average length of time local government lead agencies take to complete EIS processes or how often they exceed the 24-month time limit this bill would set.

Approximately 27 EISs are initiated annually in Washington state, according to the Department of Ecology. On average, 18 are completed each year. Some EISs are never completed because the proposals requiring them are cancelled or do not move forward for other factors external to the EIS review process.

REPORT COSTS

A local government planning administrator estimated that this type of report would take 20-40 person-hours to write, plus some administrative time to format, proof, and transmit to the Legislature. Compensation data prepared by the Local Government Fiscal Note Program indicates the average hourly wage for professional staff is \$31. Therefore, the cost of each report could range from \$620-1,240 plus administrative costs.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

There are no anticipated cash receipts associated with this bill.

SOURCES:

Washington State Department of Ecology

City of Olympia

Local Government Fiscal Note Program Compensation Estimates

United States Environmental Protection Agency

US Department of Labor